



**Brisa – Concessão Rodoviária, S.A.**  
(incorporated with limited liability under the laws of Portugal)  
**Euro 3,000,000,000**  
**Euro Medium Term Note Programme**  
**Base Prospectus**

Under this Euro 3,000,000,000 Euro Medium Term Note Programme (the “**Programme**”), Brisa - Concessão Rodoviária, S.A. (the “**Issuer**” or the “**Concessionaire**”) may from time to time issue notes (the “**Notes**”) denominated in any currency agreed between the Issuer and the relevant Dealer or Dealers (as defined below) subject to applicable legal and regulatory central bank and securities authority requirements.

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed Euro 3,000,000,000 (or its equivalent in other currencies calculated as described herein), subject to increase as described herein.

Application has been made to the *Commission de Surveillance du Secteur Financier* (the “**CSSF**”) in its capacity as competent authority under the Luxembourg Act dated 10 July 2005 on prospectuses for securities (*loi relative aux prospectus pour valeurs mobilières*) to approve this document as a base prospectus in relation to the Issuer. The CSSF assumes no undertaking as to the economical and financial soundness of the information contained herein and the quality or solvency of the Issuer, pursuant to the provisions of article 7(7) of the Luxembourg Law dated 10 July 2005 on prospectuses for securities (implementing Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 and amendment thereto, including Directive 2010/73/EU (the “**Prospectus Directive**”). Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Bourse de Luxembourg, which is the regulated market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange. The Bourse de Luxembourg is a regulated market for the purposes of Directive 2004/39/EC. This base prospectus (the “**Base Prospectus**”) comprises a base prospectus for the purposes of article 5(4) of the Prospectus Directive.

The Notes will be issued in dematerialised book-entry form (*forma escritural*) integrated in and held through Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. (“**Interbolsa**”), as operator of the Portuguese central securities clearing system (*Central de Valores Mobiliários* or “**CVM**”) and can either be registered notes (*nominativas*) (in which case Interbolsa, at the request of the Issuer, can ask the Affiliate Members of Interbolsa for information regarding the identity of the Noteholders and transmit such information to the Issuer) or bearer notes (*ao portador*) (in which case Interbolsa cannot inform the Issuer of the identity of the Noteholders). CVM currently has links in place with Euroclear Bank S.A./N.V. (“**Euroclear**”) and Clearstream Banking, société anonyme, Luxembourg (“**Clearstream**”) through accounts held by Euroclear and Clearstream with the Affiliate Members of Interbolsa (as described below).

The Notes will benefit from security granted by the Issuer and Brisa – Concessão Rodoviária, SGPS, S.A. (the “**Parent**”) in the terms set out in the Terms and Conditions of the Notes. In particular, investors should also see, in particular the section “*Overview of Certain Transaction Documents – Security Agreement*”.

The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.

The Notes have not and will not be registered under the United States Securities Act of 1933 (the “**Securities Act**”) and, subject to certain exceptions, may not be offered, sold or delivered within the United States or to or for the account or benefit of, U.S. persons.

An investment in the Notes involves certain risks. For discussion of these risks, see “*Risk Factors*” beginning on page 18 of this Base Prospectus. Investors should see, in particular, the “*Terms and Conditions of the Notes*” beginning on page 126 and “*Taxation*” beginning on page 171 in respect of procedures to be followed to receive payments under the Notes (as defined below). Noteholders are required to take affirmative action as described herein in order to receive payments on the Notes free from Portuguese withholding tax. Noteholders must rely on the procedures of Interbolsa to receive payments under the Notes.

Series of Notes to be issued under the Programme will be rated or unrated. Where a Series of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to any Notes already issued. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under Regulation (EC) No. 1060/2009, as amended (the “**CRA Regulation**”) and stated in the list of credit rating agencies registered with the European Securities and Market Association (“**ESMA**”) and published on [www.esma.europa.eu](http://www.esma.europa.eu), will be disclosed in the Final Terms. Any ratings ascribed to the Notes reflect only the views of Moody’s Investors Service Limited

(“**Moody’s**”), Standard & Poor’s Credit Market Services Europe Limited (“**Standard & Poor’s**” or “**S&P**”) and Fitch Ratings Limited (“**Fitch**” and, together with Moody’s and Standard & Poor’s, the “**Rating Agencies**”). **A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning Rating Agency.**

*Arranger*

Barclays

*Dealers*

Banco Bilbao Vizcaya Argentaria, S.A.

Banco Popular Portugal, S.A.

Barclays

Caixa – Banco de Investimento

Deutsche Bank

Millennium Investment Banking

Banco BPI, S.A.

Banco Santander Totta, S.A.

BNP PARIBAS

Citigroup

Haitong Bank

Société Générale Corporate and Investment Banking

The date of the Base Prospectus is 16 November 2016.

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## SUMMARY

Summaries are made up of disclosure requirements known as “Elements”. These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of “Not Applicable”.

Section A – Introduction and Warnings		
<b>A.1</b>	<b>Introduction</b>	<p>Warning that:</p> <ul style="list-style-type: none"> <li>• <i>this summary should be read as an introduction to this Base Prospectus;</i></li> <li>• <i>any decision to invest in the Notes should be based on a consideration of this Base Prospectus as a whole by the investor;</i></li> <li>• <i>where a claim relating to the information contained in this Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating this Base Prospectus before the legal proceedings are initiated; and</i></li> <li>• <i>civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus or it does not provide, when read together with the other parts of this Base Prospectus, key information in order to aid investors when considering whether to invest in such Notes.</i></li> </ul>
<b>A.2</b>	<b>Consent</b>	<p><i>[The Issuer and the Parent consent to the use of this Base Prospectus in connection with a public offer of the Notes, in Luxembourg and in Portugal, by any financial intermediary which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC, as amended) and accept responsibility for the content of this Base Prospectus on the following basis:</i></p> <p style="margin-left: 20px;"><i>(a) the relevant public offer must occur during the period from and including [●] to but excluding [●] (the “Offer Period”);</i></p> <p style="margin-left: 20px;"><i>(b) the relevant dealer must satisfy the following conditions: [●].]</i></p> <p><i>[The Issuer and the Parent consent to the use of this Base Prospectus in connection with a public offer of the Notes by [●] on the following basis:</i></p> <p style="margin-left: 20px;"><i>(a) the relevant public offer must occur during the period from and including [●] to but excluding [●] (the “Offer Period”);</i></p> <p style="margin-left: 20px;"><i>(b) the relevant dealer must satisfy the following conditions: [●].]</i></p> <p><i>[An investor intending to acquire or acquiring any Notes from a manager will do so, and offers and sales of the Notes to an investor by a manager will be made, in accordance with any terms and other arrangements in place between such manager and such investor including as to price, allocation, settlement arrangements and any expenses or taxes to be charged to the investor (the “Terms and Conditions of</i></p>

		<p><i>the Public Offer”).</i></p> <p><i>The Issuer and the Parent will not be a party to any such arrangements with investors (other than managers) in connection with the offer or sale of the Notes and, accordingly, this Base Prospectus and any Final Terms will not contain such information. The Terms and Conditions of the Public Offer and a statement that the use of this Base Prospectus is in accordance with the consent and with the relevant conditions shall be provided to the investors at the time of the offer and disclosed by that manager on its website at the relevant time. The Issuer, the Parent or any of the other managers have no responsibility or liability for such information. Any new information with respect to the managers unknown at the time of the approval of the Base Prospectus will be published by that offeror on its website at the relevant time.]</i></p>
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Section B – Issuer and Guarantor		
<b>B.1</b>	<b>Legal name of the Issuer</b>	Brisa – Concessão Rodoviária, S.A. (“ <b>BCR</b> ” or the “ <b>Issuer</b> ”)
	<b>Commercial name of the Issuer</b>	BCR
<b>B.2</b>	<b>Domicile, legal form, legislation and country of incorporation of the Issuer</b>	Brisa - Concessão Rodoviária, S.A. is a limited liability company registered and incorporated in Portugal, under Portuguese law, and with head office at Quinta da Torre da Aguilha, Edifício Brisa, 2785-599 São Domingos de Rana, Portugal.
<b>B.4.b</b>	<b>Trends</b>	On the back of a more stable macroeconomic environment in Portugal and better conditions in credit markets, BCR’s operational and financial activity during the year 2016 has been positive and has allowed BCR to access financial markets at a reasonable cost. Under supportive borrowing conditions fostered by the European Central Bank’s quantitative easing programmes, BCR will continue to search for efficient solutions to meet its funding requirements.
<b>B.5</b>	<b>The Group</b>	<p>The Issuer is directly and wholly owned by Brisa - Concessão Rodoviária, SGPS, S.A. (the “<b>Parent</b>” or the “<b>Guarantor</b>”), which is controlled by Brisa – Auto-Estradas de Portugal, S.A. (“<b>Brisa</b>”) – the former concessionaire and currently the parent company for a group of companies (the “<b>Brisa Group</b>”).</p> <p>In 2009, the Brisa Group started a corporate reorganisation process that was concluded in December 2010. This reorganisation involved the transfer of the concession (the “<b>Main Concession</b>”) granted pursuant to the concession agreement as approved by the Ministerial Order no. 198-B/2008, of 31 December 2008 (the “<b>Concession Contract</b>”) from Brisa to the Issuer, which was at the time a wholly owned subsidiary of Brisa. The corporate debt of Brisa was transferred to the Issuer at the same time as the transfer of the Main Concession.</p> <p>Following these transfers, Brisa transferred the shares it held in the share capital of the Issuer to a newly incorporated holding company, Brisa Participações, SGPS, S.A.</p>

		<p>(which merged into Brisa in December 2014), which subsequently transferred its shares in the share capital of the Issuer to the Parent.</p> <p>In June 2015, Brisa sold 4 stakes representing, in aggregate, 30 per cent. of the Parent's share capital and voting rights to a group of Portuguese and Brazilian investors. As a result of this sale, the share capital and voting rights of the Parent and, consequently, of the Issuer, ceased to be fully owned, directly and indirectly, by Brisa, which currently holds 70 per cent. of the Parent's share capital and voting rights.</p>																																																																												
<b>B.9</b>	<b>Profit Forecast or Estimate</b>	Not Applicable. The Issuer does not make a public profit forecast or estimate.																																																																												
<b>B.10</b>	<b>Audit Report Qualifications</b>	Not Applicable. There are no qualifications in the audit reports on the historical financial information of the Issuer.																																																																												
<b>B.12</b>	<b>Selected Key Financial Information</b>	<p>These financial highlights have been extracted without material adjustment from the audited financial statements of the Issuer for the years ended 31 December 2014 and 31 December 2015 and from the unaudited financial statements of the Issuer for the six month period ended 30 June 2016, prepared in accordance with the IFRS-EU:</p> <p style="text-align: center;"><u>BRISA - CONCESSÃO RODOVIÁRIA, S.A.</u></p> <p style="text-align: center;"><u>INFORMATION FROM THE STATEMENTS OF FINANCIAL POSITION</u></p> <p style="text-align: center;">(Amounts expressed in Euros)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="text-align: right; border-bottom: 1px solid black;">30.06.2016</th> <th style="text-align: right; border-bottom: 1px solid black;">31.12.2015</th> <th style="text-align: right; border-bottom: 1px solid black;">31.12.2014</th> </tr> </thead> <tbody> <tr> <td><b>Assets:</b></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Intangible assets</td> <td style="text-align: right;">2,547,948,703</td> <td style="text-align: right;">2,602,666,697</td> <td style="text-align: right;">2,712,921,458</td> </tr> <tr> <td>Cash and cash equivalents</td> <td style="text-align: right;">526,062,867</td> <td style="text-align: right;">227,613,789</td> <td style="text-align: right;">339,363,079</td> </tr> <tr> <td>Deferred tax assets</td> <td style="text-align: right;">57,220,950</td> <td style="text-align: right;">53,922,742</td> <td style="text-align: right;">51,952,030</td> </tr> <tr> <td>Other assets</td> <td style="text-align: right;">42,859,043</td> <td style="text-align: right;">43,092,936</td> <td style="text-align: right;">50,900,335</td> </tr> <tr> <td><b>Total assets</b></td> <td style="text-align: right; border-top: 1px solid black;"><b>3,174,091,563</b></td> <td style="text-align: right; border-top: 1px solid black;"><b>2,927,296,164</b></td> <td style="text-align: right; border-top: 1px solid black;"><b>3,155,136,902</b></td> </tr> <tr> <td><b>Shareholders' equity:</b></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Share capital</td> <td style="text-align: right;">75,000,000</td> <td style="text-align: right;">75,000,000</td> <td style="text-align: right;">75,000,000</td> </tr> <tr> <td>Supplementary capital contributions</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> <td style="text-align: right;">126,302,678</td> </tr> <tr> <td>Share premiums</td> <td style="text-align: right;">246,444,809</td> <td style="text-align: right;">309,444,809</td> <td style="text-align: right;">354,744,809</td> </tr> <tr> <td>Legal and other reserves</td> <td style="text-align: right;">13,830,094</td> <td style="text-align: right;">10,895,946</td> <td style="text-align: right;">129,516,081</td> </tr> <tr> <td>Net profit</td> <td style="text-align: right;">26,724,883</td> <td style="text-align: right;">79,481,522</td> <td style="text-align: right;">41,836,241</td> </tr> <tr> <td>Total shareholders' equity</td> <td style="text-align: right; border-top: 1px solid black;"><b>361,999,786</b></td> <td style="text-align: right; border-top: 1px solid black;"><b>474,822,277</b></td> <td style="text-align: right; border-top: 1px solid black;"><b>727,399,809</b></td> </tr> <tr> <td><b>Liabilities:</b></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Loans</td> <td style="text-align: right;">2,507,861,320</td> <td style="text-align: right;">2,157,570,955</td> <td style="text-align: right;">2,137,928,704</td> </tr> <tr> <td>Other liabilities</td> <td style="text-align: right;">304,230,457</td> <td style="text-align: right;">294,902,932</td> <td style="text-align: right;">289,808,389</td> </tr> <tr> <td>Total liabilities</td> <td style="text-align: right; border-top: 1px solid black;"><b>2,812,091,777</b></td> <td style="text-align: right; border-top: 1px solid black;"><b>2,452,473,887</b></td> <td style="text-align: right; border-top: 1px solid black;"><b>2,427,737,093</b></td> </tr> <tr> <td><b>Total equity and liabilities</b></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;"><b>3,174,091,563</b></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;"><b>2,927,296,164</b></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;"><b>3,155,136,902</b></td> </tr> </tbody> </table> <p>There has been no material adverse change in the prospects of the Issuer since 31 December 2015.</p> <p>Not applicable. There has been no significant change in the financial or trading position of the Issuer since 30 June 2016.</p>		30.06.2016	31.12.2015	31.12.2014	<b>Assets:</b>				Intangible assets	2,547,948,703	2,602,666,697	2,712,921,458	Cash and cash equivalents	526,062,867	227,613,789	339,363,079	Deferred tax assets	57,220,950	53,922,742	51,952,030	Other assets	42,859,043	43,092,936	50,900,335	<b>Total assets</b>	<b>3,174,091,563</b>	<b>2,927,296,164</b>	<b>3,155,136,902</b>	<b>Shareholders' equity:</b>				Share capital	75,000,000	75,000,000	75,000,000	Supplementary capital contributions	-	-	126,302,678	Share premiums	246,444,809	309,444,809	354,744,809	Legal and other reserves	13,830,094	10,895,946	129,516,081	Net profit	26,724,883	79,481,522	41,836,241	Total shareholders' equity	<b>361,999,786</b>	<b>474,822,277</b>	<b>727,399,809</b>	<b>Liabilities:</b>				Loans	2,507,861,320	2,157,570,955	2,137,928,704	Other liabilities	304,230,457	294,902,932	289,808,389	Total liabilities	<b>2,812,091,777</b>	<b>2,452,473,887</b>	<b>2,427,737,093</b>	<b>Total equity and liabilities</b>	<b>3,174,091,563</b>	<b>2,927,296,164</b>	<b>3,155,136,902</b>
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<b>B.13</b>	<b>Recent Events impacting the Issuer's solvency</b>	Not Applicable. There are no recent events particular to the Issuer which are, to a material extent, relevant to the evaluation of the Issuer's solvency.
<b>B.14</b>	<b>Dependence upon other entities within the Group</b>	The Issuer is dependent on the Parent, which is controlled by Brisa and, ultimately, by its controlling shareholder, Tagus Holdings S.à.r.l. (" <b>Tagus</b> ").
<b>B.15</b>	<b>The Issuer's Principal Activities</b>	<p>Under the Concession Contract, the Issuer's motorway network consists of 12 motorways, 11 of which are currently operated directly by the Issuer, distributed over 1100.2 km, 1014.1 km of which are subject to tolls. The Issuer is required to construct a new 22 km motorway which will provide a link to the future new Lisbon Airport (Government approval in this respect is still pending).</p> <p>The Issuer's network is the main road corridor in the country, stretching from north to south and east to west. Following the amendments to the Concession Contract negotiated in 2008 with the Portuguese State, the Concession Contract is now scheduled to expire at the end of 2035.</p>
<b>B.16</b>	<b>Controlling Persons</b>	The Issuer is ultimately controlled by José de Mello Investimentos, SGPS, S.A., which holds, directly and indirectly, 52.8% of the share capital and voting rights of Brisa. Besides the direct participation it holds in Brisa, José de Mello Investimentos, SGPS, S.A. is the controlling shareholder of Tagus, which is the controlling shareholder of Brisa. Brisa holds the majority of the share capital and voting rights in the Issuer indirectly through the Parent.
<b>B.17</b>	<b>Ratings assigned to the Issuer or their Debt Securities</b>	<p>No credit rating is assigned to the Issuer.</p> <p>Notes to be issued under this Euro 3,000,000,000 Euro Medium Term Note Programme (the "<b>Programme</b>") may be rated or unrated. Where a Series of Notes is rated, such rating will not necessarily be the same as the rating assigned to the Programme or other Notes issued under the Programme.</p> <p><i>[The Notes to be issued [are not]/[have been]/[are expected to be] specifically rated [●] by [●]].</i></p>
<b>B.18</b>	<b>The Guarantee</b>	The Notes will benefit from a security package granted or promised to be granted by the Issuer and the Parent under the terms of a security agreement (the " <b>Security Agreement</b> ") in favour and for the benefit of a security agent (" <b>Security Agent</b> "), on behalf of the holders of the Notes (" <b>Noteholders</b> ") (represented by António Frutuoso de Melo & Associados – Sociedade de Advogados, R.L. or any successor thereof, as the " <b>Notes Common Representative</b> ") and other creditors of the Issuer (the " <b>Finance Parties</b> "). In respect of the Parent, such security package includes, <i>inter alia</i> , a first ranking pledge over all and each of the Issuer's shares issued prior to 22 December 2010 (including the corresponding rights attached to the shares), which shares have been, prior to the date of this Base Prospectus, acquired by the Parent. Furthermore, the Parent also promises to grant, at its own expense, in favour and for the benefit of the Security Agent (on behalf of the Finance Parties, including, for the avoidance of doubt, the Noteholders, other than the European Investment Bank) and the European Investment Bank, a first ranking pledge over all and each of the shares issued by the

		Issuer after 22 December 2010 (including the corresponding rights attached to the shares) as security for the entire and timely performance of all and each of the payment obligations and liabilities, present and future, of the Issuer under certain finance documents.
<b>B.19 B.1</b>	<b>Legal name of the Guarantor</b>  <b>Commercial name of the Guarantor</b>	Brisa – Concessão Rodoviária, SGPS, S.A.
<b>B.19 B.2</b>	<b>Domicile, legal form, legislation and country of incorporation of the Guarantor</b>	The Parent is a Portuguese law governed holding company ( <i>sociedade gestora de participações sociais</i> ) registered and established in Portugal since 30 December 2009 having its registered head office at Quinta da Torre da Aguilha, Edifício Brisa, 2785-599 São Domingos de Rana, Portugal.
<b>B.19 B.4b</b>	<b>Trends</b>	Considering that the Parent’s indirect economic activity essentially corresponds to the activity carried out by the Issuer, the known trends affecting the Parent in the year 2016 are the same that affect the Issuer, notably the fact that on the back of a more stable macroeconomic environment in Portugal and better conditions in credit markets, the Issuer’s operational and financial activity during the year 2016 has been positive and has allowed BCR to access financial markets at a reasonable cost. Under supportive borrowing conditions fostered by the European Central Bank’s quantitative easing programmes, BCR will continue to search for efficient solutions to meet its funding requirements.
<b>B.19 B.5</b>	<b>The Group</b>	The Parent is part of the Brisa Group as set out in B.5.
<b>B.19 B.9</b>	<b>Profit Forecast or Estimate</b>	Not Applicable. The Guarantor does not make public profit forecast or estimate.
<b>B.19 B.10</b>	<b>Audit Report Qualifications</b>	Not Applicable. There are no qualifications to the audit reports of the Guarantor.
<b>B.19. B12</b>	<b>Selected Key Financial Information</b>	These financial highlights have been extracted without material adjustment from the audited financial statements of the Parent for the year ended 31 December 2014, the audited consolidated financial statements of the Parent for the year ended 31 December 2015 and the unaudited financial statements of the Parent for the six month period ended 30 June 2016, prepared in accordance with the IFRS-EU:



		<u>BRISA - CONCESSÃO RODoviÁRIA, SGPS, S.A.</u>		
		<u>INFORMATION FROM THE STATEMENTS OF CONSOLIDATED FINANCIAL POSITION</u>		
		(Amounts expressed in Euros)		
		30.06.2016	31.12.2015	31.12.2014
		<b>Assets:</b>		
		Intangible assets	2,547,948,703	2,602,666,697
		Cash and cash equivalents	536,563,896	227,621,097
		Deferred tax assets	57,220,950	53,922,742
		Other assets	42,859,042	43,092,936
		<b>Total assets</b>	<b><u>3,184,592,591</u></b>	<b><u>2,927,303,472</u></b>
		<b>Shareholders' equity:</b>		
		Share capital	100,000	100,000
		Supplementary capital contributions	277,160	277,160
		Share premiums	221,597,453	221,597,453
		Legal and other reserves	22,832,929	-
		Retained earnings	90,474,824	173,378,345
		Net profit	26,720,688	79,476,782
		Total shareholders' equity	<b><u>362,003,054</u></b>	<b><u>474,829,740</u></b>
		<b>Liabilities:</b>		
		Loans	2,507,861,320	2,157,570,955
		Other liabilities	314,728,217	294,902,777
		Total liabilities	<b><u>2,822,589,537</u></b>	<b><u>2,452,473,732</u></b>
		<b>Total equity and liabilities</b>	<b><u>3,184,592,591</u></b>	<b><u>2,927,303,472</u></b>
		There has been no material adverse change in the prospects of the Parent since 31 December 2015.		
		Not Applicable. There has been no significant change in the financial or trading position of the Parent since 30 June 2016.		
<b>B.19. B.13</b>	<b>Recent Events impacting the Guarantor's solvency</b>	Not Applicable. There are no recent events particular to the Parent which are, to a material extent, relevant to the evaluation of the Parent's solvency.		
<b>B.19. B.14</b>	<b>Dependence upon other entities within the Group</b>	The Parent is dependent on Brisa, which is controlled by Tagus.		
<b>B.19. B.15</b>	<b>The Guarantor's Principal Activities</b>	The Parent, as a holding company ( <i>sociedade gestora de participações sociais</i> ), has the sole corporate purpose of managing shareholdings in other companies, as an indirect form of exercising economic activities, and rendering administration and management services to such companies. The Parent exclusively holds 100 per cent. of the share capital of the Issuer and holds no shareholdings in other companies.		
<b>B.19. B.16</b>	<b>Controlling Persons</b>	The share capital and the voting rights in the Parent are 70 per cent. held by Brisa and 30 per cent. held by various Portuguese and Brazilian investors.		

B.19. B.17	Ratings assigned to the Guarantor or its Debt Securities	Not Applicable. The Parent is not rated.
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Section C – The Notes		
C.1	Type and Class of the Notes	<p><i>Class of Notes:</i> The Notes are [Fixed Rate] / [Floating Rate] / [Zero Coupon] Notes.</p> <p><i>Security Identification Number(s):</i></p> <p>[ISIN Code: [●] and Common Code: [●]]</p> <p><i>Fixed Rate Notes:</i> Notes may bear interests at a fixed rate (the “<b>Fixed Rate Notes</b>”).</p> <p><i>Floating Rate Notes:</i> Notes may bear interests at a floating rate (the “<b>Floating Rate Notes</b>”).</p> <p><i>Zero Coupon Notes:</i> Notes may be non-interest bearing (the “<b>Zero Coupon Notes</b>”).</p> <p>[The Notes are [●] per cent. [Fixed Rate Notes/ Floating Rate Notes/ Zero Coupon Notes] due [●].]</p>
C.2	Currency of the Notes	<p>The Notes may be denominated in any currency agreed between the Issuer and the relevant dealer(s) under the Programme (each, a “<b>Dealer</b>” and together the “<b>Dealers</b>”) at the time of the issue of such Series of Notes as can be settled through Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. (“<b>Interbolsa</b>”), as operator of the Portuguese central securities clearing system (<i>Central de Valores Mobiliários</i> or “<b>CVM</b>”), in all cases subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.</p> <p>[The Notes are denominated in [●].]</p>
C.5	Restrictions on Free Transferability	<p>The Issuer, the Parent and the Dealers have agreed restrictions on offers, sales and deliveries of Notes and on the distribution of offering materials, in the United States, the United Kingdom, Japan, the European Economic Area, Portugal, France and Ireland.</p> <p>No Noteholder will be able to transfer the Notes, or any interest therein, except in accordance with Portuguese law and regulations. Notes may only be transferred in accordance with the applicable procedures established by the Portuguese Securities Code and the regulations issued by the <i>Comissão do Mercado de Valores Mobiliários</i> (the Portuguese Securities Market Commission, the “<b>CMVM</b>”) or Interbolsa, as the case may be, and the relevant affiliate members of Interbolsa through which the Notes are held.</p>
C.8	The Rights Attaching to the Securities, including Ranking and	<p><i>Denomination:</i> The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer.</p> <p>[The Notes will be issued in a Specified Denomination of €[●] (the “<i>Specified Denomination</i>”).]</p>

	<p><b>Limitations to those Rights</b></p>	<p><b>Redenomination:</b> In respect of any Tranche of Notes, if the country of the currency set out in the applicable final terms (the “<b>Specified Currency</b>”) becomes or, announces its intention to become, a Member State of the European Communities which adopts the Euro as its lawful currency, the Notes may be redenominated in Euro.</p> <p><b>Cross default:</b> The Notes will have the benefit of a cross default provision.</p> <p><b>Status of the Notes:</b> The Notes are senior, direct, unconditional, unsubordinated and secured obligations of the Issuer and rank and will rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by law) <i>pari passu</i> with all other present and future senior, unsubordinated and secured obligations of the Issuer under or pursuant to the Security Agreement, without any preference among such obligations by reason of the date of incurrence or otherwise.</p> <p><b>Taxation:</b> All payments of principal and interest in respect of the Notes by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed in Portugal, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law or regulation. In such event, the Issuer shall not be required to pay to the Noteholders such additional amounts and the Noteholders shall receive the net amounts after such withholding or deduction, as required by law.</p> <p><b>Events of default:</b> Among others, each of the following events, actions or omissions constitutes an event of default in relation to the Notes: (i) the Issuer does not pay on the due date any amount payable by it, subject to applicable remedy periods; (ii) the Issuer fails to comply with the financial covenants applicable to it; (iii) the Issuer does not comply with any provision of certain finance documents to which it is a party; (iv) a representation, warranty or written statement by the Issuer made or repeated in any finance document to which it is a party is, or proves to be, materially incorrect or misleading when made or deemed to be made or repeated, subject to remedy; (v) any senior debt of the Issuer becomes prematurely due and payable; (vi) any indebtedness which the Issuer is permitted to incur (other than any arising under a finance document to which the Issuer is a party) in excess of €10,000,000 (Indexed) becomes prematurely due and payable or is placed on demand; (vii) certain insolvency related events occur in relation to the Issuer; (viii) it is or becomes illegal for the Issuer to perform any of its material obligations under any finance document to which the Issuer is a party; (ix) subject to certain exemptions, any party to a project agreement to which the Issuer is a party does not comply with any of its material obligations thereunder and the relevant breach is material in the context of the Main Concession; (x) the Concession Contract is repudiated or becomes void and unenforceable or terminates; (xi) a force majeure event affecting the Concession Contract or the operating and maintenance agreement associated thereto has occurred and has continued for 120 consecutive days to the extent that it has a material adverse effect; (xii) certain security interest granted pursuant to certain finance documents to which the Issuer is a party is not effective to confer the rights purported to be conferred thereby; (xiii) the Issuer abandons the whole or a substantial part of the Main Concession; (xiv) subject to certain exemptions, the Government of Portugal or any agency thereof takes any legal step with a view to the seizure, expropriation, nationalisation or acquisition of the Issuer or a substantial part of its assets; (xv) at any time, the shares in the Parent are transferred other than as permitted under the Concession Contract or as otherwise authorised by the Portuguese Republic, as grantor; (xvi) at any time, the Parent ceases to own 100 per cent. of the</p>
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		<p>share capital of the Issuer, except if authorised.</p> <p><b>Resolutions by Noteholders:</b> Noteholders may pass resolutions by means of general meetings of Noteholders and written resolutions in the terms provided for in the Portuguese Companies Code, the Notes Common Representative Appointment Agreement, the Conditions of the Notes and the Intercreditor Agreement.</p>
<p><b>C.9</b></p>	<p><b>The Rights Attaching to the Securities (Continued), Including Information as to Interest, Maturity, Yield and the Representative of the Holders</b></p>	<p><i>See C.8 for a description of the rights attaching to the Notes, including ranking and limitations to those rights.</i></p> <p><b>Interests:</b> Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate.</p> <p><i>[The Notes bear interest from [●] at a fixed rate of [●] per cent. per annum payable on [●].]</i></p> <p><i>[The Notes bear interest from [●] at a rate equal to the sum of [●] per cent. per annum and [period]/[currency][EURIBOR/LIBOR] determined in respect of each Interest Period on the day which is [●] [Lisbon business days] before] the first day of the Interest Period and payable on [●]. [EURIBOR in respect of a specified currency and a specified period is the interest rate benchmark known as the Euro zone interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of the European Banking Federation]/[LIBOR in respect of a specified currency and a specified period is the interest rate benchmark known as the London interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of the Intercontinental Exchange Benchmark Administration.]</i></p> <p><i>[The Notes do not bear interest.]</i></p> <p><b>Maturity:</b> Such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank, securities authority (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency. Notes will not be issued with a maturity of less than one year.</p> <p><i>[Maturity Date: Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed on [●].]</i></p> <p><b>Redemption:</b> Notes will be redeemable at par.</p> <p><i>[Final Redemption Amount: Unless previously redeemed, or purchased and cancelled, each Note will be redeemed at 100 per cent. of its nominal amount.]</i></p> <p><b>Optional Redemption:</b></p> <p><i>[The Notes may be redeemed at the option of the Issuer [in whole]/[in whole or in part] on [●] at [●], plus accrued interest (if any) to such date, on the Issuer's giving not less than 15 nor more than 30 days' notice to the Noteholders and to the Agent. / Not Applicable. The Notes cannot be redeemed at the option of the Issuer or of the Noteholder.]</i></p> <p><b>Yield:</b> The yield of each Tranche of Notes will be calculated on the basis of the relevant issue price of the Notes at the relevant issue date.</p> <p><i>[Yield: Based upon the relevant issue price of the Notes of [●], at the issue date the</i></p>

		<p><i>anticipated yield of the Notes is [●] per cent. per annum.]</i></p> <p><b>Representative of the Noteholders:</b> the Notes common representative is António Frutuoso de Melo &amp; Associados – Sociedade de Advogados, R.L. (“<b>Notes Common Representative</b>”).</p>
<b>C.10</b>	<b>Derivative Component</b>	Not Applicable. Payments of interest on the Notes shall not involve any derivative component.
<b>C.11</b>	<b>Listing and Trading</b>	<p><i>[Note: this element C.11 is only applicable for Notes with a denomination of less than EUR 100,000.]</i></p> <p>Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange’s regulated market. The Programme also permits Notes to be issued on the basis that they will not be admitted to trading by any stock exchange.</p> <p><i>[Application has been made for the Notes to be admitted to trading on the [Luxembourg Stock Exchange’s regulated market/ other]</i></p> <p><i>[The Issuer does not intend to make any application for the Notes to be admitted to trading by any stock exchange.]</i></p>
<b>C. 21</b>	<b>Market where the Securities will be traded and for which Base Prospectus is published</b>	The Notes to be issued under the Programme will be traded in the Luxembourg Stock Exchange’s regulated market.

<b>Section D – Risks</b>		
<b>D.2</b>	<b>Risks Specific to the Issuer</b>	<p>There are certain factors that may affect the Issuer’s ability to fulfil its obligations under the Notes issued under the Programme. The risk factors indicated below also relate, to the extent applicable, to the Parent and its activities. Such factors include:</p> <ul style="list-style-type: none"> <li>• <i>The Portuguese economy and the exposure of the Issuer to the condition of the Portuguese economy:</i> The Issuer’s activity is exposed to the evolution of the Portuguese economy due to the fact that all motorways constructed, maintained and operated by the Issuer are located in Portugal and therefore the state of the Portuguese economy remains critical to the Issuer’s results and to its ability to fulfil its goals. The current circumstances of the Portuguese economy may cause a general slowdown in the business and operations of the Issuer;</li> <li>• <i>Operation under the Concession Contract:</i> The Issuer’s revenues derive from operations conducted under and pursuant to the concession granted to the Issuer by Portugal under the Concession Contract, which may be revoked in certain limited situations;</li> <li>• <i>General construction and operating risks:</i> there are certain construction and operating risks which may affect the completion of the remainder of the network to be constructed by the Issuer under the Concession Contract. The Issuer believes</li> </ul>

		<p>that its experience in the industry will help mitigate some of these risks;</p> <ul style="list-style-type: none"> <li>• <i>Environmental regulation and exposure of motorways to weather conditions and catastrophes in general:</i> The activities carried out by the Issuer are significantly affected by environmental concerns. Regulatory approvals, notably environmental requirements and impact studies can affect the Issuer's business. Weather conditions, natural phenomena and various other unpredictable events may also affect significantly the Issuer's course of business;</li> <li>• <i>Contractual penalties:</i> If the Issuer is unable to complete its motorway construction obligations on a timely basis, penalties may apply under the Concession Contract;</li> <li>• <i>Concentration of revenue sources:</i> Although the Issuer maintains a level of insurance coverage designed to mitigate business interruptions adequately, the majority of the revenues under the Main Concession result mainly from one motorway. Hence, the regular operation of that motorway has a significant impact on revenues of the Issuer;</li> <li>• <i>Substantial indebtedness:</i> The Issuer has substantial indebtedness, some of which is at floating interest rates;</li> <li>• <i>Financing future construction costs:</i> The Issuer bears the primary responsibility for financing the costs related to the future construction of the remaining links that form part of the Concession Contract;</li> <li>• <i>Factors affecting toll revenue:</i> The amount of toll revenues from the motorways operated by the Issuer is a key component of the Issuer's business and it is dependent on the volume of traffic on these motorways. There are many factors which may affect such traffic volumes;</li> <li>• <i>Increased competition:</i> Without prejudice to the exclusive rights of the Issuer relating to the motorways falling within the Concession Contract, new concessions may have a negative impact in terms of traffic upon some sections of the motorway network of the Issuer;</li> <li>• <i>Regulated nature of the Issuer's business:</i> The Issuer operates in a highly regulated environment and its operating results are therefore affected by changes to Government policy and regulation;</li> <li>• <i>Issuer's reliance on service providers:</i> The performance of the Issuer relies on third party service providers under certain agreements. In the event that any of these companies fails to perform or becomes insolvent, the Issuer will need to find a replacement service provider or hire personnel to undertake the required activities directly itself, with an inherent increase in the Issuer's costs and/or a temporary interruption to the Issuer's activities;</li> <li>• <i>The Issuer existed before becoming concessionaire under the Concession Contract:</i> The Issuer previously operated as a call centre for the Brisa Group and the Issuer's audited financial statements in respect of the year ended 31 December 2009 reflect the assets and liabilities associated with its previous activities and do not therefore reflect what the position would have been if the Issuer had already become the new concessionaire at that time.</li> <li>• <i>The Parent:</i> The Parent is a company that was incorporated in 2009 as a Portuguese law governed holding company with the sole corporate purpose of</li> </ul>
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		<p>managing shareholdings in other companies, as an indirect form of exercising economic activities. Currently, the Parent exclusively holds 100 per cent. of the share capital of the Issuer and the Parent's indirect economic activity essentially corresponds to the activity carried out by the Issuer, the Parent thus being exposed to the same operational, financial and other risks which affect the Issuer itself.</p> <ul style="list-style-type: none"> <li>• <i>Risks relating to the Issuer's credit ratings and access to funding markets:</i> The Issuer's failure to maintain its current ratings and outlooks could increase its cost of funding;</li> <li>• <i>Permitted distributions:</i> The transaction documents foresee that the Issuer shall be authorised to acquire or subscribe for debt or hybrid instruments issued by the shareholder of the Issuer or an affiliate of the shareholder of the Issuer with monies transferred to the account from which the Issuer is entitled to make, among others, distribution payments, after having satisfied any distribution lock-up tests to which the Issuer may be subject.</li> <li>• <i>Projections, forecasts and estimates:</i> Projections and forecasts in this document are speculative in nature and some or all of the assumptions underlying the forward looking statements may not materialise or may vary significantly from actual results.</li> </ul>
D.3	<b>Risks specific to the Notes</b>	<ul style="list-style-type: none"> <li>• <i>The secondary market generally:</i> The Notes may have no trading market and, therefore, the Notes may not be very liquid.</li> <li>• <i>Exchange rate risks and exchange controls:</i> The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit other than the Specified Currency.</li> <li>• <i>Interest rate risks:</i> Investment in Fixed Rate Notes involves the risk that subsequent changes in the market interest rates may adversely affect the value of such Fixed Rate Notes.</li> <li>• <i>Currency change risk:</i> The Notes are denominated in Euro and any change to the currency of Portugal may affect the investment in the Notes.</li> <li>• <i>Credit ratings may not reflect all risk:</i> The credit ratings assigned in connection with the Programme may not reflect the potential impact of all risks of the Notes.</li> <li>• <i>The Notes may not be a suitable investment for all investors:</i> Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances.</li> <li>• <i>Form, transfer and payments in respect of the Notes:</i> The form and transfer of the Notes and the payments made by the Issuer under the Notes shall be in accordance with Interbolsa procedures.</li> <li>• <i>Noteholders subject to resolutions passed at Noteholders meetings:</i> Resolutions and extraordinary resolutions will be binding on all Noteholders holding or representing Notes of the same Series, whether or not they are present at the meeting or have voted against such resolutions and extraordinary resolutions.</li> <li>• <i>Legal investment considerations may restrict certain investments:</i> The investment activities of certain investors are subject to legal investment laws and regulations,</li> </ul>

		<p>or review or regulation by certain authorities.</p> <ul style="list-style-type: none"> <li>• <i>Notes subject to optional redemption by the Issuer:</i> An optional redemption feature of Notes is likely to limit their market value.</li> <li>• <i>Notes issued at a discount or a premium:</i> The market value of securities issued at a discount or a premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than they would were they conventional interest-bearing securities.</li> <li>• <i>Fixed/Floating Rate Notes:</i> Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate, and such conversion may be less favourable for the Noteholders.</li> <li>• <i>Risks related to the security:</i> The value of the assets securing the obligations of the Issuer towards its senior creditors in general (including the Noteholders) (“<b>Security Assets</b>”) and, accordingly, the level of recovery on the enforcement of the security may be affected by, among other things, a decline in the value of the relevant asset and no assurance can be given that the values of the relevant assets will not decline in the future.</li> <li>• <i>Liability under the Notes:</i> The Notes will be direct obligations of the Issuer secured by the Security Assets. Noteholders will have a claim under the Notes against the Issuer only and, in the terms set forth in the Security Agreement, against the Issuer and the Parent.</li> <li>• <i>Noteholders subject to entrenched and retained rights:</i> The exercise or enforcement of rights, powers and discretions, the giving of any consent or any waiver, or making of any determination or notification under or in respect of any provisions of certain finance documents to which the Issuer is a party by the Noteholders or the Notes Common Representative shall be made in accordance with the provisions of the Intercreditor Agreement.</li> <li>• <i>Hedging risk:</i> The Issuer may be exposed to interest rate risk or currency risk in the event that there is an early termination of a hedging agreement to which the Issuer is a party.</li> <li>• <i>Administrative cooperation in the field of taxation:</i> Changes under the European Council Directive 2003/48/EC (the “Savings Directive”), in addition to changes in the applicable laws and legal investment restrictions may affect the Notes.</li> <li>• <i>Risks related to withholding tax:</i> Income derived from the Notes integrated in and held through Interbolsa may benefit from withholding tax exemption, provided that certain procedures and certification requirements are complied with. Failure to comply with these procedures and certifications will result in the application of Portuguese general tax regime applicable to debt securities.</li> <li>• <i>Changes to the risk weighted asset framework:</i> The changes approved by the Basel Committee may have an impact on incentives to hold the Notes for investors that are subject to requirements that follow the revised framework and, as a result, they may affect the liquidity and/or value of the Notes.</li> </ul>
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<b>Section E - Offer</b>		
<b>E.2b</b>	<b>Reasons for the Offer and Use of Proceeds</b>	The net proceeds of each issue of Notes will be applied by the Issuer to [meet part of its general financing requirements / [●]].
<b>E.3</b>	<b>Terms and Conditions of the Offer</b>	<p>The terms and conditions of each offer of Notes will be determined by agreement between the Issuer and the relevant Dealers at the time of issue. An investor intending to acquire or acquiring any Notes in a public offer from an Authorised Offeror (as defined below) other than the Issuer will do so, and offers and sales of such Notes to an investor by such Authorised Offeror will be made in accordance with, any terms and other arrangements in place between such Authorised Offeror (as defined below) and such investor including as to price, allocations, expenses and settlement arrangements.</p> <p><i>[Offer Price: [Not Applicable/[●]]</i></p> <p>Conditions to which the offer is subject: <i>[Not Applicable/[●]]</i></p> <p>Time period, including any possible amendments, during which the offer will be open and description of the application process: <i>[Not Applicable/[●]]</i></p> <p>Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: <i>[Not Applicable/[●]]</i></p> <p>Details of the minimum and/or maximum amount of application: <i>[Not Applicable/[●]]</i></p> <p>Details of the method and time limit for subscribing and delivering the Notes: <i>[Not Applicable/[●]]</i></p> <p>Manner in and date on which results of the offer are to be made public: <i>[Not Applicable/[●]]</i></p> <p>Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: <i>[Not Applicable/[●]]</i></p> <p>Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries: <i>[Not Applicable/[●]]</i></p> <p>Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: <i>[Not Applicable/[●]]</i></p> <p>Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: <i>[●] [and any additional financial intermediaries who have or obtain the Issuer's consent to use the Prospectus in connection with the public offer and who are identified on [the website of] [●] as an Authorised Offeror] (together, the "Authorised Offerors").</i></p>
<b>E.4</b>	<b>Interests Material to the Issue</b>	<i>[Not Applicable. There is not any interest that is material to the issue/offer including conflicting interests. / [●]]</i>
<b>E.7</b>	<b>Estimated Expenses</b>	Not Applicable. No expenses will be chargeable by the Issuer to an investor in connection with any offer of Notes. Any expenses chargeable by a Dealer to an investor (including any taxes due in this respect) shall be charged in accordance with

		any contractual arrangements agreed between the investor and such Dealer at the time of the relevant offer.
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## RISK FACTORS

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.*

*In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which they may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.*

### **Risk Factors relating to the Issuer and its activities**

The risk factors indicated below also relate, to the extent applicable, to the Parent and its activities.

#### ***The Issuer is dependent upon the condition of the Portuguese economy***

The ongoing fiscal correction of past macro-economic imbalances within the Portuguese economy may have a negative impact on the Issuer's activity and results.

The Issuer's activity is exposed to the evolution of the Portuguese economy. All motorways constructed, maintained and operated by the Issuer are located in Portugal and therefore the state of the Portuguese economy remains critical to the Issuer's results and to its ability to fulfil its goals.

Following the stabilisation programme agreed in May 2011 by the Portuguese government with the European Union ("EU") and the International Monetary Fund ("IMF") (the "**Stabilisation Programme**") and concluded in May 2014, the Portuguese economy has undergone significant changes. On the back of rising exports and recovery in private consumption, the increase of 0.9 per cent. in the Portuguese Gross Domestic Product ("**GDP**") in 2014, as disclosed on 27 February 2015 by the Instituto Nacional de Estatística ("**INE**"), is already giving some indication that the extensive structural reforms implemented over recent years are already yielding improvements. Despite this positive change, a stronger and sustained growth performance will still be necessary to produce positive effects on the public debt trend.

The Portuguese economy returned to growth in 2014, with GDP increasing by 0.9% in 2014 and 1.5% in 2015 according to the INE, and with GDP growth expected to be 1.5% in 2016 according to estimates published by the European Commission. The recent economic performance reflects a cyclical recovery, supported by a number of factors, including: stronger growth elsewhere in Europe; lower oil prices supporting disposable income and domestic consumption, somewhat offset by the negative impact of weaker economic conditions in certain emerging countries that are important for Portuguese exports, such as Angola and Brazil; the impact of the depreciation of the Euro against the US dollar; a more neutral tax policy; a gradual improvement in financing conditions; and an improvement in confidence levels, after several years of strict austerity.

Despite this recent recovery, the Portuguese economy continues to be characterised by high levels of public and private debt. The Portuguese economy is also subject to external stresses, such as changes in the European Union framework, renewed volatility in global financial markets, deterioration of the Greek financial crisis, or uncertainties or consequences arising from the United Kingdom's vote in the referendum on 23 June 2016 to leave the European Union, including the possibility of significant changes to the structure of the European Union and/or European Monetary Union.

Concerns relating to macroeconomic conditions in Portugal, including concerns regarding Portuguese public finances and political and social stability, have affected and will continue to affect the business and

results of operations of companies in Portugal.

As a consequence of the austerity measures implemented under the Stabilisation Programme, Portuguese unemployment has increased significantly since 2012, with the peak level having been reached in the first quarter of 2013 at 17.5 per cent.. However and as a result of the economic recovery felt since then, Portuguese unemployment has been returning to lower levels and ended 2015 at 12.2 per cent.

As a result of efforts to stabilise the economy and due to the effect of negative cyclical patterns, public finances have deteriorated significantly. The inevitable consolidation route means that fiscal policy will likely remain tight for several years to come. Furthermore, if economic activity becomes weaker than expected additional fiscal measures may need to be implemented. Hence, there is a risk that fiscal policy will hinder activity levels over the medium term, thus affecting, directly and indirectly, banks' earnings and the financial condition of their customers.

For several years the Portuguese economy has faced a slow process of adjustment to meet the challenges brought about by the single currency. At the same time, it has maintained a growth model that has led to higher indebtedness. This has been feasible, in part, due to the success of the intermediation of banks in accessing funding on the international markets. This state of affairs has, however, reduced Portugal's ability to undertake an independent and sustained economic recovery and recent financial constraints have increased the economy's vulnerability to outside events.

Prevalent low competitiveness and increased indebtedness of both households and businesses have become a characteristic of the Portuguese economy and have been recognised as unsustainable in the long term.

Competition in the goods markets for foreign direct investment ("FDI") and structural funds is strong. In the traditional tradable sectors, there is significant competition from low-cost producers, whereas Eastern European countries have taken a greater share of FDI and the European structural funds. This environment requires a change in the underlying business model of the Portuguese economy, improving the degree of efficiency and changing the pattern of product specialisation. But such change involves risks and entails significant transition costs, such as labour market tensions and the closure of non-competitive production units.

Portugal has no significant fossil fuel resources and its use of renewable energy resources, though increasing, does not yet provide for all its needs. Significant financial resources have been allocated to energy imports. Accordingly, there is high sensitivity to disruptions in the international energy markets with direct implications on the growth of profit margins of companies and household finances. As a result of the sustained macro-economic imbalances described above, and the dynamics for their correction, the ability of the Issuer to develop its normal business activity and generate results may be negatively impacted.

***The Issuer's business and activities have been exposed to the impacts of the International Monetary Fund and EU Stabilisation Programme and the current circumstances of the Portuguese economy may cause a general slowdown in the business and operations of the Issuer***

On 6 April 2011, the Portuguese government announced that it had formally addressed a financial assistance request to the European Commission for access to financing from the European Financial Stability Facility and the International Monetary Fund. Such financial assistance, which ended on 17 May 2014, required the adoption of the Stabilisation Programme which implied the adoption of further economic restrictive measures that caused recession and a lower economic growth throughout this period.

The Stabilisation Programme was based on a three-prong strategy as follows:

*Restoring competitiveness:* The first priority was to tackle the structural problems that have caused Portugal to have low rates of growth over the past decade. This included measures to reduce public sector involvement in the Portuguese economy and to address the issue of rent-seeking behaviour and excessive

profits in the non-tradable sector. In addition, the Stabilisation Programme provided for a reduction in the social security contributions (offset by other tax and expenditure adjustments) aimed at significantly reducing labour costs and making Portugal's goods and services more competitive.

*Strengthening fiscal policy:* Under the terms of the Stabilisation Programme, a mix of measures was taken to significantly reduce Portugal's budget deficit, and stabilising public sector debt.

*Ensuring the stability of the financial sector:* The Stabilisation Programme provided for increasing Portuguese banks' capital positions, strengthening regulation and supervision in the sector and introducing a new solvency support mechanism (fully funded under the Stabilisation Programme).

Despite the successful end of the Stabilisation Programme, uncertainty is likely to remain: the relevant foreign demand may slow down more than expected, fiscal consolidation measures may need to be strengthened, and a possible disruption episode in the Eurozone would have unpredictable consequences given the dependence of the national economy from abroad.

Portugal has been subject to review by the corrective arm of the stability and growth pact. In 2015, the Council of the European Union asked Portugal to bring its deficit below 3% of the GDP by 2015 and recommended a fiscal adjustment of 0.6% of the GDP for 2016. Following the parliamentary elections in Portugal held in October 2015, a government was formed with the support of a majority coalition and the government submitted its proposed budget for 2016 to the European Commission. In February 2016, the European Commission had extensive discussions with the government in order to clarify the consistency of its draft budget proposal with the EU's fiscal rules and the stability and growth pact. Although the draft budget proposal was ultimately approved, with the final draft containing concessions addressing the European Commission's concerns, there can be no assurance against any future delays or disruption in the implementation of such economic policies. On 12 July 2016, the European Council found that Portugal had not taken effective action in response to its recommendations on measures to correct its excessive deficit. In particular the European Council noted that the 2015 deficit was 4.4% of the GDP in 2015, above the Treaty on the Functioning of the European Union (2012/C 326/01) reference value of 3.0% of the GDP.

The government proposed a National Reform Programme (*programa nacional de reforma* or “**PNR**”) in April 2016, which aims to address certain macroeconomic imbalances that have a negative impact on the competitiveness, prosperity and cohesion of the country. The PNR also aims to implement the specific recommendations for Portugal endorsed by the European Council, by identifying structural obstacles of the Portuguese economy and by meeting targets and promoting measures for structural reform to support investment and contribute to the sustainability of public finances. The PNR is combined with a Stability Plan for 2016-2020 (*plano de estabilidade*, the “**PE**”) which aims to promote stable economic growth.

There is no assurance that the structural changes implemented in Portugal will be sufficient or that the reforms contemplated by the PNR or PE will be sustained or, if sustained, will result in the desired impact on the Portuguese economy. The circumstances mentioned above may cause a general slowdown in the business and operations of the Issuer and an increase in the Issuer's cost of funding.

***Portugal being subject to a downgrade by rating agencies and the impact of the Eurozone crisis may have implications on the financing of the economy***

During the last years, Portugal faced some instability in terms of rating assigned by the rating agencies, being the rating of Portugal downgraded and upgraded several times.

The current ratings of Portugal are the following:

- On 25 July 2014, Moody's upgraded the rating of Portugal to “Ba1”. The outlook is stable.
- On 18 September 2015, Standard & Poor's upgraded its unsolicited credit rating of Portugal to ‘BB+’ from ‘BB’. The outlook is stable.

- On 19 August 2016, Fitch affirmed the rating of Portugal at “BB+”. The outlook is stable.
- On 21 October 2016, DBRS affirmed the rating of Portugal at “BBB (low)”. The outlook is stable.

Despite the increasingly positive outlook among Rating Agencies, future developments in this regard will be highly dependent on the ability of the government to keep on track with the targets it has committed to with foreign creditors. A downgrade of Portugal’s rating may occur again in the future in the event of a more drastic deterioration in public finances, as a consequence of a poorer performance in economic activity, or as a result of the measures proposed to foster the deleveraging process being perceived as insufficient. Accordingly, the cost of financing for Portugal may increase, with negative consequences for the cost of financing for Portuguese companies and hence on their results.

Concerns about credit risk (including that of sovereigns) and the Eurozone crisis may be intensified. The large sovereign debts and/or fiscal deficits of a number of European countries and the US have raised concerns regarding the financial condition of financial institutions, insurers and other corporates (i) located in these countries; (ii) that have direct or indirect exposure to these countries; and/or (iii) whose banks, counterparties, custodians, customers, service providers, sources of funding and/or suppliers have direct or indirect exposure to these countries. The default, or a significant decline in the credit rating, of one or more sovereigns or financial institutions could cause severe stress in the financial system generally and could adversely affect the markets in which the Issuer operates and the businesses and economic condition and prospects of the Issuer’s counterparties, customers, suppliers or creditors, directly or indirectly, in ways which are difficult to predict.

The impact of these conditions could be detrimental to the Issuer and to its business and operations and could adversely affect the value and liquidity of the Notes and the ability of the Issuer to meet its obligations under the Notes and under its debt obligations more generally.

Prospective investors should ensure that they have sufficient knowledge and awareness of the Eurozone crisis, global financial crisis and of the economic situation and outlook as they consider necessary to enable them to make their own evaluation of the risks and merits of an investment in the Notes. In particular, prospective investors should take into account the considerable uncertainty as to how the Eurozone crisis, the global financial crisis and the wider economic situation will develop over time.

Further uncertainty resulted from the United Kingdom’s referendum held on 23 June 2016, which voted in favour of an exit from the European Union and the associated implications for the European Union and the Eurozone area. The negotiation of the United Kingdom’s exit terms is likely to take a number of years. Until the terms and timing of the UK’s exit from the European Union become clearer, it is not possible to determine the impact that the referendum, the UK’s departure from the European Union and/or any related matters may have on the Issuer. Furthermore, the process of the United Kingdom departing from the European Union may introduce significant new uncertainties and instability in the financial markets, as well as political instability in Europe, and it may also materially affect the economies of countries, including Portugal, which have political and economic ties with the United Kingdom.

#### ***Operation under the Concession Contract***

The Issuer’s revenues derive from operations conducted under and pursuant to the concession granted to the Issuer by Portugal for the purpose of constructing, maintaining and operating motorways on a toll collections basis (the “**Concession Contract**”), the termination of which is scheduled to occur on 31 December 2035. See “*Description of the Concession Contract*” below.

Pursuant to the Concession Contract, Portugal has the right to revoke the concession at any time during the last five years of the concession period upon giving the Issuer one year’s prior notice. Additionally, the Concession Contract may be terminated early in the case of serious or repeated breach of the obligations imposed upon the Issuer.

A substantial portion of the assets controlled by the Issuer, particularly the motorways, qualify as assets falling within the public domain of Portugal. Upon the expiration of the concession or in the case of early termination thereof, all of these assets will revert to Portugal, the Issuer being entitled to compensation in certain limited cases only.

#### ***General construction and operating risks***

The Issuer's ability to successfully complete the remainder of the motorway network referred to in the Concession Contract, specifically the future link to the new Lisbon Airport, and to undertake future projects, such as the construction of additional lanes, is supported by the operating history of more than 30 years of Brisa – Auto-Estradas de Portugal, S.A. ("**Brisa**"), the former concessionaire and currently the parent company for a group of companies (Brisa and its consolidated subsidiaries form the "**Brisa Group**").

Although this background will assist in mitigating construction and operating risks, it will not eliminate all such risks, which relate at the present time to the future construction of the outstanding 22 km for the new Lisbon airport link, (the exact terms of the project have yet to be confirmed and government approval is pending), and any required improvement works (which will depend on traffic levels and normal degradation of the infrastructure).

These risks are widely known in the construction sector and include construction material and labour shortages; increases in the cost of labour and materials; changes in general economic, business and credit conditions; the non-performance or unsatisfactory performance of contractors and subcontractors; and interruptions resulting from inclement weather and unforeseen engineering problems. Although the Issuer has access to Brisa's significant experience through certain contractual arrangements with other Brisa Group companies and seeks to limit these risks in its agreements with contractors, no assurance can be given that these factors will not, under certain circumstances, have an adverse effect on the Issuer.

#### ***Environmental regulation***

The activities carried out by the Issuer are significantly affected by environmental concerns, taking into account that motorways alter landscapes, and hence directly interfere with the environment. The Issuer strives to achieve a balance between the needs of infrastructure development affecting motorways and the sustainability of the environment and natural resources.

Brisa, the former concessionaire, experienced significant delays when completing the construction of certain motorways as a result of environmental approval procedures. Delays may result, namely, from the suggestion of alternative routes by the Minister of Environment, which may lead to a change in the route planned. These difficulties may be unforeseen and could result in delays affecting construction deadlines, operations and, ultimately, expected revenues.

Hence, regulatory approvals, notably environmental requirements, environmental impact studies and environmental regulatory approvals can be a significant source of delay for the Issuer, in relation to the construction of the outstanding 22 km for the new Lisbon airport link (the exact terms of the project have yet to be confirmed) and any required improvement works.

#### ***Exposure of motorways to weather conditions, natural phenomena and catastrophes in general***

The activities carried out by the Issuer involve the construction, maintenance and operation of infrastructures which are exposed to weather conditions and to natural phenomena and various other unpredictable events like fire, explosions, storms, floods, seismic activity, hydrographical constraints and catastrophes in general ("**Natural Phenomena**"), the duration and consequences of which may not be anticipated either in terms of the extent of the damage or in terms of the time that will be required to repair such damage. Although the damage caused by Natural Phenomena is covered by insurance on terms common in the market in which the Issuer operates (including insurance for revenue loss if traffic is interrupted), the occurrence thereof may cause the interruption of motorway operations for an

unpredictable period of time, a situation that may have a material adverse effect on the collection of toll revenues for the affected motorway sections.

Additionally, Natural Phenomena may also contribute to the degradation of motorways in a manner faster than anticipated. In order to comply with its obligations in this respect under the Concession Contract, the Issuer may have to carry out unexpected investment in pavement repairs, reconstruction and other kinds of necessary works related thereto.

### ***Contractual Penalties***

Taking into account that the construction of motorways is a complex process and can take several months or years, delays in the conclusion of the relevant construction works may occur. If the Issuer is unable to complete its motorway construction obligations on a timely basis, penalties may apply under the Concession Contract.

However, in cases where delays are caused by factors outside of the Issuer's control, for example, unpredictable causes of an environmental nature, the Issuer would not expect penalties to apply.

### ***Concentration of revenue sources***

Approximately 45 per cent. of the Main Concession's total revenue, for both the year ended 31 December 2015 and the six month period ended 30 June 2016, was recorded by one motorway (A1 motorway). Accordingly, the regular operation of this motorway has a significant impact on the level of revenues resulting from the Main Concession. Although the Issuer maintains a level of insurance coverage designed to mitigate business interruptions adequately, any negative event resulting in a prolonged reduction in traffic volume or in toll revenues collected from motorway A1 could have a significant impact on the Issuer's results from operations.

### ***Substantial indebtedness. Ability to service indebtedness. Distributions***

The Issuer has substantial indebtedness, some of which is at floating rates of interest. The Issuer's non-current liabilities were, as of 31 December 2015 and 30 June 2016, €1,824,763,043 and €2,258,340,804, respectively. Financial expenses for the year ended 31 December 2015 were €103,132,209 whereas for the six month period ended 30 June 2016 amounted to €55,424,684. In order to achieve a more efficient financial structure, the Issuer may from time to time increase its indebtedness as authorised under the relevant Finance Documents and more specifically shall comply with the applicable ratio tests prior to incurring such additional indebtedness (see "Overview of Certain Transaction Documents - Common Terms Agreement – Net Senior Debt/EBITDA" below).

Even if said level of indebtedness does not prevent the satisfactory development of the Issuer's business, it may have material consequences given that a substantial portion of the Issuer's cash flow from operations must be dedicated to the payment of principal and interest on its debts and will not be available for other purposes. In this scenario, the Issuer may have less ability to respond to changing business and economic conditions.

In addition, the ability of the Issuer to obtain financing in the future for working capital needs, capital expenditure, investment, general corporate purposes and other purposes could, in certain circumstances, be materially limited by its level of indebtedness. The Issuer has undertaken not to incur or have outstanding any indebtedness in respect of: (i) monies borrowed or raised and debit balances at banks and other financial institutions, (ii) any debenture, bond, note, commercial paper, loan stock or other security, (iii) any acceptance or documentary credit facilities, bill discounting or factoring facilities, (iv) receivables sold or discounted (other than on a non-recourse basis), (v) the acquisition cost of any asset to the extent payable before or after the time of acquisition or possession by the party liable where the advance or deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset, (vi) leases entered into primarily as a method of raising finance or financing the acquisition of the asset leased, (vii) any currency swap or interest swap, cap or collar arrangements or any



other similar instrument, (viii) any amount raised under any other transaction having the commercial effect of a borrowing or raising of money (other than in the normal course of trading); or (ix) any guarantee of or other assurances against financial loss in respect of indebtedness of any person of a kind referred to in the above paragraphs (together “**Financial Indebtedness**”) except for:

- (a) liabilities under the Documents;
- (b) liabilities under the equipment supply agreements deemed required for the operation of the Main Concession;
- (c) any hire purchase, finance or operating lease or any similar agreement entered into by the Issuer in the ordinary course of its business in relation to which the capitalised value determined in accordance with accounting principles and practices generally accepted in Portugal does not at any time exceed €5,000,000 (Indexed) in aggregate;
- (d) any Shareholder Loans;
- (e) any Permitted Guarantees granted by the Initial Permitted Guarantors or Additional Permitted Guarantors;
- (f) any overdraft facilities or authorised overdrafts permitted under clauses 9.4. (*Expropriations Accounts*) and 12.4 (*Proceeds Accounts*) of the Accounts Agreement; and
- (g) Financial Indebtedness which amounts and terms are approved in writing by the Intercreditor Agent.

The Issuer is restricted from transferring any amounts to the Distributions Account, unless at the time of transfer no Trigger Event or Event of Default is outstanding or would result from such transfer, the transfer is made on a Transfer Date and prior to that transfer being made, it has delivered to the Intercreditor Agent a certificate issued by the secretary of the Issuer confirming that (i) the board resolution approving the relevant Distribution has been passed with the favourable vote of the majority of the Independent Directors and (ii) when required under applicable corporate law, the Shareholder has approved the relevant Distribution on the basis of a board resolution passed as referred to in (i).

#### ***Financing future construction costs***

The Issuer bears the primary responsibility for financing the costs related to the future construction of the remaining links that form part of the Concession Contract, the ancillary works related to the motorway network and certain new lanes to be built on motorways with a high traffic volume.

The Issuer has access through certain contractual arrangements with other Brisa Group companies to a highly developed expertise in projecting future costs, but no assurances can be given as to the ability of the Issuer to overcome construction difficulties which result in cost overruns in the future or to finance its projected capital expenditures or any cost overruns that may occur. See “*General construction and operating risks*” and “*Environmental regulation*”.

#### ***Factors affecting toll revenue***

The amount of toll revenues from the motorways operated by the Issuer is a key component of the Issuer’s business and is dependent, among other things, on the number of paying motorists using the motorways, tariff rates (including the amount of tariff rate increases), and the continued fitness of the motorway network to bear traffic.

Traffic volumes and toll revenues are affected, directly and indirectly, by a number of factors, including the quality and proximity of, and travel time on, alternative toll-free roads and alternative toll roads, the quality of construction and maintenance of the motorways, economic conditions in or affecting Portugal, fuel prices, environmental regulations (including efforts to restrict motor vehicle usage to control air pollution levels) and access by motorists to other means of transportation, including any alternative forms

of mass transportation that already exist or that may be built. The level of traffic on a given motorway is also influenced heavily by its integration into other parts of the national motorway and road network and by the prices of fuel in force at any given time.

### ***Increased competition***

Without prejudice to the exclusive rights of the Issuer relating to the motorways falling within the Concession Contract, the Portuguese State maintains the right to promote the construction of other roads. These new roads may compete with the Issuer's motorway network and may affect the level of revenues obtained from these.

Additionally, whereas, until December 1998, Brisa was the only company with a concession to construct, operate and maintain motorways in Portugal, the Government has subsequently granted several new motorway concessions, some of them operated until recently on a toll-free basis (SCUTS). Some of these new concessions may still have a negative impact in terms of traffic upon some sections of the motorway network of the Issuer.

However, the Issuer points out that, following the governmental decision to introduce real tolls on some of the previously toll-free concessions, the past negative impact, in terms of traffic, has been reversed partially to the benefit of the Issuer's motorway network. Moreover, new concessions when interconnected with the Issuer's motorways, may provide drivers with better access to more areas of Portugal and therefore result in higher overall traffic on all Portugal's motorways, including those of the Issuer. Nevertheless, no assurances can be given as to whether or how new concessions or improvements to the national motorway network, or other enhancements to the Portuguese transportation infrastructure, will affect the volume of traffic on the motorways operated by the Issuer.

### ***Regulated nature of the Issuer's business. Actions by Portugal***

The Issuer operates in a highly regulated environment and its operating results are therefore affected by Government policy and regulation. The main instrument that regulates the activities of the Issuer is the Concession Contract, which sets out, among other things, the methodology for calculating the tolls that the Issuer can charge for the use of the motorways and the construction projects that the Issuer must undertake. Additionally, the Concession Contract gives public authorities the power to oversee certain aspects of the Issuer's operations. See "*The Concession Contract*".

In addition, the Concession Contract is an administrative contract and therefore the Grantor has, under certain circumstances, the power to unilaterally introduce variations thereto. However, the Grantor has the obligation to maintain the object of the Concession Contract and to restore the financial balance of the Main Concession. The Concession Contract does not include any specific provision regarding the cases and circumstances under which the financial rebalance of the Main Concession can be sought and, therefore, the parties will need to rely on the provisions of applicable law (in the case of the Main Concession, the Portuguese Administrative Procedure Code (*Código do Procedimento Administrativo*) and the Civil Code (*Código Civil*)). In general terms, financial rebalance can legally be sought in the case of unilateral modifications by the Grantor, force majeure, *fait du prince* and change in circumstances. The occurrence of a financial rebalance event entitles the Issuer to receive compensation from the Grantor, which may be provided by means of direct payment(s), extension of the concession period, a resetting of tariffs/tolls, or any other means agreed between the Grantor and the Issuer. As such compensation may not be determined in advance, and may not be made available to the Issuer immediately after the occurrence of the relevant triggering events, the occurrence of those events and a delay in making the compensation available to the Issuer may cause an adverse impact thereto.

Despite the current adverse macroeconomic environment for new investments in infrastructures, the Issuer may also be affected by decisions of the Government in respect of the development not only of the motorway system, but also in relation to the creation of alternative transportation routes (e.g. railways, high speed railways or other forms of transportation) which compete with road transportation.

### ***Issuer's reliance on service providers***

The Issuer has entered into five main agreements (the Management Consultancy Services Agreement, the Shared Services Agreement, the Operation & Maintenance Agreement, the Engineering and Technical Services Agreement and the Via Verde Agreement) with other companies members of the Brisa Group which are aimed at allowing the Issuer to carry out its activity in relation to the Main Concession (see “*Description of the Issuer, the Parent and the Brisa Group*” below).

The performance of the Issuer relies on the third party service providers under these agreements being capable of duly performing their obligations thereunder. In the event that any of these companies fails to perform or becomes insolvent, the Issuer will need to find a replacement service provider or hire personnel to undertake the required activities directly itself. There is a risk of an increase in the Issuer's costs and/or a temporary interruption to the Issuer's activities in the event of a service provider having to be replaced.

### ***The Issuer existed before becoming concessionaire under the Concession Contract***

Before becoming concessionaire under the Concession Agreement, the Issuer previously operated as a call centre for the Brisa Group under the corporate name M.Call – Serviços e Telecomunicações, S.A. All of the previous business activities and employees of the Issuer were transferred to a new company within the Brisa Group incorporated for that purpose in May 2010. Accordingly, the Issuer's audited financial statements in respect of the year ended 31 December 2009 (See “*Information Incorporated by Reference*”) reflect the assets and liabilities associated with its previous activities, resulting in a materially low level of assets (€1,271,565 in 2009) and liabilities (€835,158 in 2009). These financial statements do not therefore reflect what the position would have been if the Issuer had already become the new concessionaire at that time, however the financial statements of the Issuer for the year ended 31 December 2010 already reflect such position.

### ***The Parent***

The Parent is a company that was incorporated in 2009 as a Portuguese law governed holding company (“*sociedade gestora de participações sociais*” or “*SGPS*”) with the sole corporate purpose of managing shareholdings in other companies, as an indirect form of exercising economic activities, and rendering administration and management services to such companies. Currently, the Parent exclusively holds 100 per cent. of the share capital of the Issuer and holds no shareholdings in other companies. As such, the Parent's indirect economic activity essentially corresponds to the activity carried out by the Issuer, the Parent thus being exposed to the same operational, financial and other risks which affect the Issuer itself. Therefore whilst potential investors are advised to consider primarily the risk factors set out in respect of the Issuer, they should also bear in mind the risk factors relating to the Parent in connection with the risk factors of the Issuer.

### ***Risks relating to the Issuer's credit ratings and access to funding markets***

Credit ratings affect the cost and other terms upon which the Issuer may obtain funding. Ratings of the Issuer's long-term debt are based on a number of factors, including the Issuer's financial strength and the conditions affecting the industry generally. In light of the difficulties in the Portuguese economy, there can be no assurance that the rating agencies will maintain the Issuer's current ratings or outlooks. Any potential downgrade of the Portuguese sovereign rating could in turn negatively affect the perception that these agencies have of the Issuer's rating. The Issuer's failure to maintain its current ratings and outlooks could increase its cost of funding or even, in a scenario that combines a sharp drop in ratings with a further worsening of the credit environment, result in the wholesale funding markets being entirely inaccessible to the Issuer.

### ***Permitted Distributions***

The transaction documents foresee that the Issuer shall be authorised to acquire or subscribe for debt or

hybrid instruments issued by the Shareholder or Affiliate of the Shareholder with monies transferred to the Distributions Account, after having satisfied the distribution lock-up tests set out in the Finance Documents.

### *Projections, forecasts and estimates*

Forward looking statements, including estimates, or any other projections and forecasts in this document are necessarily speculative in nature and some or all of the assumptions underlying the forward looking statements may not materialise or may vary significantly from actual results.

## **Risk relating to the Notes and the Security**

### *Risks related to the market generally*

Set out below is a brief description of the principal market risks:

#### *The secondary market generally*

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

#### *Exchange rate risks and exchange controls*

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

#### *Interest rate risks*

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of such Fixed Rate Notes.

#### *Currency Change Risk*

In the situation where the Notes are denominated in Euro, this currency being specified as the lawful currency of Portugal, if, at any time following the relevant Issue Date for those Notes, (i) Portugal has more than one lawful currency or (ii) the lawful currency of Portugal is different from the Euro, then the currency in which the Notes are denominated (and in which any payment obligations in respect of the Notes fall to be performed) may be converted into the new lawful currency of Portugal and the Issuer may make such adjustments to the Conditions as the Issuer deems appropriate or amendments to the Conditions may be determined by law. Such amendments, including any rate of exchange between the Euro and the new lawful currency for Portugal which the Issuer determines shall apply, may affect the

value of such Notes.

In circumstances where the Euro as at the relevant Issue Date continues to exist following the occurrence of the events described in (i) or (ii) above, but is no longer the lawful currency, or no longer the only lawful currency, of Portugal, the new lawful currency of Portugal may in future decline in value as compared to the Euro. This means the Notes would be worth less (and possibly significantly less) than they would have been worth had they continued to be denominated in Euro.

*Credit ratings may not reflect all risks*

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. A rating agency may lower or withdraw its rating of the Notes and that action may reduce the market value of the Notes.

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009, as amended (the “**CRA Regulation**”) from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU credit rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). Certain information with respect to the credit rating agencies and ratings will be disclosed in the relevant Final Terms and in the Prospectus.

*Risks related to Notes generally*

Set out below is a brief description of certain risks relating to the Notes generally:

*The Notes may not be a suitable investment for all investors*

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and of the information contained or incorporated by reference in this Base Prospectus or any applicable supplement to this Base Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor’s currency;
- (iv) thoroughly understand the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition

of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

The past performance of Notes or other securities issued by the Issuer may not be a reliable guide to future performance of the Notes. The Notes may fall as well as rise in value. Income or gains from Notes may fluctuate in accordance with market conditions and taxation arrangements.

#### *Form and transfer of the Notes*

The Notes are held through accounts of Affiliate Members of Interbolsa and will be represented in dematerialised book-entry form (*forma escritural*) and can either be registered notes (*nominativas*) (in which case Interbolsa, at the request of the Issuer, can ask the Affiliate Members of Interbolsa for information regarding the identity of the Noteholders and transmit such information to the Issuer) or bearer notes (*ao portador*) (in which case Interbolsa cannot inform the Issuer of the identity of the Noteholders). The Notes shall not be issued in bearer form (*forma titulada*), whether definitive or global.

The Notes will be registered in the issue account opened by the Issuer with Interbolsa and will be held in control accounts by the Affiliate Members of Interbolsa on behalf of the relevant Noteholders. Such control accounts will reflect at all times the aggregate number of Notes held in the individual securities accounts opened by the clients of the Affiliate Members of Interbolsa which include Euroclear and Clearstream. The transfer of the Notes will be made through Interbolsa, Euroclear and Clearstream.

#### *Payment procedures in respect of the Notes*

Payment of principal and interest (a) in euros will be (i) credited, according to the procedures and regulations of Interbolsa, by the Portuguese Paying Agent acting on behalf of the Issuer from the payment current account which the Portuguese Paying Agent has indicated to, and has been accepted by, Interbolsa to be used on the Portuguese Paying Agent's behalf for payments in respect of securities held through Interbolsa to the payment current accounts held by the Affiliate Members of Interbolsa whose control accounts with Interbolsa are credited with such Notes and thereafter (ii) credited by such Affiliate Members of Interbolsa from the aforementioned payment current accounts to the accounts of the owners of those Notes or through Euroclear and Clearstream to the accounts with Euroclear and Clearstream of the beneficial owners of those Notes, in accordance with the rules and procedures of Interbolsa, Euroclear or Clearstream, as the case may be (b) in currencies other than euros will be (i) transferred, on the payment date and according to the procedures and regulations applicable by Interbolsa, from the account held by the Portuguese Paying Agent in the Foreign Currency Settlement System (*Sistema de Liquidação em Moeda Estrangeira*), managed by Caixa Geral de Depósitos, S.A., to the relevant accounts of the relevant Affiliate Members of Interbolsa, and thereafter (ii) transferred by such Affiliate Members of Interbolsa from such relevant accounts to the accounts of the owners of those Notes or through Euroclear and Clearstream to the accounts with Euroclear and Clearstream of the beneficial owners of those Notes, in accordance with the rules and procedures of Interbolsa, Euroclear or Clearstream, as the case may be.

Noteholders must rely on the procedures of Interbolsa to receive payment under the Notes and the Issuer will have no responsibility or liability for the records relating to payments made in respect of beneficial interests in the Notes.

#### *Noteholders subject to resolutions passed at Noteholders meetings. Ordinary and Special Decisions subject to Senior Creditors decisions*

When an Ordinary Decision is required, the Intercreditor Agent will post a notice for such purpose on the Investor Website. No minimum number of Noteholders opining in respect of an Ordinary Decision is required in order for the opinion issued by a Noteholder to be valued taking into account the relevant individual Voting Entitlement, which will be counted for or against the relevant proposal for the purposes

of determining the Majority Senior Creditors' position. An overall quorum requirement will be set for an Ordinary Decision, with Senior Creditors (other than EIB) representing at least 10 per cent. of the Senior Debt (other than the Senior Debt outstanding under the EIB Facility Agreement) having opined in relation to the matter to which the Ordinary Decision Notice refers. Otherwise, no Ordinary Decision may be approved (See "*Ordinary Decisions and Noteholders' Meetings*" below).

A Noteholders meeting may at any time be convened by the Notes Common Representative or, if no Notes Common Representative is appointed or if the Notes Common Representative refuses to convene the meeting, by the chairman of the general meeting of shareholders of the Issuer. A meeting of Noteholders must be convened by the Notes Common Representative or, if no Notes Common Representative is appointed or if the Notes Common Representative refuses to convene the meeting, by the chairman of the general meeting of shareholders of the Issuer whenever the Intercreditor Agent sends a notice relating to a Special Decision or upon the request in writing of Noteholders holding not less than 5 per cent. of the aggregate Principal Amount Outstanding of the outstanding Notes.

The quorum required to hold a meeting of Noteholders will be, in relation to each Series of Notes: (a) if the matter at stake is to be decided by way of a Resolution, any person or persons holding or representing Notes then outstanding (except Notes held by the Issuer, if any), regardless of the Principal Amount Outstanding thereof; or (b) if the matter at stake is to be decided by way of an Extraordinary Resolution, a person or persons holding or representing at least 50 per cent. of the Principal Amount Outstanding of the relevant Series of Notes (except Notes held by the Issuer, if any) or, at any adjourned meeting, any person or persons holding or representing any of the Notes then outstanding (except Notes held by the Issuer, if any), regardless of the Principal Amount Outstanding thereof. The number of votes required to pass a Resolution or an Extraordinary Resolution, as the case may be, will be, in relation to each Series of Notes: (a) if the matter at stake is to be decided by way of a Resolution, the majority of the votes cast at the relevant meeting; or (b) if the matter at stake is to be decided by way of an Extraordinary Resolution, at least 50 per cent. of the Principal Amount Outstanding of the relevant Series of Notes or, at any adjourned meeting, two-thirds of the votes cast at the relevant meeting.

Resolutions and Extraordinary Resolutions will be binding on all Noteholders holding or representing Notes of the same Series, whether or not they are present at the meeting or have voted against such Resolutions and Extraordinary Resolutions.

All Special Decisions are to be decided by way of an Extraordinary Resolution.

In case of Special Decisions, as the instructions for the relevant Series of Noteholders will be relayed by the Notes Common Representative to the Intercreditor Agent, the Noteholders are dependent upon the Notes Common Representative notifying the Intercreditor Agent of its instructions in relation to a decision by the relevant date. If such a notification fails to occur until the relevant date, the respective Voting Entitlement will be excluded for the purposes of determining whether the requisite voting levels have been attained in relation to that decision of the Senior Creditors.

Except as otherwise provided for in the Intercreditor Agreement and subject to the Entrenched Rights and the Retained Rights of the Noteholders and the other various classes of Senior Creditors, all waivers, consents or approvals under any Finance Document or any amendment to the terms of any Finance Document (in each case, other than the Senior Debt Agreements, including, for the avoidance of doubt, the Notes Documentation) will require the consent of the Majority Senior Creditors in accordance with and subject to the terms of the Intercreditor Agreement. Hence, other than where a Noteholder Entrenched Right or Noteholder Retained Right applies, Ordinary Decisions and Special Decisions in respect of which Noteholders have expressed their views or voted, as the case may be, will be subject to, and may be afterwards prejudiced by, decisions passed by other Senior Creditors. The Finance Parties (including, for the avoidance of doubt, the Noteholders) acknowledge and accept, in the terms of the Intercreditor Agreement, the outcome of each Ordinary Decision or Special Decision, even those that have expressed different views or voted against or abstained from expressing their views or voting, as the case may be,

the respective Ordinary Decision or Special Decision.

#### *Administrative cooperation in the field of taxation*

Under EC Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the “**Savings Directive**”), EU Member States are required to provide to the tax authorities of other EU Member States with details of payments of interest (or income deemed equivalent for these purposes) paid by a person within its jurisdiction to an individual resident in that other EU Member State. In this respect it should be noted that the Savings Directive, as amended by Council Directive 2014/48/EU, of 24 March 2014, was repealed by Council Directive 2015/2060, of 10 November 2015. The aim was the adoption of a single and more comprehensive cooperation system in the field of taxation in the European Union under Council Directive 2011/16/EU, of 15 February 2011. Notwithstanding the repeal of the Savings Directive as of 1 January 2016, certain provisions will continue to apply during a transitional period.

The new regime under Council Directive 2011/16/EU, as amended by Council Directive 2014/107/EU, of 9 December 2014, introduced the automatic exchange of information in the field of taxation concerning bank accounts and is in accordance with the Global Standard released by the Organization for Economic Co-operation and Development in July 2014. This regime is generally broader in scope than the Savings Directive.

Under Council Directive 2014/107/EU, financial institutions are required to report to the Tax Authorities of their respective Member State (for the exchange of information with the State of Residence) information regarding bank accounts, including depository and custodial accounts, held by individual persons residing in a different Member State or entities which are controlled by one or more individual persons residing in a different Member State, after having applied the due diligence rules foreseen in the Council Directive. The information refers not only to personal information such as name, address, state of residence, tax identification number and date and place of birth, but also to the account balance at the end of the calendar year, and (i) in case of depository accounts, the total gross amount of interest paid or credited in the account during the calendar year; or, (ii) in the case of custodial accounts, the total gross amount of interest, dividends and any other income generated, as well as the proceeds from the sale or redemption of the financial assets paid or credited in the account during the calendar year to which the financial institution acted as custodian, broker, nominee, or otherwise as an agent for the account holder, among others.

Portugal has implemented Council Directive 2011/16/EU through Decree-Law No. 61/2013, of 10 May and the Council Directive 2014/107/EU through Decree-Law No. 64/2016 of 11 October.

In view of the abovementioned regime, all information regarding the registration of the financial institution, procedures to comply with the reporting obligations and the forms to use for that end will be provided through Order of the Ministry of Finance.

#### *Change of law*

The conditions of the Notes are governed by Portuguese law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to Portuguese law or administrative practice after the date of this Base Prospectus.

#### *Legal investment considerations may restrict certain investments*

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine



the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

### ***Risks related to the structure of a particular Tranche of Notes***

A wide range of Notes may be issued under the Programme. Some of these Notes may have features which contain particular risks for potential investors. Examples of such features are set out below:

#### *Notes subject to optional redemption by the Issuer*

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

In respect of the Initial Notes, unless in the case of any particular Tranche of Initial Notes the relevant Final Terms specify otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Initial Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the laws of Portugal or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Initial Notes in accordance with Condition 10.3. (if the conditions established therein are met).

The Issuer may only early redeem the Notes provided that no Trigger Event or Event of Default (or trigger event or event of default under the EIB Facility Agreement) would result from the making of such early redemption.

#### *Notes issued at a discount or a premium*

The market value of securities issued at a discount or a premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than they would were they conventional interest-bearing securities. Generally, the longer the remaining terms of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

#### *Fixed/Floating Rate Notes*

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

### ***Risks related to the Security***

Under or pursuant to the terms of the Security Agreement the Issuer, the Initial Shareholder (which has, prior to the date of this Base Prospectus, transferred and pledged the Shares (including the corresponding Share Related Rights) to the Parent) and the Parent pledged or promised to pledge or assigned by way of security or mortgaged or promised to mortgage (as applicable), in favour and for the benefit of the EIB and the Security Agent (on behalf of the Finance Parties, including, for the avoidance of doubt, the Noteholders), any New Shares (including all and each of the Share Related Rights attached thereto), the balance of the Company Accounts and of the Authorised Accounts opened and maintained by the Issuer

for the purposes of making Authorised Investments, the General Rights, the Future General Rights, the New Assets and the Real Assets (“**Security Assets**”).

The value of the Security Assets and, accordingly, the level of recovery on the enforcement of the security may be affected by, among other things, a decline in the value of the relevant asset and no assurance can be given that the values of the relevant assets will not decline in the future.

#### ***Liability under the Notes***

The Notes will be direct obligations of the Issuer secured by the Security Assets. Noteholders will have a claim under the Notes against the Issuer only and, in the terms set forth in the Security Agreement, against the Issuer and the Parent (but not against the Initial Shareholder which has, prior to the date of this Base Prospectus, transferred the Shares (including the corresponding Share Related Rights) to the Parent). Pursuant to the Security Agreement, the Security Agent (on behalf of the Finance Parties, including the Noteholders) acknowledges and agrees that, other than expressly foreseen in the Finance Documents, the Parent, Brisa or any Shareholder, from time to time, do not in any way guarantee or have any liability whatsoever in relation to the Obligations and, accordingly, the Noteholders will not have the benefit nor shall be entitled, in relation to the Parent, to make any claim based on articles 501 and 502 of the Portuguese Companies Code (which do not currently legally apply to any shareholder of the Parent), article 629 of the Portuguese Civil Code or other legal provisions of similar nature, and unconditionally and irrevocably waive any right arising thereunder in relation to the Notes. If there are insufficient funds available to the Issuer to pay in full all principal, interest and other amounts due in respect of the Notes at the applicable Notes Maturity Date or upon acceleration in the terms set forth in Condition 14 (*Acceleration*) or upon an early redemption in part or in whole as permitted under the Conditions, claims of the Noteholders in respect of any such unpaid amounts will exist towards the Issuer and, in the terms provided for in the Security Agreement, towards the Issuer and the Parent (but not against the Initial Shareholder which has, prior to the date of this Base Prospectus, transferred the Shares (including the corresponding Share Related Rights) to the Parent) in relation to Security Assets, subject to the satisfaction of the credit entitlements of the other Senior Creditors, under the terms and in accordance with the Security Agreement.

#### ***Noteholders subject to Entrenched and Retained Rights***

The exercise or enforcement of rights, powers and discretions, the giving of any consent or any waiver, or making of any determination or notification under or in respect of any provisions of the Finance Documents by the Noteholders or the Notes Common Representative shall be made in accordance with the provisions of the Intercreditor Agreement.

All waivers, consents or approvals under any Finance Document, or any amendment to the terms of any Finance Document (in each case, other than the Senior Debt Agreements) will require the consent of the Majority Senior Creditors, except if otherwise provided for in the Intercreditor Agreement, and will be subject to the Entrenched Rights and the Retained Rights of the various classes of Senior Creditors. In addition to its Entrenched Rights as Senior Creditor, the EIB will also have other Entrenched Rights in relation to certain matters as further detailed in “*Overview of Certain Transaction Documents – Intercreditor Agreement*”.

Decisions under the Finance Documents expressed to be taken by the Intercreditor Agent will be taken by the Intercreditor Agent, acting on instructions of the Majority Senior Creditors, subject to the Intercreditor Agreement and the Entrenched Rights and the Retained Rights of the various classes of Senior Creditors. Any decision giving rise to an Entrenched Right or a Retained Right for any Senior Creditor or class of Senior Creditors cannot be made without the approval of that Senior Creditor or class of Senior Creditors (as applicable).

### ***Hedging Risk***

The Issuer may be exposed to interest rate risk or currency risk in the event that there is an early termination of a Hedging Agreement. A Hedging Agreement may be terminated in the circumstances described in “*Overview of Certain Transaction Documents – Hedging Agreements*”. If a Hedging Agreement is terminated and the Issuer is unable to find a replacement Hedging Counterparty, then the funds available to the Issuer may be insufficient to meet fully its obligations under the Notes.

### ***Risks related to Withholding tax***

Under Portuguese law, income derived from the Notes integrated in and held through Interbolsa, as the management entity of the Portuguese central securities clearing system (*Central de Valores Mobiliários*) held by non-resident investors (both individual and corporate) eligible for the debt securities special tax exemption regime which was approved by Decree-Law no. 193/2005, of 7 November 2005, as amended (“**Decree-Law 193/2005**”) may benefit from withholding tax exemption, provided that certain procedures and certification requirements are complied with (namely regarding proof of non residency in Portuguese territory). Failure to comply with these procedures and certifications will result in the application of the Portuguese tax regime relating to debt securities. See details of the Portuguese taxation regime in “*Taxation – Portuguese Taxation*”.

The Issuer will not gross-up payments in respect of any such withholding tax in any of the cases indicated in Condition 11.2 (*No gross-up for Notes other than Initial Notes*), including failure to deliver or incorrect completion of the required certificate or declaration, as detailed in “*Taxation – Portuguese Taxation*”. Accordingly, Noteholders must seek their own advice to ensure that they comply with all procedures to ensure correct tax treatment of their Notes.

## IMPORTANT NOTICES

The Issuer and the Parent accept responsibility for the information contained in this Base Prospectus. To the best of the knowledge of the Issuer and the Parent (having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see *“Information Incorporated by Reference”*). This Base Prospectus shall be read and construed on the basis that such documents are incorporated and form part of this Base Prospectus.

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €3,000,000,000 (or its equivalent in other currencies calculated as described herein), subject to increase as described herein. The maximum aggregate principal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time.

The Notes may be issued on a continuing basis to one or more of the Dealers and any additional Dealer appointed under the Programme from time to time by the Issuer (each a **“Dealer”** and together the **“Dealers”**), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the **“relevant Dealer”** shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

If a public offer of Notes is so specified in the Final Terms in respect to any issue of Notes, the Issuer and the Parent consent to the use of this Base Prospectus in connection with a public offer of the Notes in Luxembourg and in Portugal by any of the Dealers of the Programme or by any financial intermediary authorised to make such offer under the Markets in Financial Instruments Directive (Directive 2004/39/EC) (together with the Dealers, the **“Managers”** and each a **“Manager”**) and accept responsibility for the content of this Base Prospectus including with respect to the subsequent resale or final placement of securities by any Manager which was given consent to use this Base Prospectus.

The consent referred to above relates to Offer Periods occurring during the 12 months from the date of this Base Prospectus.

**An investor intending to acquire or acquiring any Notes from a Manager will do so, and offers and sales of the Notes to an investor by a Manager will be made, in accordance with any terms and other arrangements in place between such Manager and such investor including price, allocation, settlement arrangements and any expenses or taxes to be charged to the investor (the *“Terms and Conditions of the Public Offer”*). The investor must look to the offeror at the time of such offer for the provision of such information and the offeror will be responsible for such information. The Terms and Conditions of the Public Offer shall be published by that offeror on its website at the relevant time.**

**The Issuer and the Parent will not be a party to any such arrangements with investors (other than Managers) in connection with the offer or sale of the Notes and, accordingly, this Base Prospectus and any Final Terms will not contain such information. The Terms and Conditions of the Public Offer and a statement that the use of the Base Prospectus in accordance with the consent and with the relevant conditions shall be disclosed by that Manager on its website at the relevant time. The Issuer, the Parent or any of the other Managers have no responsibility or liability for such information. Any new information with respect to the Managers unknown at the time of the approval of the Base Prospectus will be published by that offeror on its website at the relevant time.**

The Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated

in this Base Prospectus or any other information provided by the Issuer in connection with the Programme. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Programme.

No person is or has been authorised by the Issuer or the Parent to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Notes or any information supplied by the Issuer in connection with the Programme or any Notes or such other information as is in the public domain and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or the Parent or any of the Dealers.

None of the Issuer, the Parent, the Arranger, the Dealers, the Security Agent, the Intercreditor Agent or the Notes Common Representative or the other parties accept responsibility to investors for the regulatory treatment of their investment in the Notes (including (but not limited to) whether any transaction or transactions pursuant to which Notes are issued from time to time is, or will be, regarded as constituting a “securitisation” for the purpose of the CRD or CRR and the application of article 405 to 410 of the CRR and article 51 of Commission Delegated Regulation (EU) 231/2013 to any such transaction) by any regulatory authority in any jurisdiction. If the regulatory treatment of an investment in the Notes is relevant to any investor’s decision whether or not to invest, the investor should make its own determination as to such treatment and for this purpose seek professional advice and consult its regulator. For further information see “*Risk Factors – Changes to the risk weighted asset framework*”.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, the Parent or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness and of the Issuer and the Parent. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer, the Parent or any of the Dealers to any person to subscribe for or to purchase any Notes.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under “*Terms and Conditions of the Notes*”) of Notes will be set out in final terms (the “**Final Terms**”) which, with respect to Notes to be listed on the Luxembourg Stock Exchange and/or offered to the public will be filed with the CSSF. Copies of Final Terms will be available from the registered office of the Issuer and the Specified Offices of the Paying Agents. The Final Terms will also be available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

This Base Prospectus must be read and construed together with any supplement to the Base Prospectus, and with any information incorporated by reference herein and, in relation to any Tranche of Notes which is the subject of Final Terms, must be read and construed together with the relevant Final Terms. Neither the delivery of this Base Prospectus nor any Final Terms nor the offering, sale or delivery of any Notes shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently, supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer, the Parent or Brisa since the date thereof or, if later, the date upon which this Base Prospectus has been most recently, supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer, the Parent or

Brisa during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Investors should review, *inter alia*, the most recently published documents incorporated by reference into this Base Prospectus when deciding whether or not to purchase any Notes.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Conditions of the Notes as set out herein, in which event a supplement to the Base Prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may issue unlisted Notes and/or Notes not admitted to trading on any market.

Neither this Base Prospectus nor any Final Terms constitutes an offer to sell or the solicitation of an offer to buy or an invitation to subscribe for or purchase any Notes in any jurisdiction to any person to whom it is unlawful to make an offer or solicitation in such jurisdiction and should not be considered as a recommendation by the Issuer, the Parent, the Notes Common Representative, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or of any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer and the Parent.

The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer, the Parent and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Parent or the Dealers which is intended to permit a public offering of any Notes outside Luxembourg or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and on the offering and sale of Notes. There are restrictions on the distribution of this Base Prospectus and/or the offer or sale of Notes in the United States, Japan and the European Economic Area (including the United Kingdom, Portugal and France). In particular, the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to or for the account or benefit of, U.S. persons (see “*Subscription and Sale*”).

This Base Prospectus has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by final terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for either of the Issuer, the Parent or any Dealer to publish a prospectus pursuant to article 3 of the Prospectus Directive or supplement a prospectus pursuant to article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer, the Parent, nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for either of the Issuer, the Parent or any Dealer to publish or supplement a prospectus for such offer.

Subject as provided in the applicable Final Terms, the only persons authorised to use this Base Prospectus in connection with an offer of Notes are the persons named in the applicable Final Terms as the relevant Dealer, managers or financial intermediaries, as the case may be.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, a stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Tranche of Notes is made and, if begun, will be carried out in compliance with all applicable laws and may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allocation must be conducted by the relevant Stabilising Manager(s) (or person(s)) acting on behalf of any Stabilising Manager(s) in accordance with all applicable laws and rules.

All references in this document to (i) “euro”, “EUR”, “Euro” and “€” refer to the single currency of certain member states of the European Union and (ii) “Sterling” and “£” are to pounds sterling, the lawful currency of the United Kingdom. All references in this Base Prospectus to the “U.S.” or “United States” refer to the United States of America, its territories and possessions.

Certain figures in this Base Prospectus have been subject to rounding adjustments. Accordingly, amounts shown as totals in tables or elsewhere may not be an arithmetic aggregation of the figures which precede them. In respect of information in this Base Prospectus sourced from a third party, the Issuer and the Parent confirm that the information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

### **GENERAL DESCRIPTION OF THE PROGRAMME**

The Programme is a Euro 3,000,000,000 Euro Medium Term Note Programme under which the Issuer may from time to time issue Notes in accordance and subject to all applicable laws and regulations and denominated in Euro or in other currencies as may be set forth in the relevant Final Terms. The applicable terms of any Notes will be agreed between the Issuer and the relevant Dealer(s) prior to the issue of Notes.



## INFORMATION INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- (a) the audited financial statements (including the auditors' report thereon and notes thereto) of the Issuer in respect of the years ended 31 December 2014 and 31 December 2015 (prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS-EU"));
- (b) the unaudited financial statements of the Issuer in respect of the six month period ended 30 June 2016 (prepared in accordance with the IFRS-EU);
- (c) the audited financial statements (including the auditors' report thereon and notes thereto) of the Parent in respect of the year ended 31 December 2014 and the audited consolidated financial statements (including the auditors' report thereon and notes thereto) of the Parent in respect of the year 31 December 2015 (prepared in accordance with the IFRS-EU);
- (d) the unaudited financial statements of the Parent in respect of the six month period ended 30 June 2016 (prepared in accordance with the IFRS-EU);
- (e) the base prospectus dated 22 December 2010, the base prospectus dated 2 March 2012, the base prospectus dated 16 May 2013, the base prospectus dated 4 July 2014 and the base prospectus dated 14 October 2015; and
- (f) the entirety of the presentation disclosed by the Issuer on 8 November 2016 relating to the 9M 2016 traffic update.

Copies of the documents specified above as containing information in line with the cross-reference table provided below may be inspected, free of charge, at the registered office of the Issuer and the Parent (Quinta da Torre da Aguilha, Edifício Brisa, 2785-599 São Domingos de Rana, Portugal), and the Specified Offices of the Paying Agents.

This Base Prospectus as well as the information incorporated by reference in it has been published on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

The Issuer has undertaken, in connection with the admission to listing of the Notes on the Official List of the Luxembourg Stock Exchange and to trading of the Notes on the regulated market of the Luxembourg Stock Exchange, that if there shall occur any adverse change in the business or financial position of the Issuer or any change in the information set out under "*Terms and Conditions of the Notes*" that is material in the context of issuance of Notes under the Programme, the Issuer will prepare or procure the preparation of a supplement to this Base Prospectus or, as the case may be, publish a new Base Prospectus, for use in connection with any subsequent issue by the Issuer of Notes to be so admitted to listing and trading.

### Cross Reference Table

The information incorporated by reference that is not included in the cross reference lists is considered as additional information and is not required by the relevant schedules of the Prospectus Regulation. It also should be noted that the documents incorporated by reference in the documents incorporated by reference in this Base Prospectus shall not be incorporated by reference in, and form part of this Base Prospectus. These documents are either not relevant for investors or covered elsewhere in the Prospectus.

### 2014 Issuer Financial Statements

Statement of Financial Position .....	2014 Issuer Annual FS (page 33)
Statement of Results and Other Comprehensive Income.....	2014 Issuer Annual FS (page 34)

Statement of Changes in Shareholders' Equity.....	2014 Issuer Annual FS (page 35)
Statement of Cash Flows.....	2014 Issuer Annual FS (page 36)
Notes to Financial Statements.....	2014 Issuer Annual FS (page 37 to 66)
Legal certification of the Accounts.....	2014 Issuer Annual FS (page 67 to 68)

**2015 Issuer Financial Statements**

Statement of Financial Position.....	2015 Issuer Annual FS (page 38)
Statement of Profit and Loss and Other Comprehensive Income.....	2015 Issuer Annual FS (page 39)
Statement of Changes in Shareholders' Equity.....	2015 Issuer Annual FS (page 40)
Cash Flow Statement.....	2015 Issuer Annual FS (page 41)
Notes to the Financial Statements.....	2015 Issuer Annual FS (pages 43 to 77)
Legal certification of the Accounts.....	2015 Issuer Annual FS (pages 79 to 80)

**Issuer Financial Statements for the six months period ended 30 June 2016**

Statement of Financial Position.....	2016 Issuer First Half FS (page 16)
Statement of Profit and Loss and Other Comprehensive Income.....	2016 Issuer First Half FS (page 17)
Statement of Changes in Shareholders' Equity.....	2016 Issuer First Half FS (page 18)
Cash Flow Statement.....	2016 Issuer First Half FS (page 19)
Notes to the Financial Statements.....	2016 Issuer First Half FS (pages 20 to 44)

**2014 Parent Financial Statements**

Statement of Financial Position.....	2014 Parent Annual FS (page 6)
Statement of Results and Other Comprehensive Income.....	2014 Parent Annual FS (page 7)
Statement of Changes in Shareholders' Equity.....	2014 Parent Annual FS (page 8)
Statement of Cash Flows.....	2014 Parent Annual FS (page 9)
Notes to Financial Statements.....	2014 Parent Annual FS (page 10 to 17)
Legal certification of the Accounts.....	2014 Parent Annual FS (page 18 to 19)

**2015 Parent Consolidated Financial Statements**

Consolidated Statement of Financial Position.....	2015 Parent Annual FS (page 13)
Consolidated Statement of Profit and Loss and Other Comprehensive Income .....	2015 Parent Annual FS (page 14)
Consolidated Statement of Changes in Shareholders' Equity.....	2015 Parent Annual FS (page 15)
Consolidated Cash Flow Statement.....	2015 Parent Annual FS (page 16)
Notes to the Consolidated Financial Statements.....	2015 Parent Annual FS (pages 17 to 48)
Legal certification of the Consolidated Accounts.....	2015 Parent Annual FS (pages 50 to 51)

**Parent Financial Statements for the six months period ended 30 June 2016**

Statement of Financial Position.....	2016 Parent First Half FS (page 1)
Statement of Profit and Loss and Other Comprehensive Income.....	2016 Parent First Half FS (page 2)
Statement of Changes in Shareholders' Equity.....	2016 Parent First Half FS (page 3)

Cash Flow Statement.....	2016 Parent First Half FS (page 4)
Notes to the Financial Statements.....	2016 Parent First Half FS (pages 5 to 10)
<b>Brisa - Concessão Rodoviária, S.A. base prospectus related to the Euro 3,000,000,000 Euro Medium Term Note Programme</b>	
<b>Base prospectus dated 22 December 2010</b>	
Terms and Conditions .....	Page 100 to 137
<b>Base prospectus dated 2 March 2012</b>	
Terms and Conditions .....	Page 138 to 175
<b>Base prospectus dated 16 May 2013</b>	
Terms and Conditions .....	Page 124 to 160
<b>Base prospectus dated 4 July 2014</b>	
Terms and Conditions .....	Page 124 to 160
<b>Base prospectus dated 14 October 2015</b>	
Terms and Conditions .....	Page 126 to 162

#### **PROSPECTUS SUPPLEMENT**

If at any time the Issuer shall be required to prepare a prospectus supplement pursuant to article 13 of the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities, the Issuer will prepare and make available an appropriate amendment or supplement to this Base Prospectus which, in respect of any subsequent issue of Notes to be listed on the Official List and admitted to trading on the Luxembourg Stock Exchange's regulated market, shall constitute a prospectus supplement as required by article 13 of the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities.

The Issuer has given an undertaking to the Dealers that if at any time during the duration of the Programme there is a significant new factor, material mistake or inaccuracy relating to information contained in this Base Prospectus which is capable of affecting the assessment of any Notes and whose inclusion in or removal from this Base Prospectus is necessary for the purpose of allowing an investor to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, and the rights attaching to the Notes, the Issuer shall prepare an amendment or supplement to this Base Prospectus or publish a replacement Base Prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer such number of copies of such supplement hereto as such Dealer may reasonably request.

## DESCRIPTION OF THE ISSUER, THE PARENT AND THE BRISA GROUP

### Corporate Reorganisation of the Brisa Group

In 2009 the Brisa Group started a corporate reorganisation process that was concluded in December 2010.

The primary goal of the reorganisation process was to improve efficiency and rationalise resources while ensuring the high quality standards that make the Brisa Group a major operator of motorway concessions.

As part of this process, part of the operation and maintenance activities were transferred from Brisa to Brisa O&M, S.A. (“**BO&M**”), as further detailed below. This company, which had access to 40-years of know-how in motorway maintenance and management, already provided maintenance and operation services to all domestic road concessions of the Brisa Group. Simultaneously, all of the research and development related activities were concentrated in another group subsidiary named Brisa - Inovação e Tecnologia, S.A..

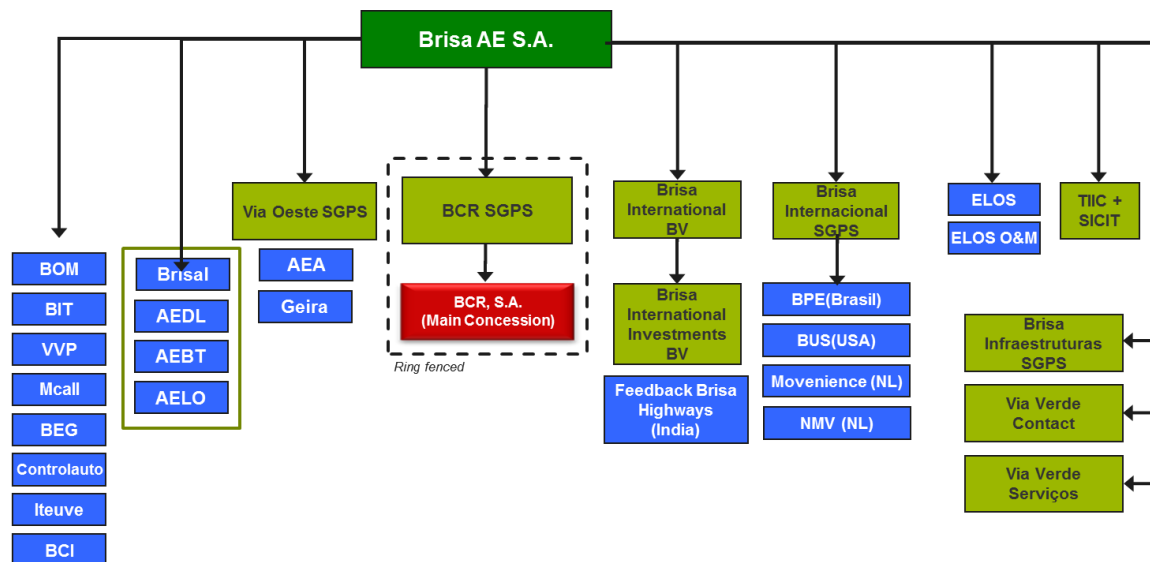
The reorganisation also involved the transfer of the Main Concession from Brisa to Brisa - Concessão Rodoviária, S.A. (the “**Issuer**”), which was at the time a wholly owned subsidiary of Brisa. The corporate debt of Brisa was transferred to the Issuer at the same time as the transfer of the Main Concession.

Following these transfers, Brisa transferred the shares it held in the share capital of the Issuer to a newly incorporated holding company, Brisa Participações, SGPS, S.A., which was wholly owned by Brisa. The shares held by Brisa Participações, SGPS, S.A. in the Issuer were subsequently transferred to another newly incorporated holding company, Brisa - Concessão Rodoviária, SGPS, S.A. (the “**Parent**”).

Brisa will continue to develop certain operational activities (such as the provision of fleet management services, the above mentioned operation and maintenance services and other shared services).

In operational terms, this corporate reorganisation resulted in a greater asset visibility, therefore enhancing the efficiency of different business units. The ring fencing of the Issuer, with its activities restricted to the Main Concession and insulated from the activities of the remainder of the Brisa Group, allowed for a more stable business risk profile and hence greater financing flexibility going forward.

### CORPORATE ORGANISATIONAL STRUCTURE



Brisa AE S.A. = Brisa - Auto-Estradas de Portugal, S.A.

Brisa Infraestruturas SGPS = Brisa Infraestruturas, SGPS, S.A.

Via Verde Contact = Via Verde Contact, S.A.

Via Verde Serviços = Via Verde Serviços, S.A.

BOM = Brisa O&M, S.A.

BIT = Brisa - Inovação e Tecnologia, S.A.

VVP = Via Verde Portugal - Gestão de Sistemas Electrónicos de Cobrança S.A.

Mcall = Mcall, S.A.

BEG = Brisa Engenharia e Gestão, S.A.

Controlauto = Controlauto – Controlo Técnico Automóvel, S.A.

Iteuve = Iteuve Portugal, Lda.

BCI = Brisa Conservação de Infraestruturas, S.A.

Brisal = BRISAL - Auto-Estradas do Litoral S.A.

AEDL = AEDL - Auto-Estradas do Douro Litoral S.A.

AEBT = AEBT - Auto-Estradas do Baixo Tejo, S.A.

AELO = AELO - Auto-Estradas do Litoral Oeste, S.A.

Via Oeste SGPS = Via Oeste, SGPS, S.A.

AEA = Auto-Estradas do Atlântico - Concessões Rodoviárias de Portugal, S.A.

Geira = Geira, S.A.

BCR SGPS = Brisa – Concessão Rodoviária, SGPS, S.A.

BCR = Brisa – Concessão Rodoviária, S.A.

Brisa Internacional SGPS = Brisa Internacional, SGPS, S.A.

BPE (Brasil) = Brisa Participações e Empreendimentos LTDA.

BUS (USA) = Brisa United States, LLC

Movenience (NL) = Movenience B.V.

NMV (NL) = New Mobility Ventures B.V.

ELOS = ELOS - Ligações de Alta Velocidade, S.A.

ELOS O&M = ELOS - OM, S.A.

TIIC = Transport Infrastructure Investment Company (TIIC)

SICIT = SICIT - Sociedade de Investimentos e Consultoria em Infra-Estruturas de Transportes, S.A.

Brisa International BV = Brisa International, B.V.

Brisa International Investments BV = Brisa International Investments, B.V.

Feedback Brisa Highways = Feedback Brisa Highways OMT PVT LTD.

The Issuer is ultimately controlled by José de Mello Investimentos, SGPS, S.A., which holds, directly and indirectly, 52.8% of the share capital and voting rights of Brisa. Besides of the direct participation it has in Brisa, José de Mello Investimentos, SGPS, S.A. is also the controlling shareholder of Tagus, which is the controlling shareholder of Brisa. Currently, Brisa holds the majority of the share capital and voting rights in the Issuer indirectly through the Parent.

Following the merger of Brisa Participações, SGPS, S.A., the former holding company of the Parent, into Brisa in December 2014 and the sale of 4 stakes representing, in aggregate, 30 per cent. of the share capital and voting rights of the Parent to various Portuguese and Brazilian investors in June 2015, the share capital and voting rights of the Parent are currently 70 per cent. held by Brisa.

## **THE ISSUER**

### **Issuer Overview and General Corporate Information**

The Issuer is a company that was registered in Portugal on 3 June 1992, organised under the laws of Portugal and registered with the Commercial Registry Office of Cascais under the sole registration and

tax payer number 502 790 024. Until 14 May 2010, the Issuer was named M.Call Serviços de Telecomunicações, S.A. (which in turn resulted from the merger of Moraudiotel, Lda. and Mega Call, Lda.). The Issuer has its registered head office at Quinta da Torre da Aguilha - Edifício Brisa, in São Domingos de Rana, Portugal, and its telephone number is +351 214 448 500.

According to the information disclosed by the European Association of Operators of Toll Road Infrastructures (ASECAP), the Issuer is one of the largest European motorway companies and operates the concession for a network that currently comprises 1100.2 km of roads and provides the main Portuguese road connections, from north to south and east to west.

As at the date of this Base Prospectus, the only shareholder of the Issuer is Brisa – Concessão Rodoviária, SGPS, S.A., as further described below.

The Issuer has a fully paid-up share capital of €75,000,000.00, represented by 15,000,000 shares with a nominal value of €5 each. In accordance with article 1 of the Issuer's articles of association, the corporate purpose of the Issuer comprises the construction, maintenance and development of highways and respective service areas, under the terms of the Concession Contract, as well as research and execution of social equipment infrastructures and additionally the exercise of any ancillary activities to the abovementioned, in accordance with the Concession Contract.

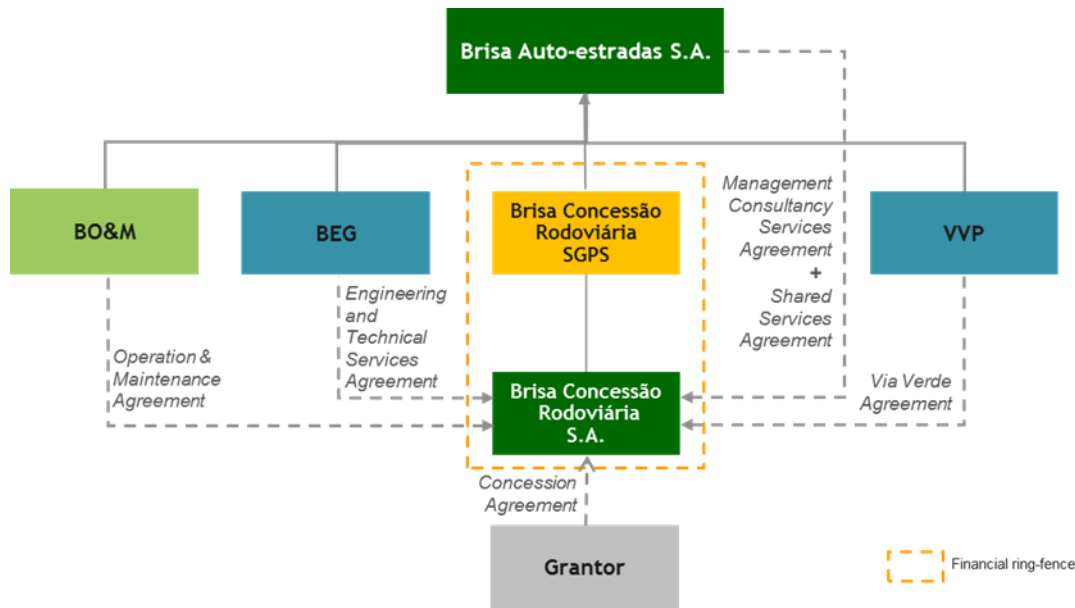
There are no recent events particular to the Issuer which are, to a material extent, relevant to the evaluation of the Issuer's solvency.

There are no arrangements known to the Issuer, the operation of which may result in a change in control of the Issuer.

### **Contractual Structure**

Further to the corporate reorganisation carried out by the Brisa Group, as described above, the Issuer has entered into five main agreements with other companies in the Brisa Group, which are aimed at enabling the Issuer to carry out the activity relating to the Main Concession.

All these agreements have been entered into on arms' length terms and at market prices and have no cross dependencies. Additionally, all such agreements with Brisa Group companies can be terminated, with the Issuer benefiting from appropriate termination rights and, in relation to the major contracts, penalty regimes linked to performance standards. There are no cross-default provisions. The Issuer does not currently expect that the replacement of such agreements will trigger a significant cost increase or material impact on the level of service, in the case of a failure to perform or the insolvency of the relevant provider companies.



### Operation & Maintenance Agreement

The counterparty to this agreement is BO&M, a company incorporated under Portuguese law in 2001 under the name of Brisa Assistência Rodoviária, S.A. and renamed as BO&M in December 2009. As part of the corporate reorganisation, part of Brisa's activities relating to operation and maintenance were transferred in December 2009 from Brisa to BO&M along with all the operational staff involved in such activities. As result of this, since early January 2010 BO&M has been providing operation and maintenance services to all domestic road concessions of the Brisa Group (other than the Litoral Centro and the Douro Litoral concessions, in which the operation and maintenance services are still provided by Brisa). BO&M is currently entirely held by Brisa (after the merger of Brisa Serviços Viários SGPS, S.A. into Brisa).

The O&M Agreement transfers the operational risks associated with the responsibilities of the Issuer towards the Grantor on a full back-to-back to BO&M. The main operating activities that will, under this agreement, be performed by BO&M are, *inter alia*, the following:

- (i) using the Issuer's operational coordination centre, the nationwide operational coordination for all the network (patrolling, accidents, traffic control, call boxes, variable message panels, video cameras and global communications);
- (ii) performance of manual toll collections;
- (iii) consolidation of all toll transactions (manual and electronic), subsequent reporting and global monitoring, including revenue assurance;
- (iv) surveillance and patrolling of the motorways, including when needed assistance to drivers;
- (v) current maintenance of infrastructures (pavements, engineering works, joints, embankments, safety equipment, road marking, signalling, amongst others);
- (vi) current environmental maintenance (pruning, sweeping, litter and waste);
- (vii) current electric and electronic maintenance (telecom network, call boxes network, ITS, weather stations, video surveillance, power supply network, amongst others);
- (viii) current toll equipment maintenance (manual and electronic toll collection equipment, including correspondent hardware and software);
- (ix) customer care (through its operational centres, but also coordinating and subcontracting customer care to Via Verde Portugal, S.A. ("VVP") and call centres); and

- (x) back office tasks.

The O&M Agreement is similar to all other operation and maintenance contracts of BO&M with other concessionaires in the Portuguese road sector, the clauses of which have been validated by the lenders to these projects and by the Grantor, as well as by the companies themselves and their shareholders. The O&M Agreement has no cross dependencies with any other contract. It is capable of being terminated and all the sub-contracts entered into by BO&M are capable of being assumed by the Issuer or another entity proposed by the Issuer on termination.

The O&M Agreement and other agreements must be evaluated, yearly, by the Portuguese tax authorities according to the “transfer prices regime” to ensure that their terms are on a market price basis.

Additionally, it is important to note that the O&M Agreement can be easily transferred to other entities or brought under the control of the Issuer, if needed, given that:

- (i) a significant part of the contract’s scope is subcontracted;
- (ii) almost all of the assets utilised (structures, equipment, software, etc.) belong to the Issuer and those assets which are not owned by the Issuer are non-critical and can be quickly and easily obtained;
- (iii) only minor temporary decreases in efficiency or productivity are likely to occur, given that the permanent monitoring activities in place will allow negative impacts to be anticipated and minimized;
- (iv) precedents suggest that the costs involved in such a transfer will be non-material; and
- (v) the agreement has no provision or clause that, in any way, would prevent or cause any difficulty, if terminated, in any other contract, nor any provision or clause that contaminates this agreement in relation to any event happening in any other BO&M contract.

#### *Via Verde Agreement*

The counterparty to this agreement is VVP, a company incorporated under Portuguese law in 2001. VVP provides one of Brisa’s most prominent services, the Via Verde, which is an automatic payment system that allows non-stop electronic toll payment by means of radio communication between an on-board unit (OBU) and the roadside equipment (RSE). The system is currently available on the tolled network of all domestic motorway concessions and also on both Lisbon bridges operated by Lusoponte (25 de Abril and Vasco da Gama). In fact, all the concessionaires are contractually obliged to accept Via Verde units as a means of payment.

With this innovative system installed nation-wide, Portugal became the first country in the world to have a non-stop electronic toll network. The Via Verde system is also available in car parks belonging to different operators, in Galp fuel stations and in pilot phase in eleven McDonald’s McDrive restaurants and also grants access to historical sites/neighbourhoods in some cities in Portugal. Additionally, the Via Verde system was extended to motorways across the border with the interoperable network between Portugal and Spain now available on several Spanish motorways, but expected to be extended to all Spanish motorways in the near future.

Via Verde is currently used in over 3,000 kilometres of motorways and bridges, over 114 car parks and 109 fuel stations, accounting for approximately 75 per cent. of toll transactions in Portugal.

VVP is 60 per cent. owned by Brisa, 20 per cent. owned by SIBS (Sociedade Interbancária de Serviços) and 20 per cent. owned by Ascendi. SIBS is the entity that brings together all the banks in Portugal for electronic banking transactions and clearance.

VVP performs, *inter alia*, the following services:

- (i) managing the technological infrastructure of the Via Verde system within the Main Concession;



- (ii) processing Via Verde transactions;
- (iii) managing payments and issuing/sending statements/invoices;
- (iv) processing photographs;
- (v) ensuring compliance with the rules applicable to the use of toll lanes equipped with the Via Verde system; and
- (vi) assisting user call centres.

#### *Engineering and Technical Services Agreement*

The counterparty to the Engineering and Technical Services Agreement is Brisa Engenharia e Gestão, S.A. (“**BEG**”), a company incorporated under Portuguese law in 2002, which started its activity in April of the same year. BEG has been the engineering arm of the Brisa Group involved in managing large construction projects related not only to new motorway concessions like Litoral Centro or Douro Litoral, but also to new motorway stretches or widening works within the Main Concession. It has been involved in the past with some significant engineering challenges like the new Tagus river bridge, which after completion in 2007 became part of the A10 motorway. BEG is entirely owned by Brisa (after the merger of Brisa Serviços Viários SGPS, S.A. into Brisa).

BEG performs, *inter alia*, the following services:

- (i) assisting in technical issues relating to the Main Concession;
- (ii) managing and coordinating agreements to be entered into by the Issuer with companies providing assessments and projects in respect of works related with the Main Concession;
- (iii) managing and performing the purchase of property required for the execution of works related with the Main Concession;
- (iv) managing and monitoring the performance of works related with the Main Concession;
- (v) coordinating safety and health issues during the project and construction phases of the Main Concession;
- (vi) environmental management and project management in relation to works related with the Main Concession; and
- (vii) managing pavement, bridges, slopes and structural works.

#### *Management Consultancy Services Agreement*

The counterparty to this agreement is Brisa, a company incorporated under Portuguese law in 1972 and with its head office located in São Domingos de Rana. Brisa is the heading company of Brisa Group and was prior to the recent corporate reorganisation the company holding directly the Brisa Concession since its inception in 1972 through the Decree-Law no. 467/72, of 22 November 1972. As the parent company for the Brisa Group, Brisa has a corporate centre that provides administrative, financial and other specific consultancy services to most of the group companies, including the Issuer.

Under the Management Consultancy Services Agreement, Brisa supports the Issuer’s management by offering specific consultancy services, such as:

- (i) guidelines for strategic policies covering human resources, systems architecture, reporting procedures, risk assessments, regulatory compliance, amongst others;
- (ii) advice on financial risk management;
- (iii) assistance in procuring specialist legal and tax consultancy services;
- (iv) support in budgeting processes;

- (v) provision of forecasts in relation to expected traffic growth and evolution;
- (vi) analysis of investments requirements based on traffic indicators; and
- (vii) proposals to optimise business performance and resource planning.

*Shared Services Agreement*

The counterparty to this agreement is Brisa, and under the Shared Services Agreement Brisa performs the following services on behalf of the Issuer:

- (i) financial services, namely regarding the Issuer’s accounting, funding, financing and treasury;
- (ii) back-office services, namely inventory, asset and premises management, payroll, human resources;
- (iii) information technology services; and
- (iv) internal legal and external marketing services.

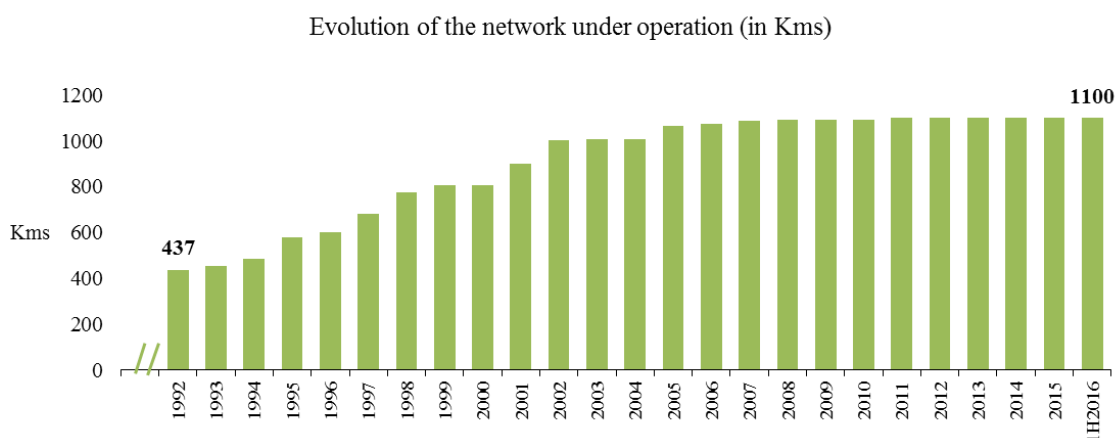
**Business Overview of the Issuer**

The information described in this section relates to the Main Concession only and in many areas reflects historical data from the period when the Main Concession was directly held under Brisa’s ownership. Given the importance of the Main Concession to the Brisa Group, a substantial amount of information specific to the Main Concession has always been disclosed in the past by Brisa.

**Operational Network**

The motorway network concessioned to the Issuer consists of 12 motorways, covering 1,123.9 km, including the future access to the new Lisbon Airport. Currently, the Issuer directly operates, through the Concession Contract as further detailed in “Description of the Concession Contract” below, only 11 motorways totalling 1,100.2 km in length, of which 1,014.1 km consist of tolled sub-stretches, including the link to the Alto da Guerra stretch with 4.3 km on the A12 motorway.

The evolution of the network under operation may be presented as follows:



The Issuer’s network will be completed following the construction of the A33 motorway, i.e. the access to the new Lisbon Airport, which is pending Government approval.

The Issuer’s network runs from North to South, East to West, including the country’s main road axes, namely the coastal corridor and the Lisbon-Madrid connection. It further includes important circular roads around the metropolitan areas of Lisbon and Oporto.

The Concession Contract is scheduled to expire at the end of 2035, following the amendments to the contract negotiated in 2008 with the Portuguese State.

Motorways with two lanes in either direction represent 797.7 km or 73 per cent. of the total network in operation, 25 per cent. of the network (corresponding to 281.2 km) has three lanes and the remaining 15.7 km (about one per cent.) has four lanes in each direction. The 1100.2 km in operation are distributed among the 11 motorways as shown in the table below.

Motorways	Length in Km						
	Tolled	Toll-free	Total	2x1 lane	2x2 lanes	2x3 lanes	2x4 lanes
A1 Auto-estrada do Norte	279.1	17.4	296.5	1.3	160.6	127.3	7.3
A2 Auto-estrada do Sul	225.2	9.6	234.8	0.0	202.8	32.0	0.0
A3 Auto-estrada Porto-Valença	101.3	11.5	112.8	0.0	91.6	12.8	8.4
A4 Auto-estrada Porto-Amarante	48.3	3.0	51.3	0.0	50.3	1.0	0.0
A5 Auto-estrada da Costa do Estoril	16.9	8.1	25.0	0.0	3.8	21.2	0.0
A6 Auto-estrada Marateca-Elvas	138.8	19.1	157.9	0.0	157.9	0.0	0.0
A9 Circular Regional Externa de Lisboa	34.4	0.0	34.4	0.0	0.0	34.4	0.0
A10 Auto-estrada Bucelas-Carregado-IC3	39.8	0.0	39.8	0.0	7.4	32.4	0.0
A12 Auto-estrada Setúbal-Montijo	24.8	4.3	29.1	4.3	5.2	19.6	0.0
A13 Auto-estrada Almeirim-Marateca	78.7	0.0	78.7	0.0	78.7	0.0	0.0
A14 Auto-estrada Figueira da Foz-Coimbra Norte	26.8	13.1	39.9	0.0	39.9	0.0	0.0
<b>Total</b>	<b>1014.1</b>	<b>86.1</b>	<b>1100.2</b>	<b>5.6</b>	<b>798.2</b>	<b>280.7</b>	<b>15.7</b>

### *Expansion, widening and maintenance*

In terms of new investments required under the concession contract, the project concerning the motorway link to the Poceirão Logistics Platform remains on hold, as construction of the platform itself did not go ahead. Throughout 2015, widening and improvement works to 2x3 lanes of the Carvalhos / Santo Ovídeo sub-stretch of the A1 motorway continued as planned. The construction works of the New North Tunnel of Águas Santas, included in the widening works of the Águas Santas / Ermesinde sub-stretch of the A4 – Porto / Amarante motorway, started in the third quarter of 2015. As regards road maintenance, in addition to certain specific works carried out, the following improvement and pavement works were completed by the end of 2015:

- Improvement of road pavement of the Espinho / Carvalhos sub-stretch of the A1 motorway;
- Improvement of toll plaza of the Coina Junction and A6 junction / Alcácer do Sal sub-stretch of the A2 motorway;
- Improvement and reinforcement of road pavement of the Santo Tirso / Famalicão and EN 201 / Ponte de Lima Norte sub-stretches on the A3 motorway;
- Improvement and reinforcement of road pavement of the Oeiras / Carcavelos sub-stretch of the A5 motorway;
- Improvement of road pavement of the Ançã / Zombaria sub-stretch of the A14 motorway;
- Repair and structural reinforcement of three viaducts in Arapouco, Albergaria and Burgão, on the A2 motorway, and the Zável viaduct on the A6 motorway;
- Repair and structural reinforcement of several hydraulic crossings on the A3 and A14 motorways; and
- Maintenance works on slopes at the Leiria junction of the A1 motorway and several slopes of the A9 motorway.

As of 30 June 2016, some additional improvement works had also been completed:

- Improvement and reinforcement of road pavement on the Ermesinde junction of the A4 motorway and on the EN 335 / Ancã sub-stretch of the A4 motorway;

- Renovation and structural reinforcement of viaducts B and E on the A1 motorway;
- Renovation and structural reinforcement of viaducts PHs 015.1 and 016 on the A1 motorway; and
- Hillside stabilisations on several sites of the A1, A2, A9 and A10 motorways.

As of 30 June 2016, the widening and improvement works to 2x3 lanes of the Carvalhos / Santo Ovídeo sub-stretch of the A1 motorway were still in progress, whereas the tender for the widening to 2x4 lanes and improvement and renovation of the Águas Santas tunnels, which had been launched and awarded during the first semester of 2016, was still pending a final decision on a claim submitted by one of the bidders.

As of 30 June 2016, a number of pavement and engineering works were still under way, notably:

- On the Vouga viaduct of the A1 motorway;
- On the PH 258 viaduct of the A2 motorway;
- On the A2 / A12 / Palmela / Marateca sub-stretches and Grândola Sul / Aljustrel junction of the A2 motorway;
- On the Santo Tirso / Famalicão sub-stretch of the A3 motorway; and
- On the Borba / Elvas Poente sub-stretch of the A6 motorway.

As of June 2016, the Issuer was still assessing proposals for:

- Improvement and reinforcement of pavement on the S. B. Messines / Paderne sub-stretch of the A2 motorway;
- Improvement and reinforcement of pavement on the Alcabideche / Alvide / Cascais sub-stretches of the A5 motorway;
- Reprofiling of pavement of the accesses to the Lisbon Logistics Platform, covering approximately 1.2 km;
- Renovation and structural reinforcement of various engineering works on the A14 and A2 motorways; and
- Hillside stabilisation works on the A1 and A14 motorways.

During 2015 and the first half of 2016, the Issuer maintained its regular inspections to road infrastructure, monitoring pavements, slopes and containment structures and other works. The resulting information was introduced into the Pavement and Structures Management Systems and will be used in future improvement, reinforcement and stabilisation projects.

#### ***Direct investment in the network***

Direct investment in the network under concession totalled €45.1 million in the year ended 31 December 2015 and €19.8 million in the six months ended 30 June 2016, consisting mainly of widening and pavement works. Major repairs, which are considered as expenditure, are nevertheless accounted for as operating costs.

Million Eur	FY2013	FY2014	FY2015	1H2015	1H2016
New stretches	0.6	0.3	0.4	0.0	0.0
Major repairs	12.7	15.6	26.7	15.2	9.4
Widenings	10.6	5.9	13.5	2.9	7.0
Other	5.0	5.1	4.4	4.3	3.5
<b>Total</b>	<b>28.9</b>	<b>26.9</b>	<b>45.1</b>	<b>22.6</b>	<b>19.8</b>

### *Traffic overview*

In 2015, Average Annual Daily Traffic (AADT) recorded by Brisa Concessão Rodoviária totalled 17,368 vehicles, corresponding to an increase of 7.0 per cent. when compared to the previous year. The number of kilometres travelled also increased by 7.0 per cent., since the length of the network did not change and there was no leap year effect. In the first half of 2016, AADT increased on a year-on-year basis from 15,757 to 16,810 vehicles, representing an evolution of +6.7 per cent., whereas the number of kilometres travelled increased by 7.3 per cent due to the leap year effect in 2016.

This sustained increase in traffic was mainly due to the economic recovery experienced throughout 2015 and the first half of 2016, namely through higher private consumption, which resulted in a general nationwide increase in traffic.

In 2015, organic growth stood at +7.2 per cent., continuing the positive trend started in the last quarter of 2013, primarily as a result of the economic growth that occurred over the year. Although increased household income favoured leisure trips, the fact that many holidays fell in the middle of the week (unlike in 2014) led to a slight decrease in the volume of leisure trips, resulting in a slightly negative calendar effect -0.2 per cent. The traffic data for the first half of 2016 also confirmed the positive trend and presented a year-on-year organic growth of +6.2 per cent.. On top of this, traffic also benefited from the leap year effect in 2016 (+0.6 per cent.) and additional calendar effects yielding a positive impact of +0.6 per cent..

### *Breakdown of traffic change*

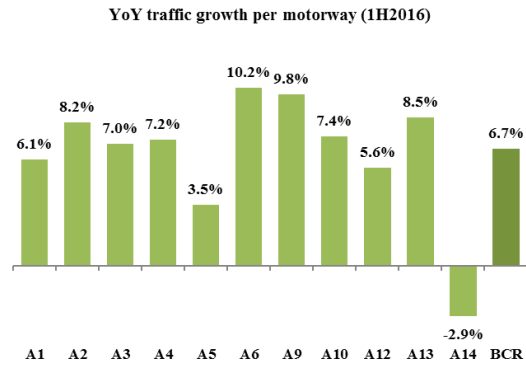
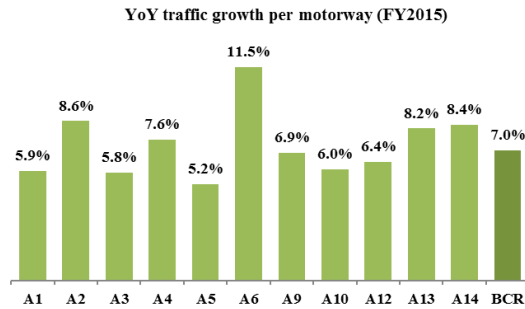
<b>Breakdown</b>	<b>FY2015</b>	<b>1H2016</b>
Organic Growth	7.2%	6.2%
Calendar effect	-0.2%	0.6%
Leap year	-	0.5%
<b>Final Growth</b>	<b>7.0%</b>	<b>7.3%</b>

### *Traffic breakdown by motorway*

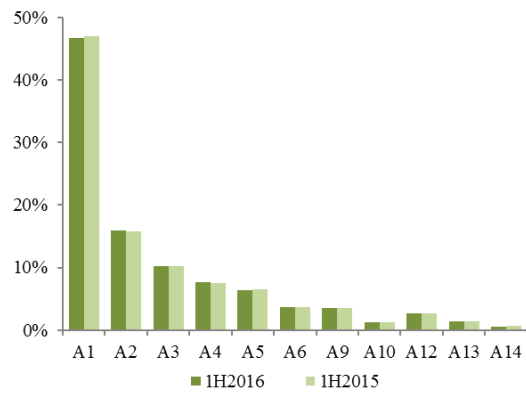
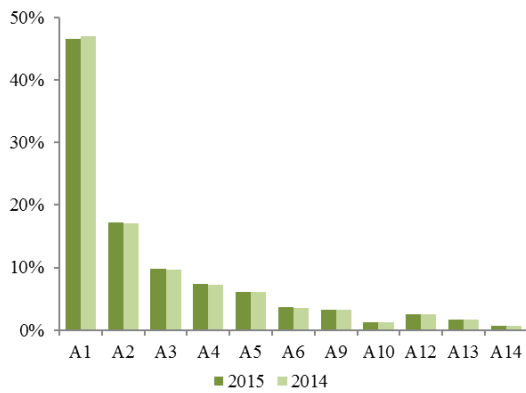
All motorways posted positive traffic growth both in 2015 and the first half of 2016, with the A14 being the only exception as consequence of a landslide that occurred during the first half of 2016.

The motorway which posted the highest growth rate in 2015 was the A6, mainly due to a one-off event related with the Flower Fair in Campo Maior (the last time this fair had been held was in 2011), which led to a significant increase of 11.5 per cent. in this motorway. The A5 motorway recorded the lowest growth (+5.2 per cent.) in 2015 due to its traffic characteristics - mainly commuter and suburban traffic - that make it more resilient to changes (as was the case in 2013 when this motorway posted the lowest losses). Remaining motorways recorded positive changes, ranging from 5.9 per cent. on the A1 motorway to 8.8 per cent. on the A3 motorway. As mentioned earlier, the A14 was the only motorway with a negative growth in the first half of 2016 (-2.9 per cent.), while traffic grew on the remaining motorways between +3.5 per cent. (on the A5) and 10.2 per cent. (on the A6).

*Traffic Growth per Motorway*



*Relative Volume of Traffic on each Motorway*



*Traffic analysis by class of vehicle*

The breakdown of traffic in 2015 per type of vehicle shows that light and heavy vehicle traffic grew similarly (+7.0 per cent. and +6.8 per cent., respectively), with the breakdown of traffic per toll class remaining unchanged when compared with the previous period.

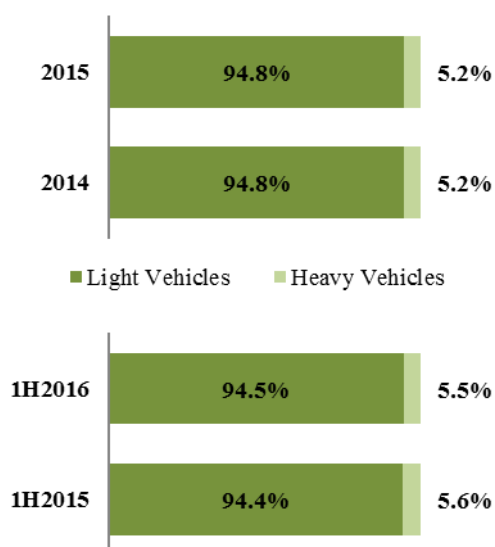
In the first half of 2016 such breakdown continues to post positive growths in both light and heavy vehicles when compared to the similar period in 2015 (+7.2 per cent. and +9.2 per cent., respectively).

*Traffic structure by toll class*

Class	2014	2015
CL 1	84.6%	84.7%
CL 2	10.2%	10.1%
CL 3	0.6%	0.6%
CL 4	4.6%	4.6%

Class	1H2015	1H2016
CL 1	83.0%	83.8%
CL 2	10.4%	10.3%
CL 3	0.7%	0.6%
CL 4	5.7%	5.3%

### Traffic Structure by Class of Vehicle



### Tolls

The applicable toll for a vehicle using a motorway section is calculated by multiplying the following three components (rounded to the nearest 5 cents): (i) the tariff rate applicable to that particular class of vehicle; (ii) the distance in kilometres of the applicable motorway section; and (iii) the VAT rate, which is currently 23 per cent..

The tariff rates currently applied on each motorway section correspond to the original rate set at the time that the relevant motorway or section entered into service (on the basis of a value defined in the relevant concession agreement), such rates being annually adjusted so as to reflect the inflation rate. Unless approved by the relevant Portuguese regulatory authority, the annual inflationary re-adjustments cannot exceed 100 per cent. of the annual percentage increase in the CPI (inflation index), with the full increase reverting, until 2011, to the Issuer and, from 2012 until the end of the concession, reverting to both the Issuer and Infraestruturas de Portugal, S.A. (previously denominated EP – Estradas de Portugal, S.A.) (“**Infraestruturas de Portugal**”). The Issuer is entitled to receive 90 per cent. of the annual CPI increase plus 15 per cent. of the difference between an update of 100 per cent. and 90 per cent. of the CPI, roughly 91.5 per cent. of the annual increase; Infraestruturas de Portugal will receive 85 per cent. of the above mentioned difference, roughly 8.5 per cent. of the annual increase.

### Road safety

The increasing concern with traffic conditions and road safety has led to continuous improvements in active and passive safety measures, including the systematic support of prevention campaigns and an active improvement of the safety conditions of the network.

The many actions carried out include the improvement and reinforcement works for lane widening works; new and better signalling equipment and the improvement of traffic management conditions.

The Brisa Group has had a safety-first programme since 2005. This programme is divided into two sections: one directed at drivers through awareness-raising campaigns, the other aimed at students in the first years of basic education through educational programmes.

Since the early 90’s, despite a significant increase in traffic, there has been a continuous fall in the accident rate on the network.

## Corporate Structure

### Board of Directors

The board of directors of the Issuer that has been elected for the financial years 2015 – 2017 consists of twelve directors, of which three are independent. The independent directors are each required to satisfy the following requirements:

- Not to be affected by any impediment foreseen in article 414-A of the Portuguese Companies Code
- Not to have (or have had) any executive or non-executive role in any Related Entity

The board of directors manages the Issuer's affairs. The day-to-day operation of the Issuer's activities is conducted by a directive committee comprising the executive director and two senior managers of the Issuer.

Shareholders Meeting	Board Of Directors	Directive Committee
<ul style="list-style-type: none"> <li>• Elects the Board of Directors</li> <li>• Elects the Audit Board and appoints the external auditor</li> <li>• Approves the annual report and the allocation of profits</li> <li>• Approves amendments to the articles of association</li> </ul>	<ul style="list-style-type: none"> <li>• Elected for three-year mandate. Members can be re-elected</li> <li>• Remuneration defined by resolution of the shareholders meeting or by an independent committee elected by the shareholders meeting</li> <li>• Approves internal regulations</li> <li>• Approves plans and budgets</li> <li>• Decides on financing</li> <li>• Approves balance sheets and financial reports to be submitted to the shareholders meeting</li> <li>• Delegates the daily management of the Issuer to a director</li> </ul>	<ul style="list-style-type: none"> <li>• Chaired by the executive director. Includes two senior managers of the company</li> <li>• Prepares to submit to the board's approval the plan and budget as well as the balance sheets and the annual report</li> <li>• Executes the budget and the plan approved by the Issuer's board of directors</li> </ul>

The Issuer complies with the corporate governance regime applicable in Portugal.

The members of the board of directors of the Issuer and their principal current and past affiliations are set forth below. The business address of the directors of the Issuer is Quinta da Torre de Aguilha, Edifício Brisa, in São Domingos de Rana, Cascais.

Board of Directors		
Chairman	Vasco Maria Guimarães José de Mello	Chairman of the Board of Directors of Brisa – Concessão Rodoviária, S.A. and of Brisa – Concessão Rodoviária, SGPS, S.A.. Chairman of the Board of Directors and Chief Executive Officer of Brisa – Auto-Estradas de Portugal S.A., since 2000. Graduation at Business Administration by the American College of Switzerland, in 1978. From 1978 to 1979, attended the Citigroup Training Program in New York. In 1980, worked at Banco Cresifil de Investimento, Citicorp Group, in São Paulo, Brazil. Appointed as advisor to the Board of Directors of União Industrial Têxtil e Química from 1980 to 1982, and Member of the Board of Directors from 1982 to 1999. Appointed member of the Board of Directors of Sociedade Independente de Comunicação from 1992 to 1999, of Transitec-Lausanne from 1982 to 1987 and of CUF Finance, S.A. from 1985 to 2002. Managing Director of CUF Finance (Geneva, Switzerland), in 1985, an asset management company. In 1988 appointed as Director of UIF – União Internacional Financeira. In Companhia de Seguros Império was member of



		<p>the Board of Directors, from 1992 to 1996, and Chairman, from 1996 to 2000. In Banco Mello, S.A. was Chairman, from 1995 to 2000. From 1991 to 2000, was member of the Board of Directors and Chairman of Banco Mello, S.A., Banco Mello de Investimentos, S.A.. From 1996 to 2004, was Vice-Chairman of José de Mello, SGPS, S.A.. From 2000 to 2002, was also member of the Strategic Board of CTT – Correios de Portugal, S.A. and member of the Board of Directors of ONI, SGPS, S.A.. From 2001 to 2004, was Chairman of the Board of Directors of União Internacional Financeira, SGPS, S.A.. From 2000 to 2007, was Vice-Chairman of the high Council of Banco Comercial Português, S.A.. From 2003 to 2007, was a member of the Board of Directors of Abertis Infraestructuras, S.A., Barcelona. Between 2005 and 2007 was member of the Supervisory Board of Bank Millennium – Poland. Currently is Chairman of the Board of Directors and Executive Committee of José de Mello, SGPS, S.A., Brisa Internacional, SGPS, S.A., Via Oeste, SGPS and Brisa O&amp;M, S.A.. Is also a member of the Board of Directors of SOGEFI – Sociedade de Gestão e Financiamentos, SGPS, S.A., Director of the Council of BCSD – Conselho Empresarial para o Desenvolvimento Sustentável, Director of Fundação Amélia de Mello.</p>
Member	João Pedro Stilwell Rocha e Melo	<p>Member of the Board of Directors of Brisa – Concessão Rodoviária, S.A. and of Brisa – Concessão Rodoviária, SGPS, S.A.. Vice-Chairman of the Board of Directors and member of the Executive Committee of Brisa – Auto-Estradas de Portugal, S.A., since 2002. Graduation at Mechanical Engineering, Instituto Superior Técnico, 1985. Post-graduation in Business Administration (MBA), by Universidade Nova de Lisboa, in collaboration with Wharton School, University of Pennsylvania, 1986. International Capital Markets Course, Oxford University, 1991. Management Training Programme “Leadership for Top Managers” – IMD International, in 2002. Was member of the Board of Directors of Mello Valores – Sociedade Financeira de Corretagem, S.A. and Director of Banco Mello de Investimentos, S.A.. From 1997 to 2000, was Chairman of the Executive Committee of Banco Mello de Investimentos, S.A., member of the Board of Directors of Banco Mello, S.A. and of Companhia de Seguros Império. Was also Vice-Chairman of the Board of Directors of BCP Investimento, S.A.. Currently, is Chairman of Via Verde Serviços, S.A. Board of Directors, member of the Board of Directors of Via Oeste, SGPS, S.A., Brisa Internacional, SGPS, S.A., member of the Board of Directors of APCAP – Associação Portuguesa das Sociedades Concessionárias de Auto-Estradas ou Pontes com Portagens (Portuguese Association of Toll Motorways), member of the Board of Directors and the Executive Committee of José de Mello, SGPS, S.A., member of the General Council of Câmara de Comércio e Indústria Portuguesa and member of the Executive Board of ACEGE – Associação Cristã de Empresários e Gestores and member of the Fiscal Board of Associação APOIAR.</p>
Member	João Pedro Ribeiro de Azevedo Coutinho	<p>Member of the Board of Directors of Brisa – Concessão Rodoviária, S.A. and of Brisa – Concessão Rodoviária, SGPS, S.A.. Member of the Board of Directors and of the Executive Committee of Brisa – Auto-Estradas de Portugal, S.A., since 1999. Graduation at Business Administration, Portuguese Catholic University, 1982. Training Programme in “Leadership for Top Managers”, IMD International, 2002. Senior Auditor at Coopers &amp; Lybrand, Auditores, Lda.. At DECA, Decisão Estratégica, Consultores Associados em Gestão, S.A. he was director in charge of the following areas: financial engineering, corporate finance, mergers and acquisitions and capital markets. At RAR – Sociedade de Investimentos e Engenharia Financeira S.A. he was director in charge of investment, financial engineering and primary capital markets. He held the office of director at Deutsche Bank (Portugal), S.A., where he was responsible for the Investment Banking Department. Member of the Board of Directors of DB Vida, S.A. and member of the Executive Committee of Banco Mello de Investimentos, S.A.. Currently, is Chairman of the Board of Directors of Controlauto – Controlo Técnico Automóvel, S.A., Mcall Serviços de Telecomunicações, S.A. and Via Verde Contact, S.A. and member of the</p>

		Board of Directors of Brisa Internacional SGPS, S.A., Via Oeste, SGPS, S.A., Brisa O&M, S.A., SICIT – Sociedade de Investimento e Consultoria em Infraestruturas de Transporte, S.A. and José de Mello, SGPS, S.A..
Member	António José Lopes Nunes de Sousa	Member of the Board of Directors of Brisa – Concessão Rodoviária, S.A. and of Brisa – Concessão Rodoviária, SGPS, S.A.. Member of the Board of Directors and Executive Committee of Brisa – Auto-Estradas de Portugal, S.A., since 2008. Graduated in Engineering Instituto Superior Técnico, in 1982. Post-Graduation in Business Administration, Universidade Católica Portuguesa in 1998. From 1993 to 1999 he served in several technical posts at Junta Autónoma de Estradas (National Road Authority), where he was appointed Manager of Concession Operations in 1996. At Brisa – Auto-Estradas de Portugal, S.A. he served as General Technical Director, from 1999 to 2001, as Concession Management Director, from 2001 to 2002. Board Member of Brisa Engenharia e Gestão, S.A., from 2002 to 2004 and as CEO from June to November 2004. Board Member of Brisa Internacional, SGPS, S.A. from December 2004 to August 2006 as well as Chairman of Brisa Participações e Empreendimentos, Ltda. (Brazil) from 2005 and Board Member of Companhia de Concessões Rodoviárias, in Brasil. Currently, is Chairman of the Board of Directors of Brisa Engenharia e Gestão, S.A., Via Verde Portugal – Gestão de Sistemas Electrónicos de Cobrança, S.A., and Brisa Conservação de Infraestruturas, S.A. and member of the Board of Directors of AEDL – Auto-Estradas do Douro Litoral, S.A., Brisa O&M, S.A., AEBT – Auto-Estradas do Baixo Tejo, S.A., Brisa Internacional, SGPS, S.A., Via Oeste, SGPS, S.A., AELO – Auto-Estradas do Litoral Oeste, S.A. and APCAP – Associação Portuguesa das Sociedades Concessionárias de Auto-Estradas com Portagens.
Member	Daniel Alexandre Miguel Amaral	Member of the Board of Directors of Brisa – Concessão Rodoviária, S.A. and of Brisa – Concessão Rodoviária, SGPS, S.A.. Member of the Board of Directors and Executive Committee of Brisa – Auto-Estradas de Portugal, S.A., since 2011. Degree in Business Management from ISEG (Instituto Superior de Economia e Gestão). Joined Caixa Geral de Depósitos Group in October 1996, having held the roles of Managing Director at Caixa – Banco de Investimento, S.A., from April 2003 to March 2008, and Executive Director at Credip – Instituição Financeira de Crédito, S.A., from April 2007 to March 2008. Was member of the European Infrastructure Team of Babcock&Brown from April 2008 to June 2009. Currently, is Chairman of the Board of Directors of Brisa – Auto-Estradas do Litoral, S.A., AEDL – Auto-Estradas do Douro Litoral, S.A., AEBT – Auto-Estradas do Baixo Tejo, S.A. and Brisa Inovação e Tecnologia, S.A. and is a member of the Board of Directors of Via Oeste, SGPS, S.A., Brisa Internacional SGPS, S.A., Brisa O&M, S.A., BRISA International B.V., BRISA International Investments B.V. BRISA United States, LLC, BRISA North America Inc. and Tagus Holdings S.à.r.L. Is also Partner of Arcus Infrastructure Partners LLP, Arcus ISH LLP and manager of Maintranche, Unipessoal, Lda. and AEIF Apollo S.à.r.L..
Member	Miguel Athayde Marques*	Member of the Board of Directors of Brisa – Concessão Rodoviária, S.A. since 2010. Graduate in Business Administration (UCP, Lisbon) and a Doctor in International Business and Finance (University of Glasgow, U.K.). Ph.D. Professor of Business at UCP – Catholic University of Portugal, School of Economics and Management (Lisbon). Until recently (June 2010), he was Chairman and CEO of the Portuguese Stock Exchange (Euronext Lisbon, S.A. and Interbolsa, S.A.) and a member of the Management Committee of NYSE Euronext in New York. As part of his responsibilities as member of the Managing Board of Euronext N.V., he was also a Board Member of the Stock Exchanges of Paris, Brussels and Amsterdam. After the merger between NYSE and Euronext in 2007, has performed different roles at group-wide level, namely Global Head of Information Services, Global Head of Indices and Head of Group Corporate Responsibility. Before joining Euronext in January 2005, was executive

		<p>member of the Board of CGD – Caixa Geral de Depósitos, S.A.. In this capacity, he served in boards of banks and other financial services companies in Europe, Africa and Asia. Prior to working in banking, was a member of the executive committee of Jerónimo Martins S.A. from 1996 to 2000. From 1992 to 1996, he was Chairman and CEO of ICEP (the Portuguese government agency for inward and outward investment, export and tourism), where he also was Vice-Chairman from 1990 to 1992. From 1992 to 1995 he was a non-executive member of the Board of Directors of Banco de Fomento e Exterior, S.A.. He was also a member of the Consultive Council of Banco Fomento e Exterior Group between 1995 and 1996. From 1988 to 1990 he was advisor to the Chairman of I.P.E. (Investimentos e Participações do Estado, S.A.). Until 1990 he also served several domestic and foreign companies as an advisor, namely S.A.W. (the major Chinese heavy vehicles assembler, from 1988 to 1990), E.F.M.D. (European Foundation for Management Development in Brussels, from 1988 to 1990) and, through the Business Administration Department of the University of Glasgow, some British companies (from 1985 to 1986). Before this, he joined Price Waterhouse in Lisbon in 1978 from where he left in 1980. He has also served during the years in several non-profit and charitable organisations.</p>
Member	João Filipe Maia de Lima Mayer*	<p>Member of the Board of Directors of Brisa – Concessão Rodoviária, S.A. since 2010. Degree in Economics from IESE (<i>Instituto de Estudos Sociais e Económicos de Évora</i>), having graduated in 1969. From April 2005 – May 2008, Banco Popular – Portugal – Chairman of the Board of Directors. From October 2000 – February 2004, Banco Santander Totta de Moçambique – Managing Director. From February 1995 – October 2000, Banco Totta &amp; Açores, S.A. and Crédito Predial Português, S.A. (Santander Group in Portugal)/Banco Pinto &amp; Sotto Mayor, S.A. – as International Director. From December 1989 to February 1995, Liberal Professional as Financial Consultant. From October 1982 – December 1989, Bank of America – Representative in Portugal. From April 1975 – October 1982, Bank of America – Spain (Madrid), Director. March 1973 – April 1975, Banco Pinto &amp; Sotto Mayor, S.A. – Assistant Director (International Division) and January 1970 to March 1973, Banco Pinto &amp; Sotto Mayor, S.A. – Technician (Office of Economic Studies).</p>
Member	Emanuel José Leandro Maranhã das Neves*	<p>Member of the Board of Directors of Brisa – Concessão Rodoviária, S.A. since 2010. Full Professor of Instituto Superior Técnico (2000). Visiting Professor of Universidade Nova de Lisboa (1994). PhD (1991) and Associate (“Agregado”) (1993) of Universidade Nova de Lisboa. Research Coordination of Laboratório Nacional de Engenharia Civil (1984). Specialist in Geotechnics of Laboratório Nacional de Engenharia Civil (1969). M.Sc in Civil Engineering from Universidade do Porto (1963). Currently, Chairman of the Board of the Faculty of Sciences and Technology of Universidade Nova de Lisboa (since 2009), President of the Dams Safety Committee (since 2009), President of CAF (Commission for the Follow-up and Supervision of R&amp;D projects within the scope of the Public Contracts Code) (since 2009), Chairman of the Board of Directors of FUNDEC, Association for Continuous Training in Civil Engineering and Architecture (since 2003). Was appointed State-Secretary of Public Works of the XIII Constitutional Government, Chairman of the Portuguese Road Authority (“JAE”) (1996-1997), President of the Engineering Academy (2000-2007), Chairman of the National Board of Liberal Professions (1995-1997), President of the Engineers Association (1995-1997), President of the southern section of the Engineers Association (1992-1995). President of the “European Union Road Federation” (2007-2010), CEO of the Portuguese Road Centre (2000-2008), President of the Geotechnics Engineering Regulations Sub-commission (1988-1997 and 2000-2003) and President of the Portuguese Geotechnics Society (1984-1988).</p>
Member	Michael Gregory Allen	<p>Member of the Board of Directors of Brisa – Concessão Rodoviária, S.A.</p>

		since 2011 and of Brisa – Concessão Rodoviária, SGPS, S.A. since 2015. Corporate Finance Evening Programme, London Business School, England Bachelor of Laws (LLB) from King’s College, University of London, England Associateship of King’s College London, England Since 2009 to the present - Partner at Arcus Infrastructure Partners LLP; From 2007 to 2009 - Senior Member of the Infrastructure Team at Babcock & Brown Limited, London; From 2004 to 2007 - Director of Investment Banking at Merrill Lynch International; From 2003 to 2004 - Vice President of Investment Banking at Dresdner Kleinwort Wasserstein; From 1999 to 2002 - Executive Director of Investment Banking at Goldman Sachs International; From 1991 to 1999 – Associate at Linklaters. Currently - Member of the Board of Directors of BRISA Auto-Estradas de Portugal, S.A., Partner at Arcus Infrastructure Partners LLP, Arcus ISH LLP and AEIF Apollo S.à.r.L. and Manager at Tagus Holdings, S.à.r.l. and Maintranche, Unipessoal, Lda..
Member	Manuel Eduardo Henriques de Andrade Lamego**	Managing Director of Brisa – Concessão Rodoviária, S.A.. Has held this position since 2010. Graduated in Economics from the Instituto Superior Economia e Gestão (Lisbon). Has 21 years of experience in the Brisa Group, having held a number of positions within the group, including Head of Business Development from 2005 to 2008 and Planning and Control Manager (1988 to 1998). Served as Board member and executive director of AEDL – Auto-Estradas do Douro Litoral, S.A. (2008), Brisal – Auto-Estradas do Litoral, S.A. and Brisa Engenharia e Gestão, S.A. (2005-2008), CCR in Brasil (2001-2004), and Board member of Brisa International, SGPS, S.A. (1999-2004).
Member	Fernando Aboudib Camargo	Member of the Board of Directors of Brisa – Concessão Rodoviária, S.A. and Brisa – Concessão Rodoviária, SGPS, S.A.. Law Degree at Federal University of Espírito Santo, Brazil. Chairman of InterTv. Chairman of the Board of Directors of Convix Trading, S.A., Incospal and Member of the Board of Directors of Cisa Trading, S.A., Companhia Portuária de Vila Velha (CPVV), Quanta Geração, Ltd., RODOSOL – Concessionária Rodovia do Sol S.A. and Companhia Energética de Petrolina (CEP).
Member	António José Louçã Pargana	Member of the Board of Directors of Brisa – Concessão Rodoviária, S.A. and Brisa – Concessão Rodoviária, SGPS, S.A.. Founder, shareholder and Managing President of Cisa Trading, of CEP – Cia. Energética de Petrolina, of Quanta Geração, S.A.. Chairman of the Board of Directors of CPVV – Cia. Portuguesa Vila Velha. He is a former Member of the Board of Directors of AMCHAM São Paulo, Conselho da Associação Brasileira de Empresas de Comércio Exterior (ABECE) and of Conselho da Associação de Comércio Exterior do Brasil. From 2005 to 2009, he was Chairman of Câmara Portuguesa de Comércio in Brazil and from 2008 to 2009 was Chairman of Eurocâmaras.

\* Independent members of the Board of Directors

\*\* Delegate member of the Board of Directors

#### *Auditing Board*

The auditing board of the Issuer, which has been elected for the financial years 2015 – 2017, is composed of three members: Francisco Xavier Alves (Chairman), Tirso Olazábal Cavero (Member) and Joaquim Patrício da Silva (Member). The business address of the members of the auditing board of the Issuer is Quinta da Torre de Aguilha, Edifício Brisa, in São Domingos de Rana, Cascais. The auditing board of the Issuer operates in accordance with the applicable provisions of the Portuguese Companies Code.

#### *Statutory Auditor*

The statutory auditor of the Issuer, which audited financial information for the periods ending on 31 December 2014 and 31 December 2015 relating to the Issuer included in this Base Prospectus, was

Deloitte & Associados, SROC, S.A., with registered office at Edifício Atrium Saldanha, Praça Duque de Saldanha, 1 - 6º, 1050-094 Lisbon and registered with the professional body *Ordem dos Revisores Oficiais de Contas* as SROC no. 43.

As from 28 July 2016, the statutory auditor of the Issuer is PriceWaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas Lda, with registered office at Palácio Sottomayor, Rua Sousa Martins, 1 - 2º, 1069-316 Lisbon and registered with the professional body *Ordem dos Revisores Oficiais de Contas* as SROC no. 183, who was appointed for the remainder term of the financial years 2015 – 2017.

## **THE PARENT**

The Parent was incorporated in Portugal on 30 December 2009 and is registered with the Commercial Registry Office of Cascais under the sole registration and tax payer number 509 253 547. Until 28 September 2010, the Parent was named Brisa Participações III, SGPS, S.A.. The Parent has its registered head office at Quinta da Torre da Aguilha, Edifício Brisa, in São Domingos de Rana, Portugal, and its telephone number is +351 214 448 500.

As of the date of this Base Prospectus, the Parent is the only direct shareholder of the Issuer having been incorporated under Portuguese law and currently having the sole purpose of wholly owning the Issuer. The Parent operates in accordance with the provisions of the Portuguese commercial companies code and the Portuguese legal framework for holding companies.

On 18 June 2015, Brisa entered into sale and purchase agreements with various Portuguese and Brazilian investors, under which 4 blocks of shares representing, in aggregate, 30 per cent. of the share capital and voting rights of the Parent were sold. This results in Brisa ceasing to be the sole shareholder of the Parent. This disposal was announced by the Issuer following a notice received from Brisa (copy available at [www.cmvm.pt](http://www.cmvm.pt)). In that notice Brisa stated that the transaction complied with the contractual framework applicable to the Issuer, entailing no changes to the operational management and financial strategy of the Issuer and in no way affecting the ring-fencing structure created for the protection of the Issuer's investors. As such, Brisa currently holds 70 per cent. of the share capital and voting rights of the Parent and indirectly controls the majority of the Issuer's share capital and voting rights.

As currently the sole shareholder of the Issuer, the Parent has an important role to play with regards to the security to be granted in favour of, and for the benefit of, the Security Agent, on behalf of the Noteholders (represented by the Notes Common Representative) and other Finance Parties, under the terms of the Security Agreement, as described in more detail in “*Overview of Certain Transaction Documents*” below.

For the purpose of reinforcing protective credit measures, the Parent, as current shareholder, also undertakes, unless otherwise consented through the provisions of the relevant Finance Documents (as further described in “*Overview of Certain Transaction Documents*” below), (i) not to engage in any business or activities other than owning shares in the Issuer and incurring any liabilities towards, or providing any loans to, the Issuer and (ii) not to approve any Distribution, unless the same has been previously approved by a resolution of the board of directors of the Issuer passed with the favourable vote of the majority of the Independent Directors.

The Parent has a fully paid-up share capital of €100,000.00, represented by 100,000 shares with a nominal value of €1 each. In accordance with article 1 of the Parent's articles of association, the corporate purpose of the Parent comprises the holding of share capital participations in other companies, as a mean of indirectly exercising economic activities, and the exercise of management services in relation to those entities in which it holds share capital participations.

Other than the events mentioned in the previous paragraphs, there are no recent events particular to the Parent which are, to a material extent, relevant to the evaluation of the Parent's solvency.

There are no relevant investments made since the date of the last published financial statements of the Parent, or relevant future investments of the Parent, on which its management bodies have made firm commitments.

Considering that the Parent's indirect economic activity essentially corresponds to the activity carried out by the Issuer, the known trends affecting the Parent in the year 2016 are the same that affect the Issuer, notably the fact that on the back of a more stable macroeconomic environment in Portugal, the Issuer's operational and financial activity during the year 2016 has been positive and has allowed BCR to access financial markets at a reasonable cost. Under supportive borrowing conditions fostered by the European Central Bank's quantitative easing programmes, BCR will continue to search for efficient solutions to meet its funding requirements.

Other than the events described in the paragraph above, there are no further arrangements known to the Parent, the operation of which may result in a change in control of the Parent.

## Corporate Structure

### *Board of Directors*

The board of directors of the Parent that has been elected for the financial years 2015-2017 consists of nine directors. The business address of the directors of the Parent is Quinta da Torre de Aguilha, Edifício Brisa, in São Domingos de Rana, Cascais. The Parent complies with the corporate governance regime applicable in Portugal.

The members of the board of directors of the Parent and their principal current and past affiliations are set forth below.

<b>Board of Directors</b>		
Chairman	Vasco Maria Guimarães José de Mello	Chairman of the Board of Directors of Brisa – Concessão Rodoviária, S.A. and of Brisa – Concessão Rodoviária, SGPS, S.A.. Chairman of the Board of Directors and Chief Executive Officer of Brisa – Auto-Estradas de Portugal S.A., since 2000. Graduation at Business Administration by the American College of Switzerland, in 1978. From 1978 to 1979, attended the Citigroup Training Program in New York. In 1980, worked at Banco Cresifil de Investimento, Citicorp Group, in São Paulo, Brazil. Appointed as advisor to the Board of Directors of União Industrial Têxtil e Química from 1980 to 1982, and Member of the Board of Directors from 1982 to 1999. Appointed member of the Board of Directors of Sociedade Independente de Comunicação from 1992 to 1999, of Transitec-Lausanne from 1982 to 1987 and of CUF Finance, S.A. from 1985 to 2002. Managing Director of CUF Finance (Geneva, Switzerland), in 1985, an asset management company. In 1988 appointed as Director of UIF – União Internacional Financeira. In Companhia de Seguros Império was member of the Board of Directors, from 1992 to 1996, and Chairman, from 1996 to 2000. In Banco Mello, S.A. was Chairman, from 1995 to 2000. From 1991 to 2000, was member of the Board of Directors and Chairman of Banco Mello, S.A., Banco Mello de Investimentos, S.A.. From 1996 to 2004, was Vice-Chairman of José de Mello, SGPS, S.A.. From 2000 to 2002, was also member of the Strategic Board of CTT – Correios de Portugal, S.A. and member of the Board of Directors of ONI, SGPS, S.A.. From 2001 to 2004, was Chairman of the Board of Directors of União Internacional Financeira, SGPS, S.A. From 2000 to 2007, was Vice-Chairman of the high Council of Banco Comercial Português, S.A.. From 2003 to 2007, was a member of the Board of Directors of Abertis Infraestructuras, S.A., Barcelona. Between 2005 and 2007 was member of the Supervisory Board of Bank Millennium – Poland. Currently is Chairman of the Board of Directors and Executive Committee of José de Mello, SGPS, S.A., Brisa Internacional, SGPS, S.A., Via Oeste, SGPS, S.A. and Brisa O&M, S.A.. Is also a member of the Board of Directors of SOGEFI – Sociedade de Gestão e Financiamentos, SGPS,

		S.A., Director of the Council of BCSD – Conselho Empresarial para o Desenvolvimento Sustentável and Director of Fundação Amélia de Mello.
Member	João Pedro Stilwell Rocha e Melo	Member of the Board of Directors of Brisa – Concessão Rodoviária, S.A. and of Brisa – Concessão Rodoviária, SGPS, S.A.. Vice-Chairman of the Board of Directors and member of the Executive Committee of Brisa – Auto-Estradas de Portugal, S.A., since 2002. Graduation at Mechanical Engineering, Instituto Superior Técnico, 1985. Post-graduation in Business Administration (MBA), by Universidade Nova de Lisboa, in collaboration with Wharton School, University of Pennsylvania, 1986. International Capital Markets Course, Oxford University, 1991. Management Training Programme “Leadership for Top Managers” – IMD International, in 2002. Was member of the Board of Directors of Mello Valores – Sociedade Financeira de Corretagem, S.A. and Director of Banco Mello de Investimentos, S.A.. From 1997 to 2000, was Chairman of the Executive Committee of Banco Mello de Investimentos, S.A., member of the Board of Directors of Banco Mello, S.A. and of Companhia de Seguros Império. Was also Vice-Chairman of the Board of Directors of BCP Investimento, S.A.. Currently, is Charman of Via Verde Serviços, S.A. Board of Directors, member of the Board of Directors of Via Oeste, SGPS, S.A., Brisa Internacional, SGPS, S.A., member of the Board of Directors of APCAP – Associação Portuguesa das Sociedades Concessionárias de Auto-Estradas ou Pontes com Portagens (Portuguese Association of Toll Motorways), member of the Board of Directors and the Executive Committee of José de Mello, SGPS, S.A., member of the General Council of Câmara de Comércio e Indústria Portuguesa, member of the Executive Board of ACEGE – Associação Cristã de Empresários e Gestores and member of the Fiscal Board of Associação APOIAR.
Member	João Pedro Ribeiro de Azevedo Coutinho	Member of the Board of Directors of Brisa – Concessão Rodoviária, S.A. and of Brisa – Concessão Rodoviária, SGPS, S.A.. Member of the Board of Directors and of the Executive Committee of Brisa – Auto-Estradas de Portugal, S.A., since 1999. Graduation at Business Administration, Portuguese Catholic University, 1982. Training Programme in “Leadership for Top Managers”, IMD International, 2002. Senior Auditor at Coopers & Lybrand, Auditores, Lda.. At DECA, Decisão Estratégica, Consultores Associados em Gestão, S.A. he was director in charge of the following areas: financial engineering, corporate finance, mergers and acquisitions and capital markets. At RAR – Sociedade de Investimentos e Engenharia Financeira S.A. he was director in charge of investment, financial engineering and primary capital markets. He held the office of director at Deutsche Bank (Portugal), S.A., where he was responsible for the Investment Banking Department. Member of the Board of Directors of DB Vida, S.A. and member of the Executive Committee of Banco Mello de Investimentos, S.A.. Currently, is Chairman of the Board of Directors of Controlauto – Controlo Técnico Automóvel, S.A., Mcall Serviços de Telecomunicações, S.A. and Via Verde Contact, S.A. and member of the Board of Directors of Brisa Internacional SGPS, S.A., Via Oeste, SGPS, S.A., Brisa O&M, SA, SICIT – Sociedade de Investimento e Consultoria em Infraestruturas de Transporte, S.A. and José de Mello, SGPS, S.A..
Member	António José Lopes Nunes de Sousa	Member of the Board of Directors of Brisa – Concessão Rodoviária, S.A. and of Brisa – Concessão Rodoviária, SGPS, S.A.. Member of the Board of Directors and Executive Committee of Brisa – Auto-Estradas de Portugal, S.A., since 2008. Graduated in Engineering Instituto Superior Técnico, in 1982. Post-Graduation in Business Administration, Universidade Católica Portuguesa in 1998. From 1993 to 1999 he served in several technical posts at Junta Autónoma de Estradas (National Road Authority), where he was appointed Manager of Concession Operations in 1996. At Brisa – Auto-Estradas de Portugal, S.A. he served as General Technical Director, from 1999 to 2001, as Concession Management Director, from 2001 to 2002. Board Member of Brisa Engenharia e Gestão, S.A., from 2002 to 2004 and

		<p>as CEO from June to November 2004. Board Member of Brisa Internacional, SGPS, S.A. from December 2004 to August 2006 as well as Chairman of Brisa Participações e Empreendimentos, Ltda. (Brazil) from 2005 and Board Member of Companhia de Concessões Rodoviárias, in Brasil. Currently, is Chairman of the Board of Directors of Brisa Engenharia e Gestão, S.A., Via Verde Portugal – Gestão de Sistemas Electrónicos de Cobrança, S.A., and Brisa Conservação de Infraestruturas, S.A. and member of the Board of Directors of AEDL – Auto-Estradas do Douro Litoral, S.A., Brisa O&amp;M, S.A., AEBT – Auto-Estradas do Baixo Tejo, S.A., Brisa Internacional, SGPS, S.A., Via Oeste, SGPS, S.A., AELO – Auto-Estradas do Litoral Oeste, S.A. and APCAP – Associação Portuguesa das Sociedades Concessionárias de Auto-Estradas com Portagens.</p>
Member	Daniel Alexandre Miguel Amaral	<p>Member of the Board of Directors of Brisa – Concessão Rodoviária, S.A. and of Brisa – Concessão Rodoviária, SGPS, S.A.. Member of the Board of Directors and Executive Committee of Brisa – Auto-Estradas de Portugal, S.A., since 2011. Degree in Business Management from ISEG (Instituto Superior de Economia e Gestão). Joined Caixa Geral de Depósitos Group in October 1996, having held the roles of Managing Director at Caixa – Banco de Investimento, S.A., from April 2003 to March 2008, and Executive Director at Credip – Instituição Financeira de Crédito, S.A., from April 2007 to March 2008. Was member of the European Infrastructure Team of Babcock&amp;Brown from April 2008 to June 2009. Currently, is Chairman of the Board of Directors of Brisa – Auto-Estradas do Litoral, S.A., AEDL – Auto-Estradas do Douro Litoral, S.A., AEBT – Auto-Estradas do Baixo Tejo, S.A. and Brisa Inovação e Tecnologia, S.A. and is a member of the Board of Directors of Via Oeste, SGPS, S.A., Brisa Internacional SGPS, S.A., Brisa O&amp;M, S.A., BRISA International B.V., BRISA International Investments, B.V., BRISA United States, LLC, BRISA North America Inc. and Tagus Holdings S.à.r.L.. Is also Partner of Arcus Infrastructure Partners LLP, Arcus ISH LLP and manager of Maintranche, Unipessoal, Lda. and AEIF Apollo S.à.r.L..</p>
Member	Michael Gregory Allen	<p>Member of the Board of Directors of Brisa – Concessão Rodoviária, S.A. since 2011 and of Brisa – Concessão Rodoviária SGPS, S.A. since 2015. Corporate Finance Evening Programme, London Business School, England Bachelor of Laws (LLB) from King’s College, University of London, England Associateship of King’s College London, England Since 2009 to the present - Partner at Arcus Infrastructure Partners LLP; From 2007 to 2009 - Senior Member of the Infrastructure Team at Babcock &amp; Brown Limited, London; From 2004 to 2007 - Director of Investment Banking at Merrill Lynch International; From 2003 to 2004 - Vice President of Investment Banking at Dresdner Kleinwort Wasserstein; From 1999 to 2002 - Executive Director of Investment Banking at Goldman Sachs International; From 1991 to 1999 – Associate at Linklaters. Currently - Member of the Board of Directors of BRISA Auto-Estradas de Portugal, S.A., Partner at Arcus Infrastructure Partners LLP, Arcus ISH LLP and AEIF Apollo S.à.r.L. and Manager at Tagus Holdings, S.à.r.l. and Maintranche, Unipessoal, Lda..</p>
Member	Luís Eduardo Brito Freixial De Goes	<p>Member of the Board of Directors of Brisa – Concessão Rodoviária, SGPS, S.A. and of Brisa – Auto Estradas de Portugal, S.A.. Law Degree at the Catholic University of Lisbon, 1993. Executive Board Member of José de Mello, SGPS, S.A.. Member of the Board of Directors of Efacec Capital, SGPS, S.A., José de Mello Saúde, S.A., José de Mello – Investimentos, SGPS, S.A., José de Mello Energia, S.A., José de Mello Imobiliária, SGPS, S.A., José de Mello International, José de Mello Participações II, SGPS, S.A., Tagus Holdings, S.à.r.l., Tecnocapital, SGPS, S.A. and 31 de Maio – Associação para Promoção da Educação. General Manager of IBOMÍLIA – Sociedade Imobiliária, S.A. and Vice-Chairman of the Shareholders Meeting of SOGEFI – Sociedade de Gestão e Financiamentos, SGPS, S.A..</p>



Member	Fernando Aboudib Camargo	Member of the Board of Directors of Brisa – Concessão Rodoviária, S.A. and Brisa – Concessão Rodoviária, SGPS, S.A.. Law Degree at Federal University of Espírito Santo, Brazil. Chairman of InterTv. Chairman of the Board of Directors of Convix Trading, S.A., Incospal and Member of the Board of Directors of Cisa Trading, S.A., Companhia Portuária de Vila Velha (CPVV), Quanta Geração, Ltd., RODOSOL – Concessionária Rodovia do Sol S.A. and Companhia Energética de Petrolina (CEP).
Member	António José Louçã Pargana	Member of the Board of Directors of Brisa – Concessão Rodoviária, S.A. and Brisa – Concessão Rodoviária, SGPS, S.A.. Founder, shareholder and Managing President of Cisa Trading, of CEP – Cia. Energética de Petrolina, of Quanta Geração, S.A.. Chairman of the Board of Directors of CPVV – Cia. Portuguesa Vila Velha. He is a former Member of the Board of Directors of AMCHAM São Paulo, Conselho da Associação Brasileira de Empresas de Comércio Exterior (ABECE) and of Conselho da Associação de Comércio Exterior do Brasil. From 2005 to 2009, he was Chairman of Câmara Portuguesa de Comércio in Brazil and from 2008 to 2009 was Chairman of Eurocâmaras.

#### *Sole Auditor*

The sole auditor of the Parent was elected, on 28 July 2016, for the remainder term of the financial years 2015 – 2017 and is PriceWaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas Lda, with its registered office at Palácio Sottomayor, Rua Sousa Martins, 1 - 2º, 1069-316 Lisbon and registered with the professional body *Ordem dos Revisores Oficiais de Contas* as SROC no. 183, represented by Rui Jorge dos Anjos Duarte, ROC number 1532. The sole auditor of the Parent operates in accordance with the applicable provisions of the Portuguese Companies Code.

#### *Statutory Auditor*

The statutory auditor of the Parent, responsible for the audited financial information for the periods ending on 31 December 2014 and 31 December 2015 relating to the Parent included in this Base Prospectus, was Deloitte & Associados, SROC, S.A., with its registered office at Edifício Atrium Saldanha, Praça Duque de Saldanha, 1 - 6º, 1050-094 Lisbon and registered with the professional body *Ordem dos Revisores Oficiais de Contas* as SROC no. 43. As from 28 July 2016, the statutory auditor of the Parent is PriceWaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas Lda, with registered office at Palácio Sottomayor, Rua Sousa Martins, 1 - 2º, 1069-316 Lisbon and registered with the professional body *Ordem dos Revisores Oficiais de Contas* as SROC no. 183, who was appointed for the remainder term of the financial years 2015 – 2017.

### **Financial Information**

The financial information for the years ended 31 December 2014 and 31 December 2015 and for the six month period ended 30 June 2016 has been prepared and is incorporated by reference into this Base Prospectus. See the section “*Information Incorporated by Reference*” of this Base Prospectus.

### **THE BRISA GROUP**

#### **The company – main features**

Brisa - Auto-Estradas de Portugal, S.A. (“**Brisa**”, and together with its consolidated subsidiaries, the “**Brisa Group**”) is a limited liability company (*sociedade anónima*) incorporated in Portugal and registered with the Commercial Registry Office of Cascais under the sole registration and tax payer number 500 048 177. Brisa has its registered head office at Quinta da Torre de Aguilha, Edifício Brisa, in São Domingos de Rana, Cascais, and its telephone number is +351 214 448 500.

Brisa was incorporated on 28 September 1972 for an unlimited period of time. The original corporate scope of Brisa was to construct, maintain and operate motorways functioning under a toll regime. In accordance with the first concession agreement entered into by Brisa and Portugal, Brisa was responsible

for the task of building 390 km of motorways until the end of 1981, including parts of the connections between Lisbon and Porto (A1 motorway), Figueiro and Setúbal (A2 motorway), Estádio Nacional and Cascais (A5 motorway) and Porto and Famalicão (A3 motorway).

Following the revolution of 25 of April 1974, the state became Brisa's largest shareholder with a stake of about 90 per cent., by way of successive share capital increases.

The privatisation of Brisa began in 1997. The first stage was carried out through an initial public offer of 35 per cent. of the share capital of Brisa being listed on the Lisbon Stock Exchange; the second stage took place in the following year, with the public offer of an additional 31 per cent. of the share capital; in 1999 the third stage of Brisa's privatisation occurred with the public offer of 20 per cent. of the share capital. In 2001, the fourth and last stage took place with the public offer of 4.76 per cent. of the share capital of Brisa.

On 29 March 2012, a mandatory bid (*oferta pública geral e obrigatória de aquisição*) was announced, under the terms of the Portuguese Securities Code, over the shares of Brisa by Tagus Holdings S.à.r.l., a company beneficially held by José de Mello Investimentos, SGPS, S.A. and Arcus European Infrastructure Fund Apollo S.à.r.l.. Accordingly, José de Mello Investimentos, SGPS, S.A., Arcus European Infrastructure Fund Apollo S.à.r.l. and Tagus Holdings S.à.r.l. announced that the voting rights inherent to 182,885,699 and 114,557,795 shares in Brisa that are attributed to José de Mello Investimentos, SGPS, S.A., and Arcus European Infrastructure Fund Apollo S.à.r.l., respectively, in an aggregate number of 297,443,494 shares corresponding to 49.57 per cent. of Brisa's share capital and 53.81 per cent. of the voting rights in Brisa, are attributed to each of those entities. The launch and/or the completion of this transaction did not trigger a Trigger Event or an Event of Default.

On 16 July 2012, the CMVM approved the registration of the mandatory bid, which was followed by the announcement of the tender offer and the release of the respective prospectus.

On 9 August 2012, the results were disclosed, with Tagus Holdings S.à.r.l. gaining control of 35.2 per cent. of Brisa shares, which made José de Mello Investimentos, SGPS, S.A. and Arcus European Infrastructure Fund Apollo S.à.r.l. owners of a combined 84.8 per cent. of Brisa shares and 92.06 per cent. of the correspondent voting rights.

On 4 September 2012, Tagus Holdings S.à.r.l. requested to the CMVM the loss of public company status of Brisa, pursuant to article 27, 1, a) and 2 of the Securities Code. The CMVM notified Tagus Holdings S.à.r.l. on 8 February 2013, giving Tagus Holdings S.à.r.l. fifteen working days to present a final offer to the remaining shareholders. On 3 March 2013 Tagus Holdings S.à.r.l. informed of its option and conditionality to implement an exit mechanism addressed at least to Brisa's shareholders who did not sell their shares in the tender offer, in line with what has been requested by the CMVM. On 5 April CMVM notified Tagus Holdings S.à.r.l. of the fulfilment of the condition to which the CMVM subjected its decision to grant the application for Brisa's loss of public company status. As such, Brisa lost its public company status on 11 April 2013 and, consequently, Brisa shares were excluded from trading on the regulated market with the readmission to trading being prevented during a period of twelve months counting from 11 April 2013. As a consequence of the CMVM's decision, Tagus Holdings S.à.r.l. implemented an exit mechanism for the shareholders who wished to dispose of their Brisa shares, by which Tagus was bound from 11 April 2013 to 13 May 2013 to accept sale proposals of Brisa shares at a fixed price of €2.22 per share.

Following the closing of the takeover bid launched on 29 March 2012 by Tagus Holdings, S.à r l. over all Brisa shares, the Company was de-listed from the official market of Euronext on 11 April 2013.

As at the date of this Base Prospectus, the three major shareholders of Brisa are José de Mello Investimentos, SGPS, S.A., to which 33.06 per cent. of the voting rights are attributable, Arcus European Infrastructure Fund Apollo S.à.r.l., to which 20.73 per cent. of the voting rights are attributable and Tagus S.à.r.l., to which 44.06 per cent. of the voting rights are attributable.

Brisa has a long track record as a company committed to sustainable development. Its vision and corporate social responsibility (CSR) strategy focuses on promoting wealth creation through the continuous pursuit of efficiency, integrated risk management and the quest for game-changing innovative business solutions. The company's CSR strategy and performance has been continuously scrutinised and recognised by the markets, rating and research agencies - STOXX, Eiris, Sustainalytics, Vigeo or Triodos Bank – as well as by numerous other non-financial stakeholders. Brisa is also an active member of the World Business Council for Sustainable Development (WBCSD) and BCSO Portugal, as well as a subscriber of the United Nations Global Compact. Brisa reports on sustainability according to the Global Reporting Initiative Directives, and the company's Sustainability Report is G4 – Core, Third Party Checked level, and has achieved Reasonable Assurance for the main 30 GRI indicators it reports.

### **Concessions operated by Brisa**

Before the corporate reorganisation of the Brisa Group (as described in “*The corporate reorganisation of the Brisa Group*”), Brisa held equity participations in six road concessions in Portugal, approximately as follows: Main Concession (100 per cent.), Atlântico (50 per cent.), Brisal (70 per cent.), Douro Litoral (45 per cent.), Baixo Tejo (30 per cent.) and Litoral Oeste (15 per cent.).

As previously described, the Main Concession was established in 1972, at the same time as the top level company Brisa. Geographically, motorways comprised within the Main Concession link up Portugal from north to south and east to west and ensure two major accesses to Spain, thus connecting the country to the Trans-European motorway network. The Main Concession includes 11 motorways already in operation covering a total of 1100.2 km, about 1014.1 km of which are tolled. The Main Concession further includes a motorway still to be built which is the link to the new Lisbon Airport (about 22 km). The Main Concession was transferred from Brisa to the Issuer upon completion of the aforementioned corporate reorganisation of the Brisa Group, with the role of concessionaire under the Concession Contract now being undertaken by the Issuer.

The Atlântico concession was established in December 1998 and includes the operation of the A8 motorway (Lisbon – Leiria) and the A15 motorway (Caldas da Rainha –Santarém), with a total length of 170 km, both located in Portugal's western region. The A8 motorway joins the A17 motorway (Brisal concession) in Leiria. This network has a strong urban nature as it serves Lisbon's northern metropolitan area. It is also part of the second north-south corridor and serves the western region, one of the most developed regions in the country. As of June 2015, Brisa Group holds a 50 per cent. stake in this concession.

The Brisal concession operates the A17 – Litoral Centro motorway along a total length of 92.7 km between Marinha Grande and Mira. This concession is located on the west coast and forms the second north-south corridor, connecting the country's two largest cities – Lisbon and Oporto. It is also linked directly to the Atlântico concession and to the A14 motorway near Figueira da Foz. As of June 2015, Brisa Group holds a 70 per cent. stake in this concession.

The Douro Litoral motorway concession was granted in December 2007 and covers a motorway located in the metropolitan area of Oporto which stretches throughout 129 kilometres, including three new tolled motorways (A32, A41 and A43) and an additional operation and maintenance for a period of 5 years (March 2008 to March 2013) of the main road axes around the Oporto metropolitan area. As of June 2016, Brisa Group holds a stake in this concession of 99.92 per cent..

The Baixo Tejo concession was awarded in January 2009 and its main purpose is the design, planning, construction, widening, financing, operation and maintenance of motorway stretches and other roads in the district of Setúbal, with a combined total length of approximately 74 km. One of its most important characteristics is a low risk level, since over half of its revenues are fixed and secured by Infraestruturas de Portugal (a company 100 per cent. held by the Portuguese State) that will fully cover the debt service.

From an operational point of view, the concession added strong synergies, since it connects to other Brisa motorways. As of June 2016, Brisa Group holds a 30 per cent. stake in this concession.

The Litoral Oeste concession was awarded in February 2009 and comprises a total length of 102 km, of which 81.2 km in form of construction and operation, 17.8 km in form of operation only and 3.0 km in widenings. The undertaking will serve a resident population of 400 thousand people spread throughout seven municipalities. As of June 2016, Brisa Group holds a 15 per cent. stake in this concession.

### **International business**

The market where the Brisa Group operates has undergone rapid changes. Innovation and growth are therefore crucial sectors which the group must rely on to create sustainable value.

In order to meet continuously evolving challenges, the Brisa Group's strategy expanded from simply managing road infrastructures to offering value added mobility services, keeping in mind customer satisfaction and efficiency.

To this end, the Brisa Group seeks to consolidate its position in the markets where it operates, both in Portugal and abroad. At the same time, in line with what has been its goal for many years, the Brisa Group will continue to search for expansion opportunities in different parts of the world.

On the international front, the Brisa Group gathered 10 years of experience in the Brazilian market, via a partnership with CCR during the first decade of the 21st century. Presently, the Brisa Group operates in the Indian and Dutch markets also in partnership with local players. It is present in the United States with the Northwest Parkway concession, in Denver, Colorado, of which it is the sole shareholder.

In these markets, the development of existing assets is one of the main sources of value creation, which is achieved based on skills strengthened by the Brisa Group over four decades of activity. Furthermore, the continuing innovation of business models is a constant concern of the Brisa Group as it seeks to obtain sustained and significant competitive advantages.

The analysis of future growth opportunities is a continuously ongoing process. The selection of markets is based on key indicators on the economic potential and risk profile and the Brisa Group's value matrix.

The priority of the Brisa Group's international strategy is to boost its road mobility management skills, based on innovative technological solutions developed by Brisa - Inovação e Tecnologia, S.A..

Over the past few years, the technological component has played an increasingly significant role in the sector of infrastructures and mobility. In order to remain a benchmark in the market, the Brisa Group has boosted investment in this area; specifically, it created BIT Mobility Solutions LLC, a US subsidiary designed to respond to the challenges of a market with an incredible growth potential.

Road concessions, technological solutions and mobility services are the Brisa Group's strategic lines to achieve growth and value creation, for which it leverages on its vast experience, the best industry practices and a continuous search for innovative business models to ensure the highest possible quality services.

The main international business units of the Brisa Group are as follows:

In the United States, the Brisa Group fully owns Northwest Parkway ("NWP"), a concession in Denver, Colorado, which was awarded for 99 years. NWP was one of the first concessions in the United States to have "All Electronic Tolling", via a technological migration process and the implementation of a new automatic payment system based on the license plate recognition technology developed by the Brisa Group, which led to the creation of the Go-Pass brand. The operation and maintenance of this concession is done by Go-Pass Mobility Services ("GPMS"). As a special purpose vehicle company in line with Brisa operations in other markets, GPMS is responsible for ensuring an efficient operation of the technology and systems.

Brisa Group is present in India through Feedback Brisa Highways OMT (“**FBH**”), a joint-venture with the local company Feedback Infra. Brisa Group has a 40 per cent. stake in FBH, operating under the Ezeeway brand, providing operation, maintenance and toll collection services (“**OMT**”) in motorways. FBH is the leader in OMT contracts for Indian motorways with currently 1,100 km of motorways under operation and a staff of around 2,200 people. The existing large-scale road network and projected motorways (through an ambitious public-private partnership plan) in India offer enormous growth potential for FBH, as there is high demand in the fields of construction, renovation, modernisation and operation of road infrastructures.

At the end of 2010, the Brisa Group and the Dutch company NedMobiel entered a partnership for the creation of BNV Mobility (“**BNV**”), viewing the participation in mobility projects in the Dutch market. In 2014, BNV evolved into New Mobility Ventures (“**NMV**”), following the sale of BNV’s share capital to Egis Projects, a French private company, whereby Brisa ended up holding 40 per cent. of the new company. NMV is a provider of innovative and sustainable services and solutions. In respect of many of the projects developed in the last few years viewed to decrease traffic during peak hours, through incentives to drivers who can change their schedules or use alternative means of transport. By using dynamic pricing strategies based on advanced technological platforms with access to geolocation, it is possible to serve drivers (by informing them), so that they will make rational and intelligent decisions, while offering access to an integrated supply of mobility-related services (e.g. car insurance, fuel, etc.).

The Brisa Group holds a 40 per cent. stake in Movenience, a Dutch joint venture responsible for the operation of electronic payments in the Westerschelde Tunnel (concession) and in car parks with electric vehicle charging points in the province of Zeeland placing itself in a strategic position to further develop efficient road pricing solutions. The company processes over 4 million transactions per year, and manages a wide customer base of people seeking comfortable and efficient services. It is continuously researching new technologies to improve its customer services and other opportunities to expand its supply.

In support of its operations, the Brisa Group holds a number of road service businesses, including BO&M, S.A., which provides assistance to all domestic concessionaires within the Brisa Group and Via Verde Portugal – Gestão de Sistemas Electrónicos de Cobrança, S.A., one of the Brisa Group’s most prominent services – an electronic payment system which debits the toll corresponding to the distance travelled directly to the road user’s bank account. This innovative automatic payment service has contributed to higher standards of efficiency and more comfortable, easier and safer road mobility.

#### **Liability of the entities comprised within the Brisa Group**

Besides the Issuer and, in the terms and within the limits set forth in the Security Agreement, neither the Parent nor Brisa or any Shareholder will, from time to time, in any way guarantee or have any liability whatsoever in relation to the Obligations and, accordingly, the Noteholders will not have the benefit nor shall be entitled, in relation to the Parent, to make any claim based on articles 501 and 502 of the Portuguese Companies Code (which do not currently legally apply to any shareholder of the Parent), article 629 of the Portuguese Civil Code or other legal provisions of similar nature, and unconditionally and irrevocably waive any right arising thereunder in relation to the Notes.

#### **CONFLICT OF INTERESTS**

The members of the administrative, management or supervisory bodies of the Issuer and the Parent do not have any conflicts, or any potential conflicts, between their duties to the Issuer and the Parent, respectively, and their private interests or other duties. In this context, as referred in the section headed “*Description of the Issuer, the Parent and the Brisa Group*”, it should be noted that Mr. Vasco Maria Guimarães José de Mello is chairman of the board of directors of the Issuer, chairman of the board of directors of the Parent, chairman of the board of directors and of the executive committee of José de Mello, SGPS, S.A. and of Brisa and that Mr. João Pedro Stilwell Rocha e Melo is member of the board of directors of the Issuer, member of the board of directors of the Parent, member of the board of directors

and of the executive committee of José de Mello, SGPS, S.A., vice-chairman of the board of directors and member of the executive committee of Brisa. Mr. Michael Gregory Allen is member of the board of directors of the Issuer and is manager of Tagus S.à.r.l..

### **TREND INFORMATION**

On the back of a more stable macroeconomic environment in Portugal and conditions in credit markets, BCR's operational and financial activity during the year 2016 has been positive and has allowed BCR to access financial markets at a reasonable cost. Under supportive borrowing conditions fostered by the European Central Bank's quantitative easing programmes, BCR will continue to search for efficient solutions to meet its funding requirements

### **INVESTMENTS**

There have been no material investments by the Issuer since 30 June 2016 and no new material investments have been approved as at the date of this Base Prospectus.

### **RATINGS**

The Issuer and Parent are not rated.

### **SUSTAINABILITY**

The information on the sustainability policy is prepared annually, including information on the Main Concession, and is disclosed by Brisa.

### **ENVIRONMENT**

The Brisa Group is strongly committed to promoting biodiversity as well as the preservation of the environment as an important part of its heritage. Accordingly, the Issuer's goal is to build, maintain and operate motorways in a sustainable way. For this reason, the Issuer believes it should have an activist stance on environmental protection at all stages of its business, from construction to operation. In this scenario, the Executive Board of the Issuer is committed to following the environment policy statement, as approved on 31 July 2003 for the Brisa Group.

Additionally, Brisa actively participates in scientific projects for the study of such diversified subjects as the fauna and flora of regions, the monitoring of diverse environmental indicators, the development of technologies promoting energy efficiency and pollution reduction, all this within the scope of implementing systems which are increasingly eco-efficient.

### **HUMAN RESOURCES AND ORGANISATION**

People have been one of Brisa Group's strategic assets and it has always tried to attract and maintain talented personnel, manage performance and create a coherent corporate culture. For the 2,343 people working at the Brisa Group at end of 2015, a Performance Management System has been developed which covers all functional levels of the Brisa Group – executive management, senior management and employees in general –, applying the strategy for human resource management defined in the Human Resources Strategic Development Plan, as approved in 2003. The strategy is based on the adjustment of the necessary skills for corporate evolution and for the increase in productivity levels, promoting the professional progress of its employees.

At the Issuer's level it should be noted that the necessary human resources to render the operational activities in relation to the Main Concession will be directly provided under the five main agreements with other companies that are members of the Brisa Group, as previously described in the section headed *Contractual Structure*. The Issuer's staff currently comprises 14 permanent employees and is not expected to change. Their main responsibilities are to:

- (i) ensure compliance with the Issuer's obligations as defined in the concession contract;

- (ii) manage the relationship with the Grantor, as counterparty to the concession contract;
- (iii) manage in an effective and efficient way the Issuer's investment programme for the Main Concession;
- (iv) ensure the proper operation of the Main Concession's motorway network and its complementary services, maintaining high standards and providing safety and comfort to its users;
- (v) act within the standards regarding ethics and social responsibility adopted by the Brisa Group;
- (vi) ensure that the relevant Brisa Group companies, as counterparties to the five main service agreements described in section headed *Contractual Structure*, render the contracted services in accordance with the levels of demand and quality defined in the relevant contracts.

## **FINANCIAL INFORMATION**

As previously mentioned, before becoming concessionaire under the Concession Contract, the Issuer was an affiliate of Brisa operating as a call centre under the corporate name M.Call – Serviços e Telecomunicações, S.A. Its historical financial statements present a materially lower level of assets and liabilities, which would have been the case if the Issuer had already become the new concessionaire.

In relation to the years ended 31 December 2014 and 31 December 2015, the financial statements of the Issuer were prepared in accordance with the IFRS-EU. Prospective investors should carefully analyse these financial statements.

### **Selected financial information of the Issuer**

These financial highlights have been extracted without material adjustment from the audited financial statements of the Issuer for the years ended 31 December 2014 and 31 December 2015 and from the unaudited financial statement of the Issuer for the six month period ended 30 June 2016, all prepared in accordance with the IFRS-EU.

BRISA - CONCESSÃO RODOVIÁRIA, S.A.

INFORMATION FROM THE STATEMENTS OF FINANCIAL POSITION

(Amounts expressed in Euros)

	<u>30.06.2016</u>	<u>31.12.2015</u>	<u>31.12.2014</u>
<b>Assets:</b>			
Intangible assets	2,547,948,703	2,602,666,697	2,712,921,458
Cash and cash equivalents	526,062,867	227,613,789	339,363,079
Deferred tax assets	57,220,950	53,922,742	51,952,030
Other assets	42,859,043	43,092,936	50,900,335
<b>Total assets</b>	<b><u>3,174,091,563</u></b>	<b><u>2,927,296,164</u></b>	<b><u>3,155,136,902</u></b>
<b>Shareholders' equity:</b>			
Share capital	75,000,000	75,000,000	75,000,000
Supplementary capital contributions	-	-	126,302,678
Share premiums	246,444,809	309,444,809	354,744,809
Legal and other reserves	13,830,094	10,895,946	129,516,081
Net profit	26,724,883	79,481,522	41,836,241
Total shareholders' equity	<b><u>361,999,786</u></b>	<b><u>474,822,277</u></b>	<b><u>727,399,809</u></b>
<b>Liabilities:</b>			
Loans	2,507,861,320	2,157,570,955	2,137,928,704
Other liabilities	304,230,457	294,902,932	289,808,389
Total liabilities	<b><u>2,812,091,777</u></b>	<b><u>2,452,473,887</u></b>	<b><u>2,427,737,093</u></b>
<b>Total equity and liabilities</b>	<b><u>3,174,091,563</u></b>	<b><u>2,927,296,164</u></b>	<b><u>3,155,136,902</u></b>



## Selected financial information of the Parent

These financial highlights have been extracted without material adjustment from the audited financial statements of the Parent for the years ended 31 December 2014 and 31 December 2015 and from the unaudited financial statement of the Issuer for the six month period ended 30 June 2016, all prepared in accordance with the IFRS-EU.

BRISA - CONCESSÃO RODOVIÁRIA, SGPS, S.A.

### INFORMATION FROM THE STATEMENTS OF CONSOLIDATED FINANCIAL POSITION

(Amounts expressed in Euros)

	30.06.2016	31.12.2015	31.12.2014
<b>Assets:</b>			
Intangible assets	2,547,948,703	2,602,666,697	2,712,921,458
Cash and cash equivalents	536,563,896	227,621,097	339,374,350
Deferred tax assets	57,220,950	53,922,742	51,952,030
Other assets	42,859,042	43,092,936	50,902,711
<b>Total assets</b>	<b><u>3,184,592,591</u></b>	<b><u>2,927,303,472</u></b>	<b><u>3,155,150,549</u></b>
<b>Shareholders' equity:</b>			
Share capital	100,000	100,000	100,000
Supplementary capital contributions	277,160	277,160	126,277,160
Share premiums	221,597,453	221,597,453	429,597,453
Legal and other reserves	22,832,929	-	-
Retained earnings	90,474,824	173,378,345	129,603,036
Net profit	26,720,688	79,476,782	41,833,962
Total shareholders' equity	<b><u>362,003,054</u></b>	<b><u>474,829,740</u></b>	<b><u>727,411,611</u></b>
<b>Liabilities:</b>			
Loans	2,507,861,320	2,157,570,955	2,137,928,704
Other liabilities	314,728,217	294,902,777	289,810,234
Total liabilities	<b><u>2,822,589,537</u></b>	<b><u>2,452,473,732</u></b>	<b><u>2,427,738,938</u></b>
<b>Total equity and liabilities</b>	<b><u>3,184,592,591</u></b>	<b><u>2,927,303,472</u></b>	<b><u>3,155,150,549</u></b>

## OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS

The description of certain transaction documents set out below is a summary of certain features of such documents and is qualified by reference to the detailed provisions thereof. Noteholders may consult the documents listed in “General Information - Documents available for inspection” in the terms set forth therein.

The Rose Notes were partially outstanding by the time the Combined Finance Documents were executed and therefore some definitions and provisions contained in those documents, notably in the Common Terms Agreement, include references to the Rose Notes and related terms. The Rose Notes matured and were entirely repaid on 17 December 2012. The Combined Finance Documents have not been amended in order to eliminate references to the Rose Notes Documentation. However, for the sake of clarity, those references have been removed from this Base Prospectus.

In December 2014, Brisa Participações, SGPS, S.A., the former holding company of the Parent, merged into Brisa. Notwithstanding the Common Terms Agreement having not been amended, references to Brisa Participações, SGPS, S.A. in this section have been deleted and the summary of the Common Terms Agreement presented below has been amended accordingly, reflecting the Issuer’s interpretation of such Common Terms Agreement in light of the above referred merger.

### **Common Terms Agreement**

#### *Common Terms*

Under the terms of the Common Terms Agreement, the Issuer, the Parent and certain Finance Parties (either acting directly or as representatives of other Finance Parties) have agreed the definitions and the common terms applicable to the interpretation and construction of, *inter alia*, the Combined Finance Documents.

#### *Senior Debt and Additional Senior Debt*

The Senior Debt shall comprise any amounts payable by the Issuer to the Senior Creditors under the terms set out in the applicable Senior Debt Agreements. All Senior Debt shall rank *pari passu* with respect to the security created under or pursuant to the Security Agreement without any preference among such Senior Debt by reason of the date of incurrence or otherwise. All payments in respect of Debt Service under the Senior Debt Agreements shall be made to each Senior Creditor as and when due in accordance with (i) the relevant Senior Debt Agreement and the other Finance Documents and (ii) the Cashflow Waterfall. For the avoidance of doubt, the Issuer shall not be released from any of its payment obligations under the Finance Documents if there are not sufficient funds to make the payments required to be made in accordance with the Cashflow Waterfall.

The Issuer may incur additional indebtedness providing that all of the following conditions are satisfied:

- (a) (i) no Trigger Event is outstanding, except if the additional indebtedness is raised for the sole purpose of refinancing existing indebtedness and the proceeds are applied towards (x) prepayment or repayment of part or all of the existing Senior Debt and/or (y) funding of the Notes Collateral Account,
- (ii) no Trigger Event would result from the incurrence of the additional indebtedness, except if the Trigger Event is that set out in clause 12.1.(e) (*Trigger Events*) of the Common Terms Agreement and the proceeds are applied towards (x) prepayment or repayment of part or all of the existing Senior Debt and/or (y) funding of the Notes Collateral Account,
- (iii) no Event of Default is outstanding or would result from the incurrence of the additional indebtedness, except if the Event of Default is that set out in clause 13.1.(b) (*Events of Default*) of the Common Terms Agreement and the proceeds are applied towards (x) prepayment or repayment of part or all of the existing Senior Debt and/or (y) funding of the

Notes Collateral Account;

- (b) the Issuer represents, on the date of the relevant agreement relating to the additional indebtedness, for all purposes of the Finance Documents, to the benefit of the Senior Creditors that, taking into account the additional indebtedness to be raised, the ratio of Net Senior Debt/EBITDA on each Calculation Date until the end of the Main Concession is forecast to be not more than the level specified in column (B) of the chart contained in the section *Net Senior Debt/EBITDA* below in respect of the relevant Calculation Date;
- (c) no more than €750,000,000 (Indexed) of Long Term Senior Debt will mature in any 2 year period and, during the last 5 years of the Concession Contract, the amount of debt maturing in a single year will not exceed 50 per cent. of the EBITDA of the relevant year;
- (d) the additional indebtedness has a final maturity date no later than 2 years before the expiry of the Main Concession;
- (e) the additional indebtedness falls under paragraphs (i), (ii), (vii) or (ix) of the definition of Financial Indebtedness;
- (f) the Hedging Policy is complied with;
- (g) any other conditions set out in the Finance Documents for the Issuer incurring additional indebtedness are satisfied or waived by the relevant Senior Creditors;
- (h) the Intercreditor Agent has received a copy of the proposed agreement relating to the additional indebtedness prior to its execution;
- (i) the creditor or creditors of the additional indebtedness (or an agent appointed by such creditor or creditors) execute and deliver to the Intercreditor Agent a Senior Creditors Accession Document; and
- (j) the Issuer may arrange any Short Term Facilities, subject only to the conditions set out in paragraphs (h) and (i) above being satisfied. The conditions set out in paragraphs (a) to (f) above, together with the delivery to the Intercreditor Agent of details of the amount, final maturity date and repayment profile of any drawings under the Short Term Facilities, will be required to be satisfied whenever the aggregate amount outstanding under the Short Term Facilities exceeds €50,000,000, or any multiple of €50,000,000.

Any additional indebtedness incurred by the Issuer and which complies with the conditions set out above shall constitute Additional Senior Debt for all purposes of the Finance Documents.

*Representations and warranties and undertakings*

The Issuer will make certain representations and warranties and covenant on the terms of certain information undertakings, positive and negative undertakings and financial undertakings. The Parent will also covenant on the terms of certain negative undertakings.

In terms of positive undertakings, the Issuer undertakes to the Finance Parties (including, for the avoidance of doubt, the Noteholders) to:

- (a) prepare, keep and maintain, in accordance with good business practice and all applicable laws, all its accounting and financial information, statutory books, books of account, bank statements and other records;
- (b) ensure at all times that its obligations under the Finance Documents do and will rank (to the extent, if any, that they are not secured) at least *pari passu* with all its other present and future unsecured obligations and commitments, except for obligations mandatorily preferred by law;
- (c) operate the Company Accounts in accordance with the terms and conditions set out in the

Accounts Agreement;

- (d) diligently operate and maintain, or ensure the diligent operation and maintenance of, the Main Concession in accordance with the Concession Contract, in a safe, efficient and businesslike manner and in accordance with Good Industry Practice;
- (e) comply with all of its material obligations under the Project Agreements, the Management Consultancy Services Agreement and the Shared Services Agreement;
- (f) take all reasonable steps to maintain and enforce its rights under the Project Agreements, the Management Consultancy Services Agreement and the Shared Services Agreement, as well as its intellectual property rights;
- (g) enter into and maintain the Hedging Agreements in accordance with the Hedging Policy from time to time;
- (h) comply in all material respects with all laws and regulations (including environmental laws and regulations) applicable to it and obtain and maintain in full force and effect any authorisation, guarantee and/or licence required to be obtained by it in respect of the Main Concession under the Concession Contract;
- (i) pay or procure payment of all its Taxes when due, except to the extent the Taxes are contested in good faith and by appropriate means;
- (j) procure that the Insurances are taken out and maintained in full force and effect;
- (k) procure that all Insurance Proceeds relating to physical damage Insurances received by it or to its order are, as soon or reasonably practicable after receipt, applied in restoration, reinstatement or replacement of the relevant assets to the extent the same is necessary for the implementation of the Main Concession, having regard to the assets concerned;
- (l) maintain a minimum of 2 Solicited Credit Ratings;
- (m) have, at all times, a minimum of three Independent Directors as members of its board of directors; and
- (n) have its accounts for each Financial Year audited by the Auditors.

In terms of negative undertakings, the Issuer undertakes to the Finance Parties (including, for the avoidance of doubt, the Noteholders) not to:

- (a) create or permit to subsist any Security Interest on any of its assets, except for:
  - (i) any Security Interest arising by operation of law; or
  - (ii) any Security Interest arising under or pursuant to the Finance Documents; or
  - (iii) any Security Interest which consists of a retention of title on normal commercial terms imposed by a supplier of material or equipment; or
  - (iv) any Security Interest or Security Interests where the aggregate amount secured at any time does not exceed €5,000,000 (Indexed) (or its equivalent); or
  - (v) any EIB Security; and/or
  - (vi) any Security Interest which is consented to in writing by the Intercreditor Agent prior to its creation,each a “**Permitted Security Interest**”;
- (b) save for the Permitted Security Interests or as otherwise contemplated in paragraph (e) below, (i) sell, transfer or otherwise dispose of any of its assets on terms whereby it is or may be leased to or

re-acquired or acquired by it or any of its related entities, or (ii) sell, transfer or otherwise dispose of any of its receivables or General Rights, except for the discounting of bills or notes in the ordinary course of trading and any factoring transactions on non-recourse terms (or transactions with an equivalent effect) which aggregate amount does not exceed €20,000,000 (Indexed) (or its equivalent), in each case in circumstances where the transaction is entered into primarily as a method of raising finance or of financing the acquisition of an asset;

- (c) incur or have outstanding any Financial Indebtedness other than under the Documents, except for:
- (i) liabilities under the equipment supply agreements deemed required for the operation of the Main Concession;
  - (ii) any hire purchase, finance or operating lease or any similar agreement entered into by the Issuer in the ordinary course of its business in relation to which the capitalised value determined in accordance with accounting principles and practices generally accepted in Portugal does not at any time exceed €5,000,000 (Indexed) in aggregate;
  - (iii) any Shareholder Loans;
  - (iv) any Permitted Guarantees granted by Initial Permitted Guarantors or Additional Permitted Guarantors;
  - (v) any overdraft facilities or authorised overdrafts permitted under clause 9.4 (*Expropriations Accounts*) and clause 12.4 (*Proceeds Accounts*) of the Accounts Agreement; and
  - (vi) Financial Indebtedness which amounts and terms are approved in writing by the Intercreditor Agent,

each a “**Permitted Indebtedness**”;

For the avoidance of doubt, Permitted Guarantees granted by Initial Senior Guarantors or Additional Senior Guarantors will constitute Senior Debt;

- (d) make or have outstanding any loans or provide any credit, or provide guarantees of financial debt, except for:
- (i) credit provided pursuant to the Finance Documents;
  - (ii) Authorised Investments;
  - (iii) loans which are Permitted Distributions; and
  - (iv) any other trade credits provided by the Issuer within the ordinary course of its business on arm’s length terms or as otherwise authorised by the Intercreditor Agent,

each a “**Permitted Credit**”;

- (e) sell, transfer, grant, lease, license or otherwise dispose (whether in a single transaction or in a series of transactions) of all or any of its assets or rights, present or future or promise to do so, even conditionally or at a future date, except for:
- (i) disposals made in the ordinary course of the Issuer’s trading for fair market consideration and negotiated on an arm’s length basis and which, in any event, shall not include any rights of the Issuer under the Project Agreements;
  - (ii) disposals, for full arm’s length, fair market consideration, of equipment, plant or other assets the proceeds of which are to be reinvested in other assets comparable or superior as to type, value and quality;
  - (iii) disposals, for full arm’s length, fair market consideration, of equipment, plant or other assets which are obsolete or no longer serviceable or not required or desirable for the

implementation of the Main Concession; and

- (iv) disposals of assets expressly required or permitted by the Documents, in each case to the extent not prohibited under the Concession Contract;
- (f) engage in any business or activities, either alone or in partnership or joint venture with any other person, or incur any liability, other than those foreseen in the Finance Documents or in relation to the Main Concession, any Ancillary Business Activities and/or other activities directly or indirectly associated with the implementation of the Main Concession as envisaged by the Documents, except with the consent of the Intercreditor Agent (not to be unreasonably withheld or delayed);
- (g) enter into any amalgamation, demerger, merger, reconstruction, winding up or acquire participations in other companies, except with the consent of the Intercreditor Agent (not to be unreasonably withheld or delayed);
- (h) without the prior written consent of the Intercreditor Agent (not to be unreasonably withheld or delayed), agree to, or act in any way which might reasonably be expected to lead to, the sequestration, early termination, cancellation, redemption, rescission or abandonment, of any of the Project Agreements except, in the case of any Project Agreement other than the Concession Contract, where a substitute Project Agreement is entered into with a commercially qualified counterparty of acceptable credit standing and the necessary technical expertise, on substantially the same terms or in form and substance satisfactory to the Intercreditor Agent, within 60 days of the Issuer becoming aware of any of the above or such longer period as the Intercreditor Agent may agree;
- (i) without the prior written consent of the Intercreditor Agent (not to be unreasonably withheld or delayed), agree to any change to the Operator other than in the circumstances referred to in clause 10.2.(h) (*Negative Undertakings*) or 13.1.(j)(ii), 13.1.(l) or 13.1.(m) (*Events of Default*) of the Common Terms Agreement;
- (j) without the prior written consent of the Intercreditor Agent (not to be unreasonably withheld or delayed), agree to any material amendment or material waiver to the Concession Contract or agree to any amendment to the Project Agreements other than the Concession Contract which is material in the context of the Main Concession;
- (k) without the prior written consent of the Intercreditor Agent (not to be unreasonably withheld or delayed), make any material amendment to its by-laws or any other of its constitutional documents;
- (l) without the prior written consent of the Intercreditor Agent (not to be unreasonably withheld or delayed), settle any litigation where such settlement has a Material Adverse Effect;
- (m) without the prior written consent of the Intercreditor Agent (not to be unreasonably withheld or delayed), enter into any contracts, except for:
  - (i) the Documents;
  - (ii) the Management Consultancy Services Agreement;
  - (iii) the Shared Services Agreement;
  - (iv) any equipment supply agreements deemed required for the operation of the Main Concession on arm's length terms;
  - (v) any other contracts within the ordinary course of its business on arm's length terms or as otherwise authorised by the Intercreditor Agent;

- (vi) any substitute Project Agreement with a commercially qualified counterparty of acceptable credit standing and the necessary technical expertise, on substantially the same terms or in form and substance satisfactory to the Intercreditor Agent;
- (vii) contracts within the ordinary course of any Ancillary Business Activity on arm's length terms, provided that the Issuer's rights thereunder are subject to a Security Interest in favour of the Finance Parties on substantially the terms set out in the Security Agreement; and/or
- (viii) contracts entered into with the Grantor in connection with the financial rebalance of the Main Concession, provided that where the relevant Financial Rebalance Event would otherwise be an Event of Default but for the application of the exceptions set out in paragraph (b) of the Events of Default section below those contracts are on terms satisfactory to the Intercreditor Agent;
- (n) amortise, reduce or redeem its share capital in any form whatsoever, acquire treasury shares, issue any further share capital or alter any rights attaching to the Shares, acquire or own any share or loan capital, or similar right of ownership or any debt security (or any interest in any of the above) or other investments other than the Permitted Credits or Permitted Distributions;
- (o) open or maintain any accounts other than the Company Accounts, the Authorised Accounts and any Hedging Collateral Accounts;
- (p) transfer any amounts to the Distributions Account, unless: (i) at the time of transfer no Trigger Event or Event of Default is outstanding or would result from such transfer, that transfer is made on a Transfer Date, and prior to that transfer being made, it has delivered to the Intercreditor Agent: (A) a Calculation Certificate for the most recent Calculation Date; and (B) a certificate issued by the secretary of the Issuer confirming that (x) the board resolution approving the relevant Distribution has been passed with the favourable vote of the majority of the Independent Directors and (y) where required under applicable corporate law, the Parent has approved the relevant Distribution on the basis of a board resolution passed as referred to in (x);
- (q) enter into transactions with Related Entities or propose any Distribution, unless, in each case, the same have been approved by a board resolution passed with the favourable vote of the majority of the Independent Directors and, prior to the Issuer entering into the relevant transaction, it has delivered to the Intercreditor Agent a certificate issued by the secretary of the Issuer confirming that (i) the board resolution approving the relevant transaction has been passed with the favourable vote of the majority of the Independent Directors and (ii) if required under applicable corporate law, the Parent has approved the relevant Distribution on the basis of a board resolution passed as referred to in (i); and
- (r) change its Financial Year, without the prior consent of the Intercreditor Agent.

The Parent undertakes to the Finance Parties (including, for the avoidance of doubt, the Noteholders) not to:

- (a) engage in any business or activities, either alone or in partnership or joint venture with any other person, other than owning shares in the Issuer and incurring any liabilities towards, or providing any loans to, the Issuer and Brisa (in each case, provided that such business or activities comply with the rules set out in the applicable legislation), unless the Intercreditor Agent otherwise consents; and
- (b) approve any Distribution which requires the approval of the Parent under applicable corporate law (at the relevant Shareholders' General Meeting), unless the same has been previously approved by a resolution of the board of directors of the Issuer passed with the favourable vote of the majority of the Independent Directors.

On each Calculation Date, the Issuer has undertaken to comply with the following financial ratios (“**Financial Covenants**”):

- (a) the ratio of Net Senior Debt/EBITDA for the Calculation Period ending on that Calculation Date and the following Calculation Period must not be more than the level specified in column (D) of the chart contained in the section *Net Senior Debt/EBITDA* below in respect of the relevant Calculation Date;
- (b) the Historic ICR for the Calculation Period ending on that Calculation Date must be more than 1.75 to 1;
- (c) the Forward Looking ICR for the Calculation Period commencing on the first day immediately after that Calculation Date, must be more than 1.75 to 1; and
- (d) the CLCR for that Calculation Date must be more than 1.8 to 1.

The Issuer shall deliver to the Intercreditor Agent, on or before the date 120 days after each Calculation Date, a calculation certificate indicating, as at that Calculation Date, compliance with the Financial Covenants.

*Net Senior Debt/EBITDA*

“**Net Senior Debt/EBITDA**” means, in respect of any Calculation Date, the ratio of Net Senior Debt on that Calculation Date to EBITDA for the Calculation Period ending on that Calculation Date. This ratio is relevant notably for the following purposes:

- (a) one of the conditions that shall be satisfied by the Issuer in order to incur Additional Senior Debt is to represent, on the date of the relevant agreement relating to the additional indebtedness, for all purposes of the Finance Documents, to the benefit of the Senior Creditors that, taking into account the additional indebtedness to be raised, the ratio of Net Senior Debt/EBITDA on each Calculation Date until the end of the Main Concession is forecast to be not more than the level specified in column (B) of the chart below in respect of the relevant Calculation Date;
- (b) one of the financial ratios that the Issuer shall comply with on each Calculation Date is the ratio of Net Senior Debt/EBITDA for the Calculation Period ending on that Calculation Date and the following Calculation Period, which must not be more than the level specified in column (D) of chart below in respect of the relevant Calculation Date;
- (c) one of the events that constitutes a Trigger Event (as described below) is the ratio of Net Senior Debt/EBITDA for the Calculation Period ending on that Calculation Date or for the following Calculation Period being more than the level specified in column (B) of the chart below in respect of the relevant Calculation Date.

<u>(A)</u>	<u>(B)</u>	<u>(C)</u>	<u>(D)</u>
<b>Years to the end of concession</b>	<b>Trigger level and Additional Indebtedness test</b>	<b>Years to the end of concession</b>	<b>Default level</b>
More than or equal to 22.0	6.50x	More than or equal to 20.0	8.00x
More than or equal to 21.0	6.25x	More than or equal to 18.0	7.75x
More than or equal to 20.5	6.00x	More than or equal to 17.0	7.25x
More than or equal to 17.0	5.75x	More than or equal to 16.0	7.00x



More than or equal to 16.0	5.50x	More than or equal to 15.0	6.75x
More than or equal to 15.0	5.25x	More than or equal to 14.0	6.50x
More than or equal to 14.0	5.00x	More than or equal to 13.0	6.25x
More than or equal to 13.0	4.75x	More than or equal to 12.0	5.75x
More than or equal to 12.0	4.25x	More than or equal to 11.0	5.50x
More than or equal to 11.0	4.00x	More than or equal to 10.0	5.00x
More than or equal to 10.0	3.50x	More than or equal to 9.0	4.50x
More than or equal to 9.0	3.00x	More than or equal to 8.0	4.25x
More than or equal to 8.0	2.75x	More than or equal to 7.0	3.75x
More than or equal to 7.0	2.25x	More than or equal to 6.0	3.25x
More than or equal to 6.0	1.75x	More than or equal to 4.0	3.00x
More than or equal to 4.0	1.50x	More than or equal to 2.0	2.50x
More than or equal to 2.0	1.00x		

#### *Trigger Events*

The Common Terms Agreement provides for certain events, actions or omissions to constitute “**Trigger Events**”, as follows:

- (a) at any time, the DSRA Required Balance is not satisfied through the aggregate of amounts standing to the credit of the Debt Service Reserve Account and the amounts available for drawing under the Debt Service L/Cs;
- (b) any bank which has issued a Debt Service L/C ceases to be a Qualifying Bank and, (i) a replacement Debt Service L/C is not issued by a Qualifying Bank or (ii) a sum equal to the amount of the relevant Debt Service L/C is not credited to the Debt Service Reserve Account;
- (c) the CAPEX Required Balance is not satisfied through the aggregate of amounts standing to the credit of the CAPEX Reserve Account;
- (d) any Permitted Indebtedness (other than any arising under a Finance Document) having an aggregate principal amount in excess of €5,000,000 (Indexed) is not paid within eight days of the due date (or within any longer applicable grace period originally provided for in the documents constituting or evidencing that Permitted Indebtedness);
- (e) on any Calculation Date:
  - (i) the ratio of Net Senior Debt/EBITDA for the Calculation Period ending on that Calculation Date or for the following Calculation Period is more than the level specified in column (B) of the chart contained in the section *Net Senior Debt/EBITDA* above in respect of the relevant Calculation Date; or
  - (ii) the Historic ICR for the Calculation Period ending on that Calculation Date is less than 2.25 to 1; or
  - (iii) the Forward Looking ICR, for the Calculation Period commencing on the first day immediately after that Calculation Date, is less than 2.25 to 1; or

- (iv) the CLCR for that Calculation Date is less than 2 to 1; and
- (f) any Solicited Credit Rating falls below “Baa3”/“BBB-” or equivalent or the Issuer ceases to maintain at all times 2 Solicited Credit Ratings.

Whilst a Trigger Event is outstanding, the following shall apply:

- (a) the Issuer shall take all reasonable steps to ensure that the Intercreditor Agent be allowed access (during normal business hours and no more frequently than is reasonable under the circumstances) to inspect (i) the site of the Main Concession, and (ii) the technical and statistical data, accounting books, records and other data in the possession or control of the Issuer with respect to the Main Concession as it may reasonably require;
- (b) the Issuer shall supply to the Intercreditor Agent and/or any Senior Creditor such information relating to the business or financial condition of the Issuer, the Main Concession or any Ancillary Business Activities, as the Intercreditor Agent and/or any Senior Creditor (as applicable) may reasonably require;
- (c) the Senior Creditors shall be entitled to appoint an independent adviser (on reasonable engagement terms) to carry out a review of the circumstances giving rise to the Trigger Event and to make proposals with regard to a plan to remedy the Trigger Event and the costs of such an adviser shall be borne by the Issuer; and
- (d) no Distribution can be made.

A Trigger Event shall cease to exist when the event giving rise to it has been remedied or if it is waived by the Intercreditor Agent in writing in accordance with the provisions of the Finance Documents.

#### *Events of Default*

Without prejudice to other events that may constitute a default under the applicable law or the Common Terms Agreement, each of the following events, actions or omissions constitutes an event of default (“**Event of Default**”):

- (a) the Issuer does not pay on the due date any amount payable by it under the Finance Documents at the place at, and in the currency in, which it is expressed to be payable, unless the failure to pay is due solely to technical or administrative reasons and the relevant amount is duly paid in full within 5 Business Days after the due date or, if a determination by a Finance Party of the amount payable is required, within 5 Business Days of that determination having been made;
- (b) the Issuer does not comply with the Financial Covenants;
- (c) the Issuer does not comply with any provision of the Combined Finance Documents to which it is a party (other than those provisions set out in paragraphs (a) and (b) above) and, if capable of remedy, such non compliance is not remedied within 30 days, in case of material provisions, and within 90 days, in case of any other provisions, of the Issuer becoming aware of the same and, where the default constitutes a Trigger Event, the same event also falls under a specific provision of clause 13.1 (other than this paragraph (c)) of the Common Terms Agreement;
- (d) a representation, warranty or written statement by the Issuer made or repeated in any Finance Document is or proves to be materially incorrect or misleading when made or deemed to be made or repeated and, if the error is capable of remedy, is not remedied within 30 days of the Issuer becoming aware of the same and the matter giving rise to the same has a Material Adverse Effect;
- (e) any Senior Debt becomes prematurely due and payable;
- (f) any Permitted Indebtedness (other than any arising under a Finance Document) having an aggregate principal amount in excess of €10,000,000 (Indexed) becomes prematurely due and

payable or is placed on demand in each case as a result of an event of default howsoever described under the document relating to that Permitted Indebtedness;

- (g) any of the following events occur in relation to the Issuer or the Parent:
  - (i) it is, or is deemed to be, unable to pay its debts as they fall due or insolvent, or admits in writing its inability to pay its debts as they fall due;
  - (ii) it suspends making payments on all or a material part of its debts or announces in writing an intention to do so, or a moratorium is declared in respect of any of its Financial Indebtedness;
  - (iii) by reason of financial difficulties, begins negotiations with one or more classes of its creditors with a view to the readjustment or rescheduling of any of its Financial Indebtedness;
  - (iv) any resolution for (or petition for) its winding-up is passed; or
  - (v) any person presents a petition for the winding-up of the Issuer or the Parent unless the Issuer or the Parent, as the case may be, demonstrates to the satisfaction of the Intercreditor Agent that the petition is being or, subject only to applicable procedural rules, will be actively contested in good faith or the petition is withdrawn, terminated or unconditionally dismissed within 90 days after it was presented; or
  - (vi) any final judgement, order, attachment, sequestration, distress, execution or analogous event (other than a frivolous or vexatious interim measure (“*providência cautelar*”)) affects any property or fixed assets of the Issuer or of the Parent having an aggregate value of at least €50,000,000 (Indexed) or its equivalent in other currencies, which has not been discharged within 30 days;
- (h) except in the context of a solvent reorganisation on terms approved by the Intercreditor Agent, the Issuer ceases to carry on all or a substantial part of its business (save for the redemption of the Main Concession by the Grantor in accordance with the terms set out in the Concession Contract and provided that (i) the Grantor has confirmed, on or before the redemption date, that all of the Obligations then outstanding will be taken over by the Grantor as principal debtor or guarantor or (ii) the Intercreditor Agent receives, on or before the redemption date, evidence satisfactory to it that the compensation that the Issuer is legally entitled to receive from the Grantor under the Concession Contract will be, taking into account the amount of the Obligations outstanding on the redemption date, sufficient to discharge in full all such outstanding Obligations as and when the same fall due);
- (i) it is or becomes illegal for the Issuer to perform any of its material obligations under any Finance Document;
- (j) any party to a Project Agreement does not comply with any of its material obligations under that Project Agreement and the relevant breach is material in the context of the Main Concession, unless:
  - (i) the default, if capable of remedy, is remedied or waived by the Intercreditor Agent (acting on instructions of the relevant Majority Senior Creditors) within 45 days of the Issuer becoming aware of the same or such longer period as the Intercreditor Agent may agree, or
  - (ii) in case of any Project Agreement other than the Concession Contract, the Issuer enters into a substitute Project Agreement with a commercially qualified counterparty of acceptable credit standing and the necessary technical expertise, on substantially the same terms or in form and substance satisfactory to the Intercreditor Agent within 90 days of the Issuer

becoming aware of the relevant default or such longer period as the Intercreditor Agent may agree;

- (k) the Concession Contract is repudiated or becomes void and unenforceable or terminates otherwise than by reason of full performance thereof or the Grantor issues a notice of termination thereof or expresses in writing its intention to do so;
- (l) any Project Agreement (other than the Concession Contract) is repudiated or becomes void and unenforceable or terminates otherwise than by reason of full performance thereof or the counterparty to any Project Agreement issues a notice of termination thereof or expresses in writing its intention to do so unless the Issuer enters into a substitute Project Agreement with a commercially qualified counterparty of acceptable credit standing and the necessary technical expertise, on substantially the same terms or in form and substance satisfactory to the Intercreditor Agent, within 90 days of the Issuer becoming aware of any of the above or such longer period as the Intercreditor Agent may agree;
- (m) any Document or any provision of any Document is required by any law or regulation having the force of law to be abandoned, waived, modified or amended in any way which would have a Material Adverse Effect, unless, in the case of any Project Agreement other than the Concession Contract, a substitute Project Agreement has been entered into with a commercially qualified counterparty of acceptable credit standing and the necessary technical expertise, on substantially the same terms or in form and substance satisfactory to the Intercreditor Agent, within 90 days or such longer period as the Intercreditor Agent may agree;
- (n) a Force Majeure Event affecting the Concession Contract or the O&M Agreement has occurred and has continued for 120 consecutive days to the extent that it has a Material Adverse Effect;
- (o) any Security Interest granted pursuant to the Finance Documents is not effective to confer the rights purported to be conferred thereby other than by reason of the act or omission of any Finance Party, subject to the Legal Qualifications, unless the relevant matter does not have a Material Adverse Effect;
- (p) the Issuer abandons the whole or a substantial part of the Main Concession (or its activities in relation to it);
- (q) the Government of Portugal or any agency thereof takes any legal step with a view to the seizure, expropriation, nationalisation or acquisition (whether compulsory or otherwise and whether or not for fair compensation) of the Issuer or a substantial part of its assets (save for the redemption of the Main Concession by the Grantor in accordance with the terms set out in the Concession Contract and provided that (i) the Grantor has confirmed, on or before the redemption date, that all of the Obligations then outstanding will be taken over by the Grantor as principal debtor or guarantor or (ii) the Intercreditor Agent receives, on or before the redemption date, evidence satisfactory to it that the compensation that the Issuer is legally entitled to receive from the Grantor under the Concession Contract will be, taking into account the amount of the Obligations outstanding on the redemption date, sufficient to discharge in full all such outstanding Obligations as and when the same fall due);
- (r) at any time, the shares in the Parent are transferred other than as permitted under the Concession Contract or as otherwise authorised by the Grantor;
- (s) at any time, the Parent ceases to own 100 per cent. of the share capital of the Issuer, other than as a result of any of the events foreseen in paragraph (q); and
- (t) an event which is a Trigger Event under paragraph (d) of clause 12.1 (*Trigger Events*) of the Common Terms Agreement occurs and is not remedied within 45 days of the end of the grace period (if any) provided for the remedy of that Trigger Event.

Subject to the Intercreditor Agreement, any remedy or other period expressed in any of the paragraphs above may be extended by the Intercreditor Agent in accordance with the provisions of the Finance Documents and any reference to a remedy or other period shall be to that period or such longer period as the Intercreditor Agent may allow.

#### *Appointment and removal of Agents*

The Intercreditor Agent and the Security Agent are appointed as such by the Finance Parties. Each of these agents may resign at any time by giving notice to the other Finance Parties and the Issuer. Furthermore, each of these agents may (after consultation with the Issuer) be removed upon the relevant Majority Senior Creditors giving notice to that effect to the Issuer and the Intercreditor Agent, in case the Agent being removed is the Security Agent, or to the Issuer and the Security Agent, in case the Agent being removed is the Intercreditor Agent.

#### *Applicable law and jurisdiction*

The Common Terms Agreement is subject to Portuguese law. The courts of Lisbon will have non-exclusive jurisdiction in relation to any dispute including a dispute relating to non-contractual obligations arising out or in connection therewith.

### **Security Agreement**

#### *Security granted and promised to be granted by the Issuer*

Under the terms of the Security Agreement, the Issuer:

- (a) grants, in favour and for the benefit of the Security Agent and the EIB, a first ranking pledge over the balance of the Company Accounts (other than the Debt Service Reserve Account and the Distributions Account) held by the Issuer on the Signing Date, as identified in schedule V (*Pledged Company Accounts*) of the Security Agreement, including the right to any monies deposited, from time to time, in, or Authorised Investments made from monies standing to the credit of, such Company Accounts and to any and all interest in relation thereto;
- (b) grants, in favour and for the benefit of the Security Agent and the EIB, a first ranking pledge over the balance of the Debt Service Reserve Account, including the right to any monies deposited, from time to time, in the Debt Service Reserve Account and to any and all interest in relation thereto;
- (c) grants, in favour and for the benefit of the Security Agent (on behalf of the Finance Parties other than the EIB) and the EIB, a first ranking pledge over all the General Rights;
- (d) promises to grant, at its own expense, in favour and for the benefit of the Security Agent and the EIB, a first ranking mortgage over each and all of the Real Assets acquired by the Issuer after the Signing Date;
- (e) promises to grant, at its own expense, in favour and for the benefit of the Security Agent and the EIB a first ranking pledge over the balance of any Company Account or Authorised Account for the purposes of making Authorised Investments opened by the Issuer after the Signing Date, including the right to any monies deposited, from time to time, in, or Authorised Investments made from monies standing to the credit of, any such Company Account or Authorised Account and to any and all interest in relation thereto;
- (f) promises to grant, at its own expense, in favour and for the benefit of the Security Agent and the EIB, a first ranking pledge over the New Assets in accordance with clause 12 (*Promissory Pledge over the New Assets*) of the Security Agreement;
- (g) promises to grant in favour and for the benefit of the Security Agent, a first ranking mortgage over certain Real Assets if the aggregate commercial value of the Real Assets acquired by Issuer, and

not yet mortgaged, regardless of the calendar year in which they were acquired, is equal to or exceeds €5,000,000 and if the Security Agent has informed the Issuer that certain Real Assets shall be mortgaged in its favour; and

- (h) promises to grant in favour and for the benefit of the Security Agent (on behalf of the Finance Parties, including, for the avoidance of doubt, the Noteholders), a first ranking pledge over certain New Assets if the aggregate commercial value of the New Assets acquired by the Issuer, and not yet pledged, regardless of the calendar year in which they were acquired, is equal to or exceeds €2,000,000 and if the Security Agent has informed the Issuer that certain New Assets shall be pledged in its favour,

as security for the entire and timely performance of all and each of the Obligations.

Under the terms of the Security Agreement, the Issuer, to the extent permitted under Portuguese law, will assign by way of security (*cessão de créditos em garantia*), in favour and for the benefit of the Security Agent and EIB, the Future General Rights for the entire and timely performance of all and each of the Obligations.

#### *Other security*

Under the terms of the Security Agreement, the Initial Shareholder has granted, in favour and for the benefit of the Security Agent (on behalf of the Finance Parties, including, for the avoidance of doubt, the Noteholders, other than the EIB) and the EIB, a first ranking pledge over all and each of the Shares (including the corresponding Share Related Rights) as security for the entire and timely performance of all and each of the Obligations. Prior to the date of this Base Prospectus, the Shares (including the corresponding Share Related Rights) have been transferred to the Parent and continue to secure the entire and timely performance of all and each of the Obligations. Furthermore, the Parent promises to grant, at its own expense, in favour and for the benefit of the Security Agent (on behalf of the Finance Parties, including, for the avoidance of doubt, the Noteholders, other than the EIB) and the EIB, a first ranking pledge over all and each of the New Shares (including all and each of the Share Related Rights attached thereto) as security for the entire and timely performance of all and each of the Obligations.

#### *Applicable law and jurisdiction*

The Security Agreement is subject to Portuguese law. The courts of Lisbon will have non-exclusive jurisdiction in relation to any dispute including a dispute relating to non-contractual obligations arising out or in connection therewith.

### **Intercreditor Agreement**

#### *Undertakings by the Issuer and the Parent*

Under the terms of the Intercreditor Agreement, the Issuer undertakes to the Finance Parties that it will not, except with the prior consent of the Intercreditor Agent or as otherwise expressly provided in the Intercreditor Agreement or any of the Finance Documents:

- (a) pay, prepay or repay, or make a distribution in respect of or on account of, or purchase or acquire, any of the Obligations in cash or in kind except if and to the extent that it is permitted to be paid, prepaid, repaid or distributed in accordance with the terms of the Finance Documents;
- (b) discharge any of the Obligations by set-off, any right of combination of accounts or otherwise except if and to the extent that it is permitted to be discharged in accordance with the terms of the Finance Documents; and
- (c) amend, vary, waive, supplement or modify or concur in the amendment, variation, waiver, supplement or modification of or cancel, repudiate, revoke, terminate, suspend or surrender any provision of the Finance Documents except in accordance with the terms of the Intercreditor Agreement or as otherwise expressly provided in any of the Finance Documents.

Under the terms of the Intercreditor Agreement, the Parent undertakes to the Finance Parties that it will not, except with the prior consent of the Intercreditor Agent or as otherwise expressly provided in the Intercreditor Agreement or any of the Finance Documents:

- (a) take any action which would be reasonably likely to result in the insolvency or dissolution of the Issuer;
- (b) vote favourably any Distribution by the Issuer which does not comply with the provisions of the Finance Documents;
- (c) receive any amounts paid by the Issuer in breach of the provisions of the Finance Documents;
- (d) make any material amendment to the by-laws of the Issuer or any other constitutional documents of the Issuer, without the prior written consent of the Intercreditor Agent; and
- (e) transfer any Shares or New Shares (if applicable) (i) in breach of the provisions of the Finance Documents, and (ii) unless the transferee executes a Shareholders Accession Document.

*Undertakings by the Hedging Counterparties*

Under the terms of the Intercreditor Agreement, the Hedging Counterparties undertake, for the benefit of the Finance Parties, that, until the Term Date and in relation to the Hedging Agreements, no Hedging Counterparty will:

- (a) demand (other than as may be necessary in order to exercise any right to terminate or close out any hedging transaction as provided in and permitted under paragraph (b) below) or receive payment, prepayment or repayment of, or any distribution in respect of, or on account of, any of the Hedging Liabilities in cash or in kind, or apply any money or property in or towards the discharge of any Hedging Liabilities except:
  - (i) for scheduled payments or default interest on such scheduled payments arising under the original terms of the Hedging Agreements (without regard to any amendments made after the date of those Hedging Agreements other than those permitted by the terms of the Finance Documents) and any costs arising to the Hedging Counterparties as a result of the reduction of the aggregate amount of hedging transactions under the Hedging Agreements in accordance with clause 5.3 (*Hedging*) of the Intercreditor Agreement; and/or
  - (ii) for the proceeds of enforcement of the Security Interests received and applied in the order permitted by clause 6 (*Proceeds of Enforcement of Security*) of the Intercreditor Agreement; and/or
  - (iii) for Hedging Termination Payments or any other amounts arising as a result of a termination or close out of a hedging transaction in accordance with the relevant Hedging Agreement and the terms of the Intercreditor Agreement;
- (b) exercise any right to terminate or close out any hedging transaction under the Hedging Agreements prior to its stated maturity (whether by reason of the Issuer becoming a defaulting party thereunder (and as defined therein) or otherwise) unless:
  - (i) the Issuer has failed to pay on the due date any amount payable to the Hedging Counterparty under the relevant Hedging Agreement and such failure is not remedied within 30 days following receipt by the Intercreditor Agent of notice from the relevant Hedging Counterparty of such payment default; or
  - (ii) all or any part of the Senior Debt is declared prematurely due and payable under clause 14 (*Acceleration*) of the Common Terms Agreement; or
  - (iii) an Illegality (as such term is defined in the relevant Hedging Agreement) has occurred; or

- (iv) a Tax Event or Tax Event Upon Merger (each as defined in the relevant Hedging Agreement) has occurred; or
  - (v) in accordance with the clause 5.3 (*Hedging*) of the Intercreditor Agreement, if at any time the notional principal amount of the hedging transactions exceeds 100 per cent. of the actual amount outstanding of the Senior Debt; or
  - (vi) any of the events specified in clauses 13.1.(g) or 13.1.(h) (*Events of Default*) of the Common Terms Agreement has occurred in respect of the Issuer and (in relation to clause 13.1.(g) (Events of Default)) the Parent; or
  - (vii) so agreed with the Issuer (such an agreement only to be given if the Issuer fully complies with the Hedging Policy after termination of the relevant Hedging Agreement) or with the consent of the Intercreditor Agent;
- (c) subject to clause 8 (*Sharing between Finance Parties*) of the Intercreditor Agreement, discharge all or any part of the Hedging Liabilities by set-off, any right of combination of accounts or otherwise except if and to the extent that those Hedging Liabilities are permitted to be paid under paragraphs (a) and (b) above;
- (d) permit to subsist or receive any Security Interest or any financial support (including without limitation the taking of any participation, the giving of any guarantee, indemnity or other assurance against loss, or the making of any deposit or payment) for, or in respect of, any of the Hedging Liabilities other than under the Security Agreement or any other Security Interests or support granted for the full benefit of the Finance Parties in accordance with the ranking specified in the Intercreditor Agreement, and except under the original provisions of the Hedging Agreements; or
- (e) amend, vary, supplement or allow to be superseded any provision of any Hedging Agreement except:
- (i) in accordance with clause 11 (*Decision Making – General Principles*) of the Intercreditor Agreement;
  - (ii) for any amendment which is technical, mechanical or procedural or which is administrative in nature and made in the ordinary course of the administration of the Finance Documents and which in any such case is not material; or
  - (iii) any amendment required as a result of a proportional close-out of that Hedging Agreement in accordance with clause 5.3 (*Hedging*) of the Intercreditor Agreement;
- (f) file a petition with the competent authorities for the insolvency, liquidation, winding-up or dissolution of the Issuer.

*Proceeds of enforcement of Security*

Subject to the rights of any prior or preferential encumbrances or creditors (other than those that may arise under or in connection with the Finance Documents), the net proceeds of enforcement of the security conferred by the Security Agreement shall be paid to the Security Agent and applied in the following order:

- (a) *first*, in payment of all reasonable costs, charges, expenses and liabilities incurred by or on behalf of the Security Agent and any receiver, attorney or agent in connection with carrying out or purporting to carry out its duties and exercising its powers and discretions under the Security Agreement and the remuneration of the Security Agent and every receiver, attorney or agent under the Security Agreement;
- (b) *second*, in payment of all costs and expenses incurred by or on behalf of any Finance Party in



connection with such enforcement;

- (c) *third*, in payment of all other reasonable costs and expenses incurred by or on behalf of the Intercreditor Agent, the Security Agent, the EIB, the Notes Common Representative, any agent appointed under, or in connection with, any Senior Debt Agreement and the Account Banks;
- (d) *fourth*, in payment of all agency fees owed to the Intercreditor Agent, the Security Agent, the EIB, the Notes Common Representative, any agent appointed under, or in connection with, any Senior Debt Agreement and the Account Banks accrued but unpaid;
- (e) *fifth*, in payment of all unpaid reasonable costs and any expenses incurred by the Senior Creditors in respect of the Senior Debt *pro rata* between the Senior Creditors;
- (f) *sixth*, in payment of all fees accrued but unpaid, other than the agency fees, on the Senior Debt *pro rata* between the Senior Creditors;
- (g) *seventh*, in payment of default interest in respect of any Senior Debt, accrued but unpaid *pro rata* between the Senior Creditors;
- (h) *eighth*, in payment of interest in respect of any Senior Debt (including the Net Hedging Costs), accrued but unpaid *pro rata* between the Senior Creditors;
- (i) *ninth*, in payment of all amounts of principal outstanding under the Senior Debt Agreements and all Hedging Termination Payments *pro rata* between the Senior Creditors;
- (j) *tenth*, in payment of any other unpaid sums due to the Finance Parties under the Finance Documents *pro rata* between the Senior Creditors;
- (k) *eleventh*, in payment of any other sums due to any Debt Service L/C Provider; and
- (l) *twelfth*, in payment of the surplus (if any) to the Issuer, any Shareholder or other relevant person entitled thereto.

#### *Enforcement of Security by the Finance Parties*

Even though the Security Agent has become entitled to enforce the security created pursuant to, or to exercise rights conferred by, the Security Agreement, the Security Agent will refrain from enforcing or exercising the same security conferred by the Security Agreement unless and until instructed by the relevant Majority Senior Creditors. The Senior Creditors may, to the extent permitted by clause 14 (*Acceleration*) of the Common Terms Agreement, give or refrain from giving instructions to the Security Agent to enforce or refrain from enforcing the security conferred by the Security Agreement as long as they see fit.

Subject to clause 7.5 of the Intercreditor Agreement, if the relevant Majority Senior Creditors do instruct the Security Agent to enforce the security conferred by the Security Agreement, it shall do so in such manner as it sees fit and solely having regard to the interests of the Finance Parties. The Security Agent (acting on instructions of the relevant Majority Senior Creditors) may cease any such enforcement at any time. If:

- (a) pursuant to an enforcement of, or exercise of its rights under, the Security Agreement, the Security Agent on the instructions or with the consent of the relevant Majority Senior Creditors sells or otherwise disposes of any asset; or
- (b) the Issuer sells or otherwise disposes of such asset at the request of the Security Agent on the instructions or with the consent of the relevant Majority Senior Creditors at a time when the Security Agent is entitled to enforce the Security Interests under the Security Agreement,

the Security Agent is authorised by each of the Finance Parties to execute:

- (a) on behalf of itself and each such Finance Party without the need for any further referral to or

authority from such Finance Party, any release of the security created by the Security Agreement over that asset; and

- (b) if such asset comprises all of the shares in the capital of the Issuer, on behalf of each Finance Party, without the need for any further referral to or authority from such Finance Party, any release of the security created by the Security Agreement over those shares,

provided that in each such case the proceeds are to be applied in the manner provided for in the Intercreditor Agreement. Any sale or other disposal of assets made or permitted by the Security Agent in the course of its enforcement of the Security Agreement will be made pursuant to the relevant provisions of the Security Agreement.

#### *Sharing between Finance Parties*

If at any time the proportion received or recovered (whether by direct payment, by exercise of any right of set-off, or otherwise) by a Finance Party (a “**Recovering Finance Party**”) in respect of the total sum which has become due to it from the Issuer under the Finance Documents before that time, whether upon enforcement of security or beforehand (that Finance Party’s “**Recovery Proportion**”) exceeds the Recovery Proportion of any other Finance Party (as calculated by the Intercreditor Agent), but excluding any amounts received by the EIB under the EIB Security, then:

- (a) the Recovering Finance Party shall, within 3 Business Days of becoming aware that its Recovery Proportion exceeds the Recovery Proportion of any other Finance Party, notify the details of the receipt or recovery to the Security Agent;
- (b) the Security Agent shall determine whether the receipt or recovery is in excess of the amount the Recovering Finance Party would have been paid had the receipt or recovery been received or made by the Security Agent and distributed in accordance with clause 12.2 (*Proceeds Accounts*) of the Accounts Agreement or as described in clause 8.5 of the Intercreditor Agreement (as the case may be), without taking account of any Tax which would be imposed on the Security Agent in relation to the receipt, recovery or distribution; and
- (c) the Recovering Finance Party shall, within 5 Business Days of demand by the Security Agent, pay to the Security Agent an amount (the “**Sharing Payment**”) equal to such receipt or recovery less any amount which the Security Agent determines may be retained by the Recovering Finance Party as its share of any payment to be made, in accordance with clause 12.2. (*Proceeds Accounts*) of the Accounts Agreement or as described in clause 8.5 of the Intercreditor Agreement (as the case may be).

If any part of the Sharing Payment received or recovered by a Recovering Finance Party becomes repayable and is repaid by that Recovering Finance Party, then:

- (a) each Finance Party which has received a share of the relevant Sharing Payment pursuant to clause 8.2 of the Intercreditor Agreement shall, upon request of the Security Agent, pay to the Security Agent for account of that Recovering Finance Party an amount equal to the appropriate part of its share of the Sharing Payment (together with the amount necessary to reimburse that Recovering Finance Party for its proportion of any interest on the Sharing Payment which that Recovering Finance Party is required to pay); and
- (b) that Recovering Finance Party’s rights of subrogation in respect of any reimbursement shall be cancelled and the relevant party will be liable to reimbursing the Finance Party for the amount so reimbursed.

The aforementioned rules do not apply (without prejudice to the notification duty referred above) to the extent that the Recovering Finance Party, after making any payment as described above, would not have a valid and enforceable claim against the relevant party. A Recovering Finance Party is not obliged to share with any other Finance Party any amount which the Recovering Finance Party has received or recovered

as a result of taking legal or arbitration proceedings, if:

- (a) it notified that other Finance Party of the legal or arbitration proceedings; and
- (b) that other Finance Party had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable after having received notice and did not take separate legal or arbitration proceedings.

#### *Decision Making*

Each party to the Intercreditor Agreement (including, in relation to the Notes Common Representative, the Noteholders it represents) agrees that the Intercreditor Agent and the other Finance Parties may not exercise or enforce any right, power or discretion, give any consent or any waiver, or make any determination or notification under or in respect of any provisions of the Finance Documents except in accordance with that agreement.

Save as otherwise provided in the Intercreditor Agreement and subject to the Entrenched Rights and the Retained Rights of the various Senior Creditors, all waivers, consents or approvals under the Combined Finance Document, or any amendment to the terms of any Combined Finance Document will require the consent of the relevant Majority Senior Creditors.

Any decisions under the Combined Finance Documents which are expressed to be taken by the Intercreditor Agent will be taken by the Intercreditor Agent, acting on instructions of the relevant Majority Senior Creditors, subject to the Intercreditor Agreement and the other Combined Finance Documents, the Entrenched Rights and the Retained Rights of the various Senior Creditors.

Any decision giving rise to an Entrenched Right or a Retained Right for any Senior Creditor (other than the Noteholders) or Class of Noteholders cannot be made without the approval of that Senior Creditor (other than the Noteholders) or Class of Noteholders (as applicable).

The instructions given by any Senior Creditor or the Notes Common Representative (as applicable) in relation to any decision shall remain confidential and shall not be released by the Intercreditor Agent to any other Finance Party or to the Issuer.

The Intercreditor Agent shall send to the Issuer, each Senior Creditor (other than the Noteholders), the Notes Common Representative and any other relevant Parties to the Intercreditor Agreement a copy of each amendment, modification or waiver to or with respect to any Combined Finance Document promptly after it is executed or given.

The Intercreditor Agent shall be responsible for determining the relevant quorums and majorities in relation to any Ordinary Decision or Special Decision in accordance with the Intercreditor Agreement and shall keep appropriate records of the same.

Ordinary Decisions, in which all Senior Creditors are entitled to participate, are governed by the provisions of schedule V part A (*Provisions for Taking Ordinary Decisions*) of the Intercreditor Agreement while Special Decisions, in which all Senior Creditors are entitled to participate, are governed by the provisions of schedule V part B (*Provisions for Taking Special Decisions*) of the Intercreditor Agreement.

#### *Noteholders' Decision Process*

For a description of the Noteholders' decision process, please refer to Condition 19 (*Ordinary Decisions and Noteholders meetings*) below.

#### *Entrenched Rights*

The Intercreditor Agreement provides that each Senior Creditor (other than the Hedging Counterparties and the Noteholders) and each Class of Noteholders shall have the right to veto any of the following:

- (a) any change in the amount of any Financial Principal, Financing Costs or any other amount payable to any Senior Creditor or the dates upon which such amounts are payable under the terms of the relevant Senior Debt Agreements or the currency of payment due of any Senior Creditor's Senior Debt;
- (b) any waiver, amendment or consent which is made under or to any Event of Default (other than a Major Default) or Trigger Event, if the effect of any such waiver, amendment or consent is manifestly prejudicial to the position of that Senior Creditor or Class of Noteholders;
- (c) any waiver, amendment or consent which is made under or to any Major Default or to any definition used in the description of any Major Default;
- (d) any waiver, amendment or consent which (i) changes the definition of "Majority Senior Creditors", "Special Decision", "Senior Creditors", "Senior Debt" or "Senior Debt Agreements" or any definition used in the description of any of these definitions, (ii) amends clauses 5. (*Hedging*), 6. (*Proceeds of Enforcement of Security*), 7. (*Enforcement of Security by the Finance Parties*), 8. (*Sharing between Finance Parties*), 9. (*Undertakings of the Finance Parties*) or 11. (*Decision Making – General Principles*) of the Intercreditor Agreement, (iii) changes any of the Entrenched Rights or Retained Rights of that Senior Creditor or Class of Noteholders, (iv) changes the priority of application of monies under the Cashflow Waterflow, (v) releases or waives any Security Interest created pursuant to, or evidenced by, any Combined Finance Document;
- (e) any consent for the early termination by the Issuer of, or any material waiver or material amendment to the Concession Contract;
- (f) any waiver of the Documentary Conditions Precedent or any other conditions precedent set out in clause 3. (*Conditions Precedent*) of the Common Terms Agreement;
- (g) without prejudice to clause 7. (*Enforcement of Security by the Finance Parties*) of the Intercreditor Agreement, any full or partial release of any security created by or pursuant to the Security Agreement;
- (h) the designation by the Intercreditor Agent of any rating agency (other than Moody's Investors Service, Inc., Standard & Poor's Rating Services, a division of the McGraw-Hill Companies Inc. and Fitch Ratings Limited or any successor thereof) as a Rating Agency;
- (i) any exchange of the relevant Senior Creditor's Senior Debt for, or the conversion of such Senior Debt into, shares, bonds or other obligations of any other person; and
- (j) any change to the existing obligations of the Issuer or the Parent to gross up any payment in respect of the relevant Senior Creditor's Senior Debt in the event of the imposition of withholding taxes.

In addition, the EIB shall have the right to veto any of the following:

- (a) any amendment to any other Project Agreement which is material in the context of the Main Concession;
- (b) any amendment, waiver or consent to or under clauses 4. (*Senior Debt*), 5. (*Additional Senior Debt*), 6. (*Prepayment*), 8. (*Information Undertakings*), 9. (*Positive Undertakings*), 10. (*Negative Undertakings*), 14. (*Acceleration*), 15. (*Costs and Expenses*), 19. (*Resignation and Removal of Agents*), 22. (*Notices*), 23. (*Confidentiality*), 28. (*Applicable law and jurisdiction*) and schedule III (*Hedging Policy*) to the Common Terms Agreement;
- (c) any extension to a remedy period or other period expressed in any of the paragraphs in relation to an Event of Default;
- (d) any amendment, waiver or consent to or under clauses 3. (*Company Accounts*), 4. (*Instructions*), 6.

(Compensations Account), 7. (Debt Service Reserve Account), 9. (Expropriations Account), 12. (Proceeds Account), 13. (CAPEX Reserve Account), 15. (Authorised Investments), 16. (Operation of the Company Accounts), 17. (Undertakings of the Company), 19. (Information on the Company Accounts) or 20. (Appointment of Additional Account Banks) of the Accounts Agreement; and

- (e) any demand by the Intercreditor Agent that all or part of the amounts owing to the EIB under or in accordance with the EIB Facility Agreement be immediately due and payable.

In addition, each Hedging Counterparty shall have the right to veto any amendment, waiver or consent to any of the following:

- (a) the order of priority or subordination under the Intercreditor Agreement or any other Finance Document or the manner in which the proceeds of enforcement of the Security Agreement are distributed;
- (b) the release of any Security Interest created or evidenced under the Security Agreement unless permitted under the Intercreditor Agreement or any other Finance Document;
- (c) clause 8 (*Sharing between Finance Parties*) of the Intercreditor Agreement;
- (d) clause 12.2 (*Proceeds Accounts*) of the Accounts Agreement;
- (e) the date of payment of any amount, the currency of payment of any amount, the amount payable or that would be payable or paid under any Hedging Agreement;
- (f) the substitution of the Issuer or the Parent (in either case, a substitution is deemed to occur if the majority of the share capital or voting rights cease to be held by the Parent, in respect of the Issuer, and by the current direct and indirect shareholder of the Parent, in respect of the Parent) in any Hedging Agreement, other than in accordance with the Common Terms Agreement;
- (g) a Hedging Counterparty's ability to net or set-off;
- (h) any provision which expressly requires the consent of any Hedging Counterparty;
- (i) the ability of a Hedging Counterparty to close-out or otherwise terminate, in part or in full, any Hedging Arrangement and the method of calculation of such close-out amount;
- (j) any right of assignment or transfer that a Hedging Counterparty has;
- (k) the definitions of "Common Terms Agreement", "Hedging Agreement", "Hedging Counterparty", "Hedging Liabilities", "Hedging Termination Payments", "Net Hedging Costs", "Majority Senior Creditors", "Financing Costs" or any other defined term used in part C of schedule III of the Intercreditor Agreement or in any of all these definitions, and the inclusion of the definition of Hedging Agreement in the definition of Finance Documents; and
- (l) clause 2.6 (*Construction*) of the Common Terms Agreement.

#### *Retained Rights*

The Intercreditor Agreement also provides that each Senior Creditor (other than the Noteholders) and each Class of Noteholders may in its sole discretion:

- (a) give any consent under or, make any waiver or amendment to, any provision of the respective Senior Debt Agreement in accordance with its terms;
- (b) assign or transfer any rights and obligations under and in accordance with the Common Terms Agreement and the respective Senior Debt Agreement;
- (c) receive any sums owing to it for its own account in respect of premia, fees, costs, charges, liabilities, damages, proceedings, claims and demands in relation to any Finance Document to which it is a party as permitted pursuant to the terms of the Common Terms Agreement;

- (d) make determinations of and require the making of payments due and payable to it under the provisions of the Finance Documents as permitted by the terms of the Common Terms Agreement;
- (e) exercise the rights vested in it or permitted to be exercised by it under and pursuant to the terms of the Common Terms Agreement and the Intercreditor Agreement; and
- (f) receive notices, certificates, communications or other documents or information under the Finance Documents or otherwise.

In addition, the EIB may in its sole discretion:

- (a) demand, after the occurrence of a Major Default or an event of default under the EIB Facility Agreements which is subsisting and in accordance with the terms provided in clause 14. (*Acceleration*) of the Common Terms Agreement and/or clause 12.3 (*Acceleration*) of the EIB Facility Agreement, that all or part of the amounts owing to it under or in accordance with the EIB Facility Agreement be immediately due and payable, whereupon they shall become immediately due and payable;
- (b) decide about any waiver, amendment or consent which is made under or to any provision of the EIB Facility Agreements (including, for the avoidance of doubt, any provisions and/or definitions incorporated in the EIB Facility Agreements by reference to any other Finance Document), in particular to any event of default or trigger event thereunder or to any definition used in the relevant event of default or trigger event; and
- (c) exercise any discretion under the EIB Facility Agreements and/or the EIB Guarantees.

In addition, the Security Agent may in its sole discretion:

- (a) exercise any right, power, authority or discretion expressly granted to it pursuant to the Intercreditor Agreement;
- (b) make any determination expressly contemplated or required under the Combined Finance Documents in relation to its Retained Rights and in relation to its Entrenched Rights;
- (c) receive any sums owing to it for its own account in respect of fees, costs, charges, liabilities, damages, proceedings, claims and demands in performing its powers and exercising its discretions under the Intercreditor Agreement and any other Finance Document to which the Security Agent is a party;
- (d) exercise any right, power, authority or discretion expressly provided to it under the Finance Documents for the purpose of enabling the Security Agent to protect its own position and interests in its personal capacity (including its own personal financial interest) or which the Security Agent determines to be necessary or appropriate to exercise for the protection of its own position and interests in its personal capacity;
- (e) (i) receive notices, certificates, communications or other documents or information, (ii) direct that such notices, certificates, communications or other documents or information must be provided (or must not be provided) to it or any other party, or, where applicable, (iii) determine the form and content of any notice, certificate, communication or other document; and
- (f) exercise any right, power, authority or discretion expressly provided to it under the Finance Documents and which relieves or exempts the Security Agent from liability or exculpates or exonerates it (including, without limitation, any right of the Security Agent under any of the Finance Documents to make assumptions as to, or rely on any notice, certificate or other communication confirming, the existence or non-existence of any act, circumstance or event).

*Applicable law and jurisdiction*

The Intercreditor Agreement is subject to Portuguese law. The courts of Lisbon will have non-exclusive

jurisdiction in relation to any dispute including a dispute relating to non-contractual obligations arising out or in connection therewith.

## **Accounts Agreement**

### *Company Accounts*

The Accounts Agreement sets out the rules applicable to the opening and operation of the Company Accounts. The Company Accounts will be opened in the name of the Issuer with the Lead Account Bank and shall be on-demand deposit accounts with the features and associated with the rights and obligations set out in the Accounts Agreement.

Each of the Company Accounts:

- (a) may be used to carry out credit and debit transactions only in accordance with the terms and conditions of the Accounts Agreement and the Lead Account Bank or any Account Bank, in relation to any Expropriations Account and Proceeds Account opened and maintained with it, is not obliged to execute any instructions of the Issuer that do not comply with the provisions of the Accounts Agreement;
- (b) is remunerated on the terms and conditions agreed by the parties to that effect and, in the absence of such an agreement, in accordance with the General Conditions;
- (c) may not be encumbered or transferred, nor may the rights attached to it be encumbered or transferred, in favour of any third party, save on the terms provided for in the Finance Documents;
- (d) is associated with the corresponding Account Opening Sheet which may not be amended without the prior written consent of the Lead Account Bank or, in the case of any Additional Expropriations Account or Proceeds Account opened and maintained with another Account Bank, the relevant Account Bank;
- (e) shall be opened and kept in euro and all amounts received in a currency other than euro must be converted into euro, as soon as practicable after receipt, at the prevailing rate for comparable transactions of the Lead Account Bank or, in the case of any Additional Expropriations Account or Proceeds Account opened and maintained with another Account Bank, the relevant Account Bank;
- (f) is separate and independent from the other Company Accounts, without prejudice to any transfer of funds between them in accordance with the provisions of the Accounts Agreement;
- (g) shall be cancelled and the corresponding balance transferred to any bank account indicated for that purpose by the Issuer, on the Term Date; and
- (h) except for the Distributions Account and without prejudice to clause 9.4. (*Expropriations Accounts*) and clause 12.4. (*Proceeds Accounts*) of the Accounts Agreement, must maintain at all times a balance in an amount equal or higher than the Minimum Balance.

The Issuer may not cancel any Company Account opened with the Lead Account Bank, other than any Additional Expropriations Account, without the prior written consent of the Intercreditor Agent.

### *Compensations Account*

The Compensations Account shall be used by the Issuer to deposit the Compensations it receives and the Issuer shall procure that all such Compensations are credited to the Compensations Account.

The Issuer may only withdraw amounts from the Compensations Account for the following purposes:

- (a) to prepay or early redeem Senior Debt to the extent required under clause 6.1 (*Prepayment*) of the Common Terms Agreement;
- (b) in the case of the Insurance Proceeds relating to physical damage Insurances, to apply in the restoration, reinstatement or replacement of the relevant assets to the extent the same is necessary

for the implementation of the Main Concession, having regard to the assets concerned;

- (c) in the case of Insurance Proceeds relating to third party liability Insurances, to apply in payment of indemnities to third parties; and
- (d) to make transfers to any Proceeds Accounts, after the payments referred to in paragraphs (a) to (c) above have been made.

#### *Debt Service Reserve Account*

The Debt Service Reserve Account shall be used by the Issuer to deposit the DSRA Required Balance and the Issuer shall procure that, at any time, the balance of the Debt Service Reserve Account is equal to or greater than the DSRA Required Balance.

Any calculation of the balance of the Debt Service Reserve Account shall include (i) the monies standing to the credit of the Debt Service Reserve Account, and (ii) any amounts available for drawing under any Debt Service L/C delivered by the Issuer to the Intercreditor Agent which are issued by a bank which is a Qualifying Bank at the time of the calculation.

Withdrawals from the Debt Service Reserve Account are limited. The Issuer may only withdraw amounts from the Debt Service Reserve Account, if at any time:

- (a) to the extent that there are insufficient funds standing to the credit of the Proceeds Accounts (taken collectively), to pay the Debt Service; and
- (b) if and to the extent that the balance standing to the credit of the Debt Service Reserve Account exceeds the DSRA Required Balance, to transfer amounts to any Proceeds Account.

The Intercreditor Agent shall credit the demanded proceeds into the Debt Service Reserve Account. The Intercreditor Agent shall demand payments under any Debt Service L/C if and to the extent that there are no funds available in the Proceeds Accounts (taken collectively) or the Debt Service Reserve Account (as confirmed by the Lead Account Bank) to pay any Debt Service when due or, if the amounts available for drawing under any Debt Service L/C are required for the purposes of achieving the DSRA Required Balance for the current Calculation Period, and:

- (a) at any time within 30 days prior to the expiry of that Debt Service L/C; or at any time
- (b) the Debt Service L/C Provider under any such Debt Service L/C ceases to be a Qualifying Bank, (each Debt Service L/C affected being an “**Expiring Debt Service L/C**”), and

a replacement Debt Service L/C has not been issued by a Qualifying Bank to the Issuer which will become effective no later than the expiry of the Expiring Debt Service L/C or 30 days after the Debt Service L/C Provider has ceased to be a Qualifying Bank (as the case may be), for a face amount of not less than the face amount of the Expiring Debt Service L/C at that time less the aggregate at that time of all amounts paid to the Intercreditor Agent under the Expiring Debt Service L/C (such lesser amount the “**Relevant Amount**”), in which case the Intercreditor Agent shall make a call under the Expiring Debt Service L/C in an amount equal to the Relevant Amount.

#### *Distributions Account*

The Distributions Account shall be credited with (i) any amounts available to the Issuer for the purpose of making Permitted Distributions and (ii) any amounts paid to the Issuer as interest or capital in respect of loans advanced by the Issuer which are Permitted Distributions.

The Issuer may only transfer amounts to the Distributions Account on any Transfer Date provided that:

- (a) any such transfer is made in accordance with the Cashflow Waterfall; and
- (b) the conditions set out in clause 10.2.(p) (*Negative Undertakings*) of the Common Terms Agreement and any other conditions to the transfer of amounts to the Distributions Account set out



in the Finance Documents are satisfied.

The Issuer may withdraw amounts from the Distributions Account to make Distributions and to make transfers to any Proceeds Account.

#### *Expropriations Accounts*

The Issuer shall procure that all amounts required to make payments of any expropriation costs, in relation to expropriations made in accordance with clause 22. (*Expropriations*) of the Concession Contract, are credited to an Expropriations Account.

Each Expropriations Account may include an overdraft facility up to the amount of €1,000,000.

The Issuer may withdraw amounts from any Expropriations Account only for the purposes of meeting the alluded expropriations costs if and when they fall due and to make transfers to any Proceeds Accounts.

#### *Notes Collateral Account*

The Issuer shall procure that the Notes Collateral Account be credited, immediately upon receipt of the relevant amounts, with any proceeds from Additional Senior Debt raised upon satisfaction of the tests in clause 5.1(a) (*Additional Senior Debt*) of the Common Terms Agreement relating to the raising of Additional Senior Debt on the basis that the proceeds raised from the relevant Additional Senior Debt would be credited to the Notes Collateral Account. The Issuer may also credit the Notes Collateral Account with amounts transferred from any Proceeds Account in accordance with the Cashflow Waterfall.

The Issuer may only withdraw amounts from the Notes Collateral Amount for the purposes of redeeming some or all the Notes on any Notes Maturity Date.

#### *Petty Cash Account*

The Issuer may credit the Petty Cash Account with amounts transferred from any Proceeds Account in accordance with the Cashflow Waterfall, provided that, at any moment, the corresponding balance is not more than €1,000,000.

The Issuer may withdraw amounts from the Petty Cash Account only for the following purposes:

- (a) to pay Project Costs in the nature of out of pocket and other administrative and managerial expenses of the Issuer; and
- (b) to make transfers to any Proceeds Account.

Without prejudice to clause 11.1 of the Accounts Agreement, the amount transferred to the Petty Cash Account in each calendar year may not, under any circumstances, exceed €6,000,000.

#### *Proceeds Account*

The Issuer shall credit to the Proceeds Account any and all amounts:

- (a) received under or in connection with any Project Agreement, the Management Consultancy Services Agreement or the Shared Services Agreement or as revenues arising from the activities of the Issuer;
- (b) of Insurance Proceeds under business interruption Insurances in relation to loss of revenues;
- (c) drawn under the Senior Debt Agreements or the Short Term Facilities;
- (d) paid to the Issuer under the Hedging Agreements, (other than amounts paid pursuant to any credit support annex);
- (e) received from the Shareholders;
- (f) transferred from other Company Accounts, in accordance with the terms of the Accounts

Agreement;

- (g) of refunds of tax of any kind; and
- (h) received from any other source, on any account, where such amounts are not required to be paid into a Company Account other than a Proceeds Account, in accordance with the terms of the Accounts Agreement.

The Issuer may only withdraw amounts from the Proceeds Account (taken collectively) for the following purposes and in the following order:

- (a) *first*, payment of Project Costs and Tax Permitted Payments, as and when they fall due, and transfers to the Expropriations Accounts;
- (b) *second*, payment of all costs and expenses of the Intercreditor Agent, the Security Agent, the EIB, the Notes Common Representative, any agent appointed under, or in connection with, any Senior Debt Agreement and any Account Bank;
- (c) *third*, payment of all Financing Costs (other than any Return Amounts (as defined in a credit support annex) payable under any credit support annex) and any fees in respect of the Permitted Guarantees granted by Initial Senior Guarantors or Additional Senior Guarantors;
- (d) *fourth*, payment of all Financing Principal and any Hedging Termination Payments and reimbursement of amounts paid by Initial Senior Guarantors or Additional Senior Guarantors under the Permitted Guarantees;
- (e) *fifth*, payment of any mandatory prepayments of the Senior Debt made in accordance with the Finance Documents;
- (f) *sixth*, funding of the CAPEX Reserve Account;
- (g) *seventh*, payment to the Debt Service Reserve Account up to the amounts required to ensure that the balance of the Debt Service Reserve Account when aggregated with the available but undrawn Debt Service L/Cs, is equal to the Debt Service Required Balance;
- (h) *eighth*, payment of any other sums due but unpaid under the Finance Documents (other than the Debt Service L/Cs);
- (i) *ninth*, payment of any amounts due to the Debt Service L/C Providers under the Debt Service L/Cs;
- (j) *tenth*, payment of any voluntary prepayments of the Senior Debt made in accordance with the Finance Documents;
- (k) *eleventh*, transfers to the Petty Cash Account;
- (l) *twelfth*, transfers to the Notes Collateral Account; and
- (m) *thirteenth*, subject to the restrictions in the Finance Documents, transfer of any remaining amounts to the Distributions Account.

Each Proceeds Account may be overdrawn by a total amount not exceeding €5,000,000 per Proceeds Accounts, provided that any such overdrawn of a Proceeds Account is exclusively due to operational reasons and that, in any event, no Proceeds Account remains overdrawn for more than 5 consecutive Business Days.

#### *CAPEX Reserve Account*

The Issuer shall procure that the CAPEX Reserve Account be credited, up to 10 Business Days after each Calculation Date, in order to satisfy the CAPEX Required Balance.

In the 6 month period following any Calculation Date, the Issuer may only withdraw monies from the

CAPEX Reserve Account for the purposes of making:

- (a) payments of CAPEX which fall due during that 6 month period; and
- (b) transfers to any Proceeds Account at the end of that 6 month period of any amounts in excess of the amounts required to make payments of CAPEX during that 6 month period.

*Authorised investments*

The Issuer may invest or instruct any Account Bank to invest such part of the amounts standing to the credit of any Company Account, as it considers prudent, from time to time in Authorised Investments, it being agreed that:

- (a) no Authorised Investments may be made if an Event of Default or event of default under the EIB Facility Agreement is outstanding or would result from the making of the Authorised Investments;
- (b) the Authorised Investments made with amounts standing to the credit of any Company Account shall be made with an Account Bank or any other Qualifying Bank;
- (c) any Authorised Investment made with an Account Bank shall be pledged in favour and for the benefit of the Security Agent and shall be made out of a Company Account pledged in favour of the Security Agent;
- (d) any Authorised Investment made with a Qualifying Bank other than an Account Bank shall be made only subject to the following conditions:
  - (i) such Authorised Investment is pledged in favour and for the benefit of the Security Agent and is made out of an Authorised Account pledged in favour and for the benefit of the Security Agent or in relation to which other Security Interest acceptable to the Security Agent is granted to the Security Agent;
  - (ii) the Authorised Investment is held to the order of the Issuer and:
    - (A) any payment in respect of the Authorised Investment will be remitted (in full and without any deduction, withholding or retention of any kind, except to the extent required by law) to the Company Account from which it was made or from which monies were transferred to any Authorised Account for that purpose; and
    - (B) the Issuer will not exercise, and will hold the Authorised Investment free of, any Security Interest (other than those referred to in paragraph (i) above), right of set-off, counterclaim or other interest which it may have;
- (e) the Issuer may transfer amounts from any Company Account to an Authorised Account opened with a Qualifying Bank for the purposes of making Authorised Investments;
- (f) Authorised Investments shall be accounted for in the Company Account from which they were made or from which monies were transferred to any Authorised Account for that purpose, in accordance with the rules applicable to the relevant investment and the terms of the General Conditions and customary banking practice and any reference in the Finance Documents to the balance standing to the credit of one of the Company Accounts will be deemed to include the Authorised Investments in which all or part of such balance is for the time being invested;
- (g) the Issuer shall:
  - (i) immediately and in writing notify the Intercreditor Agent, the Lead Account Bank and the bank or financial institution holding the Authorised Account (the “**Authorised Account Bank**”) if the Authorised Account Bank and/or any bank or financial institution from whom an Authorised Investment has been purchased or subscribed for pursuant to clause 15 (*Authorised Investments*) of the Accounts Agreement ceases to be Qualifying Bank; and

- (ii) within such notice served pursuant to the preceding paragraph, request the relevant Authorised Account Bank to immediately (A) dispose, realise or otherwise liquidate any investment that has been entered into with such Authorised Account Bank or such bank or financial institution in the Issuer's name pursuant to clause 15 (*Authorised Investments*) of the Accounts Agreement and (B) transfer the funds realised by the Authorised Account Bank, together with any additional funds standing to the balance of the Authorised Account, to the Company Account from which monies were paid out for the purposes of making the relevant Authorised Investments;
- (h) the Authorised Investments will be made on behalf of the Issuer by an Account Bank or any other Qualifying Bank (as the case may be) on terms no less favourable than the terms on which such investments are made for customers of the relevant Account Bank or Qualifying Bank (as applicable) of similar standing to the Issuer;
- (i) the Authorised Investments shall be denominated in euro; and
- (j) income arising from or in respect of any Authorised Investment shall be credited to the Company Account or Authorised Account from which the relevant Authorised Investment was made.

#### *Applicable law and jurisdiction*

The Accounts Agreement is subject to Portuguese law. The courts of Lisbon will have non-exclusive jurisdiction in relation to any dispute including a dispute relating to non-contractual obligations arising out or in connection therewith.

#### **Grantor Direct Agreement**

##### *Step-in*

Under the terms of the Grantor Direct Agreement, the Grantor authorises, at any time after the occurrence of an event which, under the Finance Documents, entitles the Senior Creditors to accelerate any Senior Debt (and such event is continuing) or to enforce the security interests created under the Finance Documents, that all shares representing the share capital of the Issuer and the respective voting rights are transferred to a third entity (the "**Transferee**"), provided that:

- (a) the Transferee has, to the Grantor's satisfaction, sufficient technical and financial resources available to it in order to carry out its obligations as a shareholder of the Issuer and to ensure that the Issuer carries out its obligations to the Grantor under the Concession Contract; and
- (b) the Transferee is a company incorporated in Portugal in accordance with Portuguese law, with head office in Portugal for as long as it remains a direct shareholder of the Issuer and whose shares are exclusively nominative.

Any transfer in accordance in the terms described above will not constitute a breach of or a termination event under the Concession Contract.

The Grantor further undertakes to use its best endeavours to ensure that, in case of a transfer occurring in the terms described above, all authorisations or licences given to the Issuer will not expire or be materially modified as a result of the same.

The Transferee will be obliged to remedy or cause the Issuer to remedy any breach which is outstanding under the Concession Contract at the date of the transfer taking place in accordance the terms described above (the "**Transfer Date**"), within a reasonable period of time to be determined by the Grantor according to the relevant circumstances, namely it shall pay or cause to be paid any amounts or contractual penalties or fines due to the Grantor.

For the purposes of allowing the Senior Creditors to exercise their rights in the terms described above and the pledge over the shares of the Issuer, the Grantor shall not terminate or step-in ("*sequestro*") the

Concession Contract without giving the Security Agent at least 30 days prior written notice, in the case of step-in, or 90 days prior written notice, in the case of termination, stating the grounds for step-in or termination and the proposed step-in or termination date.

#### *Step-out Rights*

The Grantor will allow the Transferee, at any time after a transfer of shares and voting rights under the terms described above, to transfer back all the shares and voting rights in the Issuer to the original shareholders of the Issuer, and any such transfer will not constitute a breach of or a termination event under the Concession Contract. Notwithstanding any transfer occurring in accordance with this paragraph, the Transferee shall be fully liable for any breach of the Concession Contract which may occur during the period in which it was a shareholder of the Issuer (including any failure to remedy any breach which was outstanding on the Transfer Date).

#### *Redemption (“resgate”) of the Main Concession*

Notwithstanding the above, the provisions of the Grantor Direct Agreement shall not limit or restrict, in any manner whatsoever, the right of the Grantor to redeem (“resgatar”) the Main Concession in accordance with article 42 (*Redemption of the Concession*) of the Concession Contract.

#### *Applicable law*

The Grantor Direct Agreement is subject to Portuguese law.

#### **Other Agreements**

Besides the aforementioned Combined Finance Documents, other documents will be executed for the purpose of the Transaction. The following is a summary of certain features of such other documents and is qualified by reference to the detailed provisions thereof:

#### *Tax Deed of Covenant*

Under the terms of the Tax Deed of Covenant entered into between the Issuer, the EIB, the Intercreditor Agent on behalf of the Finance Parties and the relevant Brisa Group companies which are under the Portuguese tax consolidation regime, the relevant Brisa Group companies undertake certain covenants to the Issuer, the Parent and the Intercreditor Agent, namely that they shall not trigger any Tax liability under the Portuguese tax consolidation regime in respect of the ring-fenced group which is composed of the Issuer and its Shareholder (the “**Ring-fenced Group**”) and shall not surrender any losses of the Ring-Fenced Group to other companies within the Brisa Group outside the Ring-Fenced Group that are not under the Portuguese tax consolidation regime or make any claims of group relief which effectively removes an asset from the Ring-Fenced Group.

The Ring-fenced Group also grants representations and undertakes covenants to the Intercreditor Agent in respect of certain actions regarding the liability of the Ring-fenced Group and Tax Permitted Payments.

The Tax Deed of Covenant is subject to Portuguese law.

#### *EIB Facility Agreement*

Under the EIB Assignment, Assumption and Amendment Agreement (“**EIB Facility Agreement**”), Brisa assigns to the Issuer its contractual position of borrower (*mutuário*), including all its rights and obligations under certain finance contracts entered into between Brisa and the EIB (and as specified in the EIB Facility Agreement, the “**Finance Contracts**”) and the Issuer accepts the assignment of such contractual position as borrower under the Finance Contracts with effect as from the effective date specified in the EIB Facility Agreement. As a result thereof, Brisa is released and discharged from its obligations under such Finance Contracts.

In connection with such assignment from Brisa to the Issuer, Brisa and the EIB agree to certain amendments to the Finance Contracts and all loans (and all tranches thereof) extended by the EIB under

the Finance Contracts are consolidated into a single loan, which will be subject to a single revised interest rate regime and repayment schedule and shall be governed by the amended and restated Finance Contracts, as set out in the EIB Facility Agreement.

The EIB Facility Agreement is subject to Portuguese law.

#### *Hedging Agreements and Hedging Policy*

The Hedging Policy is disclosed in schedule III (*Hedging Policy*) of the Common Terms Agreement and is subject to certain general principles, as follows:

- (a) The only member of the Brisa Group that may enter into Hedging Agreements is the Issuer;
- (b) The purpose of the hedging policy is to limit the Issuer's exposure to fluctuations in interest rates, currencies and inflation;
- (c) The Issuer will not enter into Treasury Transactions for the purpose of speculation, but rather only to manage risk inherent in its business or funding on a prudent basis;
- (d) The Hedging Policy will be reviewed from time to time as appropriate in line with market developments, regulatory developments, Concession Contract developments and Good Industry Practice. Any such review will require a change to schedule III (*Hedging Policy*) of the Common Terms Agreement;
- (e) Any amendments to the Hedging Policy will be subject to the approval of the board of directors of the Issuer, which may only be given if a majority of the independent directors vote in favour. Any amendments to the Hedging Policy will also be subject to the approval of the Intercreditor Agent and to the Entrenched Rights and Retained Rights and in compliance with the provisions of the Intercreditor Agreement;
- (f) It is agreed that the Issuer may enter into Treasury Transactions with Hedging Counterparties pursuant to which each relevant Hedging Counterparty has the right to terminate the relevant Treasury Transaction subject to the following restrictions, any restrictions set out in the Intercreditor Agreement and others that may apply in the terms of the Hedging Policy:
  - (i) the aggregate notional amount and/or euro currency amounts (as applicable) of Treasury Transactions pursuant to which Hedging Counterparties have such right of termination (any such Treasury Transactions "**Breakable Transactions**") does not exceed 10 per cent. of the total outstanding Senior Debt at the relevant time;
  - (ii) in any three year period, the aggregate notional amount and/or euro currency amounts (as applicable) of Breakable Transactions where the right to terminate occurs during such three year period does not exceed one third of the total notional amounts and euro currency amounts of all Breakable Transactions; and
  - (iii) no Breakable Transactions may have termination provisions permitting the Hedging Agreements to be terminated prior to their 10<sup>th</sup> anniversary of the relevant execution date.

In what concerns currency risk, the Hedging Policy is subject to the following principles:

- (a) The Brisa Group must not bear currency risk in respect of any foreign currency denominated debt instruments, or in respect of any significant foreign currency purchases;
- (b) Currency hedges for debt instruments will convert into euro liabilities the interest payable to expected maturity and the repayment of principal in respect of such debt instruments.

Regarding interest rate risk, the Hedging Policy is subject to the following principles:

- (a) The Issuer shall ensure that at least 50 per cent. of the projected interests costs on the Senior Debt are fixed on real or nominal terms for at least the next 5 years on a rolling basis;

- (b) Interest rate risk on floating rate liabilities will be hedged through instruments such as interest rate swaps in order to comply with paragraph (a) of the currency risk principles.

Further, the Hedging Policy contains provisions in respect of the Hedging Counterparties, which set forth that the Issuer may only enter into Treasury Transactions with Qualifying Banks or where a parent guarantee is provided by an institution which meets the same criteria.

Finally, the Hedging Policy establishes that all Hedging Agreements must be entered into (whether by way of novation or otherwise) in the form, as amended by the parties thereto, of the 1992 or 2002 ISDA Master Agreement (Multicurrency - Cross Border) or any successor thereto published by ISDA (an “**ISDA Master Agreement**”) unless otherwise agreed by the Intercreditor Agent.

#### **Matured and Discharged Obligations**

##### *The Rose Notes and the Rose Notes Documentation*

The Rose Notes were issued by Tagus – Sociedade de Titularização de Créditos, S.A. in December 2007 in the context of a securitisation transaction carried out under the Portuguese securitisation legal framework. As mentioned above, the Rose Notes were partially outstanding by the time the Combined Finance Documents were executed and therefore some definitions and provisions contained in those documents, notably in the Common Terms Agreement, include references to the Rose Notes and related terms. As the Rose Notes have matured and been entirely repaid on 17 December 2012, for the avoidance of doubt, the overview of the Rose Notes Documentation has been removed from this Base Prospectus.

## FORM OF THE NOTES

### Form of the Notes

The Notes will be represented in dematerialised book-entry form (*forma escritural*), registered in the Portuguese Central Securities Clearing System – the Central de Valores Mobiliários or CVM - and can either be registered notes (*nominativas*), in which case Interbolsa, at the request of the Issuer, can ask the Affiliate Members of Interbolsa for information regarding the identity of the Noteholders and transmit such information to the Issuer, or bearer notes (*ao portador*), in which case Interbolsa cannot inform the Issuer of the identity of the Noteholders. The Notes will be held through the accounts of Affiliate Members of Interbolsa, the manager of the CVM.

The Notes are issued in the Specified Denomination provided that in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Union or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive, the minimum Specified Denomination shall be as indicated in the applicable Final Terms.

### Clearing and Settlement

Interbolsa manages the operation of CVM, the central securities clearing system in Portugal known as *sistema centralizado* in which all securities in book-entry form admitted to trading on a regulated market to be centrally cleared and settled in Portugal must be registered with (the “**Book-Entry Registry**”). The CVM is composed of interconnected securities accounts, through which securities (and inherent rights) are created, held and transferred. This allows Interbolsa to control the amount of securities created, held and transferred. Issuers of securities, financial intermediaries which are Affiliate Members of Interbolsa and the Bank of Portugal, all participate in the CVM.

The CVM provides for all the procedures which allow the owners of securities to exercise their rights. In relation to each issue of securities, CVM comprises *inter alia*, (i) the issue account, opened by the issuer in the CVM and which reflects the full amount of securities issued; and (ii) the control accounts opened by each of the financial intermediaries which participate in Interbolsa’s centralised system, and which reflect, at all times, the aggregate nominal amount of securities held in the individual securities accounts opened by holders of securities with each of the Affiliate Members of Interbolsa. Title to the Notes passes upon registration in the records of an Affiliate Member of Interbolsa. Each person shown in the records of an Affiliate Member of Interbolsa as having an interest in Notes shall be treated as the holder of the principal amount of the Notes recorded.

“**Affiliate Member of Interbolsa**” means a financial institution licensed to act as a financial intermediary for the purposes of the Portuguese Securities Code and which is entitled to hold control accounts with Interbolsa on behalf of Noteholders. For the avoidance of doubt, Affiliate Members of Interbolsa include any depository banks appointed by: (i) Euroclear and Clearstream, for the purposes of holding accounts on behalf of Euroclear and Clearstream with Interbolsa; or (ii) other financial intermediaries that do not hold control accounts directly with Interbolsa.

One or more certificates in relation to the Notes (each a “**Certificate**”) will be delivered by the relevant Affiliate Member of Interbolsa in respect of its registered holding of Notes upon the request by the relevant Noteholder and in accordance with the procedures of such Affiliate Member of Interbolsa and pursuant to article 78 of the Portuguese Securities Code.

Any Noteholder will, except as otherwise required by law, be treated as the absolute owner of the relevant Notes for all purposes regardless of the theft or loss of, the Certificate issued in respect of such Notes and no person will be liable for so treating any relevant Noteholder.



The Notes issued under the Programme will be in compliance with United States Treasury Regulations §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended) (“**TEFRA C**”).

Notes registered with Interbolsa will be attributed an International Securities Identification Number (ISIN) code through Interbolsa’s codification system and will be accepted for clearing through CVM, the clearing system managed by Interbolsa as well as through the clearing systems operated by Euroclear and Clearstream and settled by Interbolsa’s settlement system.

### **Payments**

Payment of principal and interest in respect of the Notes will be subject to Portuguese laws and regulations, notably the Portuguese Companies Code, the Portuguese Securities Code and regulations from time to time issued and applied by the *Comissão do Mercado de Valores Mobiliários* (the Portuguese Securities Market Commission, the “**CMVM**”) and Interbolsa.

The Issuer must give Interbolsa advance notice of all payments and provide all necessary information for that purpose, notably the identity of the financial intermediary registered with Interbolsa appointed by the Issuer to act as the paying agent in respect of the Notes (the “**Portuguese Paying Agent**”) and perform the relevant payments.

Prior to any payment the Portuguese Paying Agent shall provide Interbolsa with a statement of acceptance of its role of Portuguese Paying Agent. Interbolsa must notify the Portuguese Paying Agent of the amounts to be settled, which will be determined by Interbolsa on the basis of the account balances of the accounts of the Affiliate Members of Interbolsa.

On the date on which any payment in respect of the Notes is to be made, the corresponding entries and counter-entries will be made by Interbolsa in the relevant current accounts held by the Portuguese Paying Agent and by the Affiliate Members of Interbolsa.

Accordingly, payment of principal and interest in respect of Notes (i) in euros will be (a) credited, according to the procedures and regulations of Interbolsa, by the Portuguese Paying Agent (acting on behalf of the Issuer) from the payment current account which the Portuguese Paying Agent has indicated to, and has been accepted by, Interbolsa to be used on the Portuguese Paying Agent’s behalf for payments in respect of securities held through Interbolsa to the payment current accounts held by the Affiliate Members of Interbolsa whose control accounts with Interbolsa are credited with such Notes and thereafter (b) credited by such Affiliate Members of Interbolsa from the aforementioned payment current accounts to the accounts of the owners of those Notes or through Euroclear and Clearstream to the accounts with Euroclear and Clearstream of the beneficial owners of those Notes, in accordance with the rules and procedures of Interbolsa, Euroclear or Clearstream, as the case may be (ii) in currencies other than euros will be (a) transferred, on the payment date and according to the procedures and regulations applicable by Interbolsa, from the account held by the Portuguese Paying Agent in the foreign currency settlement system (*Sistema de Liquidação em Moeda Estrangeira*), managed by *Caixa Geral de Depósitos, S.A.*, to the relevant accounts of the relevant Affiliate Members of Interbolsa, and thereafter (b) transferred by such Affiliate Members of Interbolsa from such relevant accounts to the accounts of the owners of those Notes or through Euroclear and Clearstream to the accounts with Euroclear and Clearstream of the beneficial owners of those Notes, in accordance with the rules and procedures of Interbolsa, Euroclear or Clearstream, as the case may be.

References to Clearstream and/or Euroclear shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system.

### **Terms and Conditions applicable to the Notes**

The terms and conditions applicable to any Note will be incorporated by reference into each such Note and will consist of the terms and conditions set out under “*Terms and Conditions of the Notes*” below, and the provisions of the relevant Final Terms.

**Legend concerning United States persons**

In the case of any Tranche of Notes in bearer form having a maturity of more than 365 days, the Final Terms of such Notes will bear a legend to the following effect:

*“Any United States person who holds a Note in bearer form issued under these Final Terms will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”*

## FORM OF FINAL TERMS

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme with a denomination of less than EUR 100,000 (or its equivalent in another currency).*

*The Final Terms in respect of each Tranche of Notes will be substantially in the following form, duly amended (if necessary) and completed to reflect the particular terms of the relevant Notes and their issue. Text in this section appearing in italics does not form part of the form of the Final Terms but denotes directions for completing the Final Terms.*

Final Terms dated [date]

**Brisa - Concessão Rodoviária, S.A.**  
(incorporated with limited liability in Portugal)

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
under the

**Euro 3,000,000,000**  
**Euro Medium Term Note Programme**

### **PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus dated 16 November 2016 [and the supplement[s] to the Base Prospectus dated [date] [and date]] which [together] constitute[s] a base prospectus for the purposes of the Directive 2003/71/EC, as amended, (hereinafter, the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of article 5(4) of the Prospectus Directive and must be read in conjunction with the Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. A summary of the issue of the Notes is annexed to these Final Terms. The Base Prospectus [and any supplement to the Base Prospectus] is[are] available for inspection and collection from the registered office of the Issuer at Quinta da Torre da Aguilha, Edifício Brisa, 2785-599 São Domingos de Rana, Portugal and the Specified Offices of the Paying Agents during normal business hours and inspection on the website of the Luxembourg Stock Exchange (www.bourse.lu).

*[The following alternative language applies if the first Tranche of an issue which is being increased was issued under a Prospectus with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus dated [22 December 2010 / 2 March 2012 / 16 May 2013 / 4 July 2014 / 14 October 2015] and incorporated by reference into the Base Prospectus dated 16 November 2016. This document constitutes the Final Terms of the Notes described herein for the purposes of article 5(4) of the Directive 2003/71/EC, as amended (hereinafter, the “**Prospectus Directive**”) and must be read in conjunction with the Base Prospectus dated 16 November 2016 [and the supplement to the Base Prospectus dated [date]] which constitute[s] a base prospectus for the purposes of the Prospectus Directive. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus dated 16 November 2016 [as so supplemented] and the Conditions contained in the Base Prospectus dated [22 December 2010 / 2 March 2012 / 16 May 2013 / 4 July 2014 / 14 October 2015]. A summary of the issue of the Notes is annexed to these Final Terms. Copies of such Base Prospectuses [and any supplement[s] to the Base Prospectus dated [date]] are available for inspection and collection from the registered office of the Issuer at Quinta da Torre da Aguilha, Edifício Brisa, 2785-599 São Domingos de Rana, Portugal and the Specified Offices of the Paying Agents during normal business hours and inspection on the website of the Luxembourg Stock Exchange (www.bourse.lu).]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]

[When adding any other final terms or information consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under article 16 of the Prospectus Directive.]

1. [(i)] Series Number: [●]  
  
[(ii)] Tranche Number: [●]  
*(If fungible with an existing Series, indicate the relevant Series and the date on which the Notes become fungible)*
2. Specified Currency or Currencies: [●]  
*(N.B. Book Entry Notes may only be denominated in Euro, U.S. dollars, Canadian dollars, sterling, Japanese yen and Swiss francs, or in such other currency as can be settled through Interbolsa)*
3. Aggregate Nominal Amount:
  - (i) Series: [●]
  - (ii) Tranche: [●]
4. Issue Price: [[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●] (in the case of fungible issues only, if applicable)]]
5. Specified Denomination: [●]  
  
*(N.B. If an issue of Notes is (i) NOT admitted to trading on a European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the €1,000 minimum denomination is not required)*  
  
*(N.B. Notes must have a minimum denomination of EUR 100,000 (or equivalent) in order to benefit from the wholesale exemption set out in article 3(2)(d) of the Prospectus Directive in that Member State.)*  
  
*(N.B. Notes of a certain Tranche will only be tradable in one Specified Denomination.)*
6. (i) Issue Date: [●]  
  
(ii) Interest Commencement Date: [[●]/Issue Date/Not Applicable]  
  
*(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon*

Notes)

7. Maturity Date: [●]
8. Interest Basis: [[●]per cent. Fixed Rate]  
[[LIBOR/EURIBOR] +/- [●] per cent. Floating Rate]  
[Zero Coupon]  
(further particulars specified below)
9. Redemption/Payment Basis: Redemption at par on the Maturity Date, subject to any purchase and cancellation or early redemption
10. Call Options: [Applicable / Not Applicable]
11. [Date of [Board] approval for issuance of Notes obtained]: [●] (*N.B. Only relevant where Board (or similar) authorisation is required for the particular Tranche of Notes*)
12. Listing: [*Official List of the Luxembourg Stock Exchange / other*]
13. Method of distribution: [Syndicated/Non-syndicated]

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

14. Fixed Rate Notes Provisions [Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): [●] in each year up to and including the Maturity Date, except if the Interest Payment Date is not a Business Day, in which case the relevant Interest Payment Date will be the following Business Day
- (iii) Fixed Coupon Amount: [●] per Specified Denomination
- (iv) Broken Amount: [[●] per Specified Denomination payable on the Interest Payment Date falling [in/on] [●]/Not Applicable]
- (v) Day Count Fraction: [30/360 / Actual/Actual (ICMA)]  
*(NB: If interest is not payable on a regular basis Actual/Actual (ICMA) may not be a suitable Day Count Fraction).*
- (vi) Interest Determination Date(s): [[●] in each year / Not Applicable]  
*(Insert day(s) and month(s) on which interest is normally paid ignoring Issue Date or Maturity Date in the case of a long or short first or last coupon)*  
*(NB: This will need to be amended in the case of regular*

*interest payment dates which are not of equal duration)*

*(NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))*

15. Floating Rate Notes Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Dates: [•]
  - (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ FRN Convention/ Eurodollar Convention]
  - (iii) Additional Business Centre(s): [•]
  - (iv) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
  - (v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Calculation Agent): [•]
  - (vi) Screen Rate Determination: [Applicable / Not Applicable]
    - Reference Rate: [LIBOR/EURIBOR]
    - Interest Determination Date(s): [Applicable/Not Applicable]  
[The second London business day prior to the start of each Interest Period (*if LIBOR other than Sterling or euro LIBOR*)]/[The first day of each Interest Period (*if Sterling LIBOR*)]/[The second day that TARGET2 is open prior to the start of each Interest Period (*if EURIBOR or euro LIBOR*)]
    - Relevant Screen Page: [•] (*in the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)
    - Relevant Time: [•]
    - Relevant Financial Centre: [•]
    - Reference Banks: [•]
  - (vii) ISDA Determination: [Applicable / Not Applicable]

- Floating Rate Option: [•]
- Designated Maturity: [•]
- Reset Date: [•]
- (viii) Margin(s): [+/-][•] per cent. per annum
- (ix) Minimum Rate of Interest: [[•] per cent. per annum / Not Applicable]
- (x) Maximum Rate of Interest: [[•] per cent. per annum / Not Applicable]
- (xi) Day Count Fraction: [Actual/Actual – (ISDA)  
Actual/365 (Fixed)  
Actual/365 (Sterling)  
Actual/360  
30/360  
30E/360  
30E/360 (ISDA)]

16. Zero Coupon Notes Provisions [Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Accrual Yield: [•] per cent. per annum
- (ii) Reference Price: [•]
- (iii) Any other formula/basis of determining amount payable: [•]
- (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Actual/Actual – (ISDA)  
Actual/365 (Fixed)  
Actual/365 (Sterling)  
Actual/360  
30/360  
30E/360  
30E/360 (ISDA)]

**PROVISIONS RELATING TO REDEMPTION**

17. Issuer Call: [Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Optional Redemption Amount: [●]
  - (ii) Optional Redemption Date: [●]
  - (iii) If redeemable in part:
    - (a) Minimum Redemption Amount: [●]
    - (b) Maximum Redemption Amount: [●]
  - (iv) Notice period (if other than as set out in the Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent or Trustee)*
18. Final Redemption Amount of each Note: [●] per Specified Denomination
19. Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 10 (*Redemption and Purchase*)): [●] per Specified Denomination

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

20. Form of Notes: Dematerialised book-entry [registered Notes (*nominativas*) / bearer Notes (*ao portador*)]
21. Additional Financial Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/[●]]  
*(Note that this paragraph relates to the place of payment and not Interest Period end dates to which subparagraphs 14 and 16 relate)*
22. Redenomination: [Applicable/Not Applicable]  
*[(If Redenomination is applicable, specify the applicable Day Count Fraction)]*

**DISTRIBUTION**



23. (i) If syndicated, names and addresses of Managers and underwriting commitments: [Not Applicable/give names, addresses and underwriting commitments]
- (Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers)*
- (ii) Date of [Subscription] Agreement: [●]
- (iii) Stabilising Manager (if any): [Not Applicable/[●]]
24. If non-syndicated, name and address of relevant Dealer: [Not Applicable/[●]]
25. Total commission and concession: [●]
26. TEFRA C/D: TEFRA C

**PURPOSE OF THE FINAL TERMS**

These Final Terms comprise the final terms required for issue [and admission to trading on [the *Bourse de Luxembourg*'s regulated market / *specify other market or official list*]] of Notes described herein pursuant to the Euro 3,000,000,000 Euro Medium Term Note Programme of Brisa – Concessão Rodoviária, S.A. (as from [insert *Issue Date for the Notes*]).

**THIRD PARTY INFORMATION**

[[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of Brisa – Concessão Rodoviária, S.A.:

By:.....  
Duly authorised

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

Listing and admission to trading:

[Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the [Official List of the Luxembourg Stock Exchange/ other] and / admitted to trading on the [Regulated Market of the Luxembourg Stock Exchange / other] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be listed on the [Official List of the Luxembourg Stock Exchange/ other] and admitted to trading on [Regulated Market of the Luxembourg Stock Exchange/ other] with effect from [●].] [Not Applicable.]

*(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*

### 2. RATINGS

Ratings:

[The Notes have not been specifically rated]

The Notes to be issued [have been / are expected to be] rated:

[S & P: [●]]

[Fitch: [●]]

[Moody's: [●]]

[[●]: [●]]

*[relevant explanation of the meaning of the rating(s) attributed to the Notes, if previously published by the rating provider]*

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.]

*[other interests]*

*(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under article 16 of the Prospectus Directive.)*

### 4. ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i) Reasons for the offer: [●]

(ii) Estimated net proceeds: [●] *(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of*

*other funding.])*

(iii) Estimated total expenses: [●]

5. **YIELD** (*Fixed Rate Notes only*)

Indication of yield: [Based upon the Issue Price of [●], at the Issue Date the anticipated yield of the Notes is [●] per cent. per annum./ Not Applicable]

6. **HISTORIC INTEREST RATES** (*Floating Rate Notes only*)

[Details of historic [LIBOR/EURIBOR] rates can be obtained from Reuters.]

7. **OPERATIONAL INFORMATION**

(i) ISIN Code: [●]

(ii) Common Code: [●]

(iii) Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking, société anonyme and *Interbolsa-Sociedade Gestora Sistemas de Liquidação & de Sistemas Centralizados de Valores Mobiliários, S.A.*, as operator of the *Central de Valores Mobiliários* [Not Applicable/[●]]

(iv) Delivery: Delivery [against/free of] payment

(v) Names and addresses of additional Paying Agent(s) (if any): [Not Applicable/[●]]

(vi) Intended to be held in a manner which would allow Eurosystem eligibility: [[Yes] [No]]

[Note that the designation “yes” simply means that the Notes are intended upon issue to be registered with Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. in its capacity as a securities settlement system, and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] [Include this text if “Yes” is selected]

## 8. [TERMS AND CONDITIONS OF THE OFFER

- |  |  |
|--|--|
| (i) Offer Price:   | [Not Applicable/Issue Price][ <i>specify</i> ]               |
| (ii) Conditions to which the offer is subject:   | [Not Applicable/[•]]   |
| (iii) Offer Period:  | [Not Applicable/[•]]   |
| (iv) Description of the application process:   | [Not Applicable/[•]]   |
| (v) Description of the option to reduce subscriptions and the process for refunding excess amounts paid by applicants:                               | [Not Applicable/[•]]   |
| (vi) Details of the minimum and/or maximum amount that can be applied for:   | [Not Applicable/[•]]   |
| (vii) Details of the method and time limits for paying up and delivering the Notes:  | [Not Applicable/[•]]   |
| (viii) Manner in and date on which results of the offer are to be made public:   | [Not Applicable/[•]]   |
| (ix) Procedure for exercising any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:     | [Not Applicable/[•]]   |
| (x) Categories of potential investors to which the Notes are offered and whether Tranche(s) have been reserved for certain countries:                | [Qualified investors/non-qualified investors/Not Applicable] |
| (xi) Process for notifying to applicants of the amount they have been allotted and indicating whether dealing may begin before notification is made: | [Not Applicable/[•]]   |
| (xii) Amount of any expenses and taxes specifically charged to the subscriber or purchaser:  | [Not Applicable/[•]]   |
| (xiii) Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:              | [None Applicable/[•]]  |

## SUMMARY OF THE ISSUE

*[Insert completed summary by completing the summary of the base prospectus as appropriate to the terms of the specific issue].*

## FORM OF FINAL TERMS

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme with a denomination of at least EUR 100,000 (or its equivalent in another currency).*

*The Final Terms in respect of each Tranche of Notes will be substantially in the following form, duly amended (if necessary) and completed to reflect the particular terms of the relevant Notes and their issue. Text in this section appearing in italics does not form part of the form of the Final Terms but denotes directions for completing the Final Terms.*

Final Terms dated [date]

**Brisa - Concessão Rodoviária, S.A.**  
(incorporated with limited liability in Portugal)

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

under the

**Euro 3,000,000,000**

**Euro Medium Term Note Programme**

### **PART A - CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus dated 16 November 2016 2016 [and the supplement[s] to the Base Prospectus dated [date] [and date]] which [together] constitute[s] a base prospectus for the purposes of the Directive 2003/71/EC, as amended, (hereinafter, the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of article 5(4) of the Prospectus Directive and must be read in conjunction with the Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus [and any supplement to the Base Prospectus] is[are] available for inspection and collection from the registered office of the Issuer at Quinta da Torre da Aguilha, Edifício Brisa, 2785-599 São Domingos de Rana, Portugal and the Specified Offices of the Paying Agents during normal business hours and inspection on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

*[The following alternative language applies if the first Tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Base Prospectus dated [22 December 2010 / 2 March 2012 / 16 May 2013 / 4 July 2014 / 14 October 2015] and incorporated by reference into the Base Prospectus dated 16 November 2016. This document constitutes the Final Terms of the Notes described herein for the purposes of article 5(4) of the Directive 2003/71/EC, as amended, (hereinafter, the “**Prospectus Directive**”) and must be read in conjunction with the Base Prospectus dated 16 November 2016 [and the supplement to the Base Prospectus dated [date]] which constitute[s] a base prospectus for the purposes of the Prospectus Directive. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus dated 16 November 2016 [as so supplemented] and the Conditions contained in the Base Prospectus dated [22 December 2010 / 2 March 2012 / 16 May 2013 / 4 July 2014 / 14 October 2015]. Copies of such Base Prospectuses [and any supplement[s] to the Base Prospectus dated [date]] are available for inspection and collection from the registered office of the Issuer at Quinta da Torre da Aguilha, Edifício Brisa, 2785-599 São Domingos de Rana, Portugal and the Specified Offices of the Paying Agents during normal business hours and inspection on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).]



*(NB: An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*

7. Maturity Date: [specify date (for Fixed Rate Notes) / (for Floating Rate Notes) Interest Payment Date falling in or nearest to [specify month]]
8. Interest Basis: [[●] per cent. Fixed Rate]  
[[LIBOR/EURIBOR] +/- [●] per cent. Floating Rate]  
[Zero Coupon]  
(further particulars specified below)
9. Call Option: [Applicable/Not Applicable]
10. Listing [Official List of the Luxembourg Stock Exchange/ other]
11. Method of distribution: [Syndicated/Non-syndicated]

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

12. **Fixed Rate Notes Provisions:** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate(s) of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): [●] in each year up to and including the Maturity Date, except if the Interest Payment Date is not a Business Day, in which case the relevant Interest Payment Date will be the following Business Day
- (iii) Fixed Coupon Amount: [●] per Specified Denomination
- (iv) Broken Amount: [[●] per Specified Denomination payable on the Interest Payment Date falling [in/on] [●]/Not Applicable]
- (v) Day Count Fraction: [Actual/Actual (ICMA) / 30/360]  
*(NB: If interest is not payable on a regular basis Actual/ Actual (ICMA) may not be a suitable Day Count Fraction)*
- (vi) Interest Determination Date(s): [[●] in each year/Not Applicable]  
*(Insert day(s) and month(s) on which interest is normally paid ignoring Issue Date or Maturity Date in the case of a long or short first or last coupon)*  
*(NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration)*

*(NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))*

13. **Floating Rate Notes Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph.)*
- (i) Specified Period(s)/Specified Interest Payment Dates: [●]
  - (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ FRN Convention/ Eurodollar Convention]
  - (iii) Additional Business Centre(s): [●]
  - (iv) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
  - (v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Calculation Agent): [●]
  - (vi) Screen Rate Determination: [Applicable/Not Applicable]
    - Reference Rate: [LIBOR/EURIBOR]
    - Interest Determination Date(s): [Applicable/Not Applicable]  
[Second London business day prior to start of each Interest Period *(if LIBOR other than Sterling or euro LIBOR)*]/[first day of each Interest Period *(if Sterling LIBOR)*]/[second day of on which TARGET2 is open prior to the start of each Interest Period *(if EURIBOR or euro LIBOR)*]
    - Relevant Screen Page: [●]  
*(in the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
    - Relevant Time: [●]
    - Relevant Financial Centre: [●]
    - Reference Banks: [●]
  - (vii) ISDA Determination: [Applicable / Not Applicable]



- Floating Rate Option: [●]
  - Designated Maturity: [●]
  - Reset Date: [●]
- (viii) Margin(s): [+/-] [●] per cent. per annum
- (ix) Minimum Rate of Interest: [[●] per cent. per annum / Not Applicable]
- (x) Maximum Rate of Interest: [[●] per cent. per annum / Not Applicable]
- (xi) Day Count Fraction: [Actual/Actual (ISDA)  
Actual/365 (Fixed)  
Actual/365 (Sterling)  
Actual/360  
30/360  
30E/360  
30E/360 (ISDA)]

14. **Zero Coupon Notes Provisions** [Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (i) Accrual Yield: [●] per cent. per annum
- (ii) Reference Price: [●]
- (iii) Any other formula/basis of determining amount payable: [●]
- (iv) Day Count Fraction in relation to late payment: [Actual/Actual – (ISDA)  
Actual/365 (Fixed)  
Actual/365 (Sterling)  
Actual/360  
30/360  
30E/360  
30E/360 (ISDA)]

**PROVISIONS RELATING TO REDEMPTION**

15. Issuer Call: [Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Optional Redemption Amount: [●]
  - (ii) Optional Redemption Date(s): [●]
  - (iii) If redeemable in part:

- (a) Minimum Redemption Amount: [●]
- (b) Maximum Redemption Amount: [●]

(iv) Notice period (*if other than as set out in the Conditions*):

[●] (*NB: If setting notice periods which are different to those provided in Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent [or the Notes Common Representative]*)

- 16. Final Redemption Amount of each Note: [●] per Specified Denomination
- 17. Early Redemption Amount of each Note payable on an event of default and/or the method of calculating the same (if required or if different from that set out in Condition 10 (*Redemption and Purchase*)): [●] per Specified Denomination

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

- 18. Form of Notes:
  - (i) Form: Dematerialised book-entry [registered Notes (*nominativas*) / bearer Notes (*ao portador*)]
- 19. Additional Financial Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/[●]]  
*(Note that this item relates to the place of payment and not Interest Period end dates to which item 15 and 16 relate)*
- 20. Redenomination: [Applicable/Not Applicable]  
*(If Redenomination is applicable, specify the applicable Day Count Fraction)*

**DISTRIBUTION**

- 21. (i) If syndicated, names of Managers: [Not Applicable/[●]]
- (ii) Date of [Subscription] Agreement: [●]
- (iii) Stabilising Manager(s) (if any): [Not Applicable/[●]]
- 22. If non-syndicated, name of relevant Dealer: [Not Applicable/[●]]
- 23. Total commission and concession: [●]

**PURPOSE OF THE FINAL TERMS**

These Final Terms comprise the final terms required for issue [and admission to trading on [the *Bourse de Luxembourg*'s regulated market / *specify other market or official list*]] of the Notes described herein pursuant to the Euro 3,000,000,000 Euro Medium Term Note Programme of Brisa – Concessão Rodoviária S.A. (as from [*insert Issue Date for the Notes*]).

**THIRD PARTY INFORMATION**

[[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of Brisa – Concessão Rodoviária S.A.:

By:

Duly authorised:

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing and admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the [Official List of the Luxembourg Stock Exchange/ other] and / admitted to trading on the [Regulated Market of the Luxembourg Stock Exchange/ other] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be listed on the [Official List of the Luxembourg Stock Exchange/ other] and admitted to trading on [Regulated Market of the Luxembourg Stock Exchange/ other] with effect from [●].] [Not Applicable.]
- (ii) Estimate of total expenses related to admission to trading: [●]

### 2. RATINGS

- Ratings: [The Notes have not been specifically rated]:
- [S & P: [●]]
- [Moody's: [●]]
- [Fitch Ratings: [●]]
- [[●]: [●]]
- [relevant explanation of the meaning of the rating(s) attributed to the Notes, if previously published by the rating provider]*

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.]

*[other interests]*

*(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under article 16 of the Prospectus Directive.)*

### 4. YIELD *(Fixed Rate Notes only)*

- Indication of yield: [Based upon the Issue Price of [●], at the Issue Date the anticipated yield of the Notes is [●] per cent. per annum./ Not Applicable]

### 5. HISTORIC INTEREST RATES *(Floating Rate Notes only)*

[Details of historic [LIBOR/EURIBOR] rates can be obtained from Reuters.]

## 6. OPERATIONAL INFORMATION

- (i) ISIN Code:
- (ii) Common Code:
- (iii) Any clearing system(s) other than Interbolsa - Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. as operator of the *Central de Valores Mobiliários*, Euroclear Bank SA/NV and Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable/
- (iv) Delivery: Delivery [against/free of] payment
- (v) Names and addresses of additional Paying Agent(s) (if any):  [Not Applicable]
- (vi) Intended to be held in a manner which would allow Eurosystem eligibility:  [Yes]  [No]
- [Note that the designation “yes” simply means that the Notes are intended upon issue to be registered with Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. in its capacity as a securities settlement system, and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] [Include this text if “Yes” is selected]

## TERMS AND CONDITIONS OF THE NOTES

*The following (except for this paragraph) is the text of the Conditions which, together with the provisions of the relevant Final Terms will be incorporated by reference into each Note cleared by Central de Valores Mobiliários, the central securities clearing system managed by Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários S.A.. Reference should be made to “Form of the Notes” for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.*

### 1. Introduction

#### 1.1 Programme

Brisa – Concessão Rodoviária S.A. (the “**Issuer**”) has established a Euro Medium Term Note Programme (the “**Programme**”) for the issuance of up to Euro 3,000,000,000 in aggregate principal amount of notes (the “**Notes**”) by the Issuer.

#### 1.2 Final Terms

Notes issued under the Programme may comprise one or more tranches of Notes which are identical in all respects (each a “**Tranche**”). Each Tranche is the subject of Final Terms (the “**Final Terms**”) that complete these terms and conditions (the “**Conditions**”). The terms and conditions applicable to any particular Tranche of Notes are these Conditions together with the relevant Final Terms.

#### 1.3 Paying Agency Agreement

The Notes are the subject of a paying agency agreement dated on or about 16 November 2016 (as amended, restated or supplemented from time to time, the “**Paying Agency Agreement**”) between the Issuer, the Notes Common Representative, Citibank, N.A., London Branch, as Principal Paying Agent (the “**Principal Paying Agent**”, which expression includes any successor principal paying agent appointed from time to time in connection with the Notes) and Citibank Europe Plc, Sucursal em Portugal, as Portuguese Paying Agent (the “**Portuguese Paying Agent**”, which expression includes any successor Portuguese paying agent appointed from time to time in connection with the Notes and, together with the Principal Paying Agent, the “**Paying Agents**”, which expression includes any successor paying agents appointed from time to time in connection with the Notes).

#### 1.4 The Notes

All subsequent references in these Conditions to “**Notes**” are to the Notes of the same series. “**Series**” means a Tranche of Notes together with any further Tranche or Tranches of Notes that are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices (all as defined below).

#### 1.5 The Initial Notes

The Initial Notes were issued prior to the Signing Date. For the avoidance of doubt, all references in these Conditions to “**Initial Notes**” are to the Initial Notes only, while all references in these Conditions to “**Notes**” are to the Initial Notes and any other additional Notes that may be issued by the Issuer under the Programme after the Signing Date.

#### 1.6 References

Any reference to “**Noteholders**” or “**holders**” in relation to Notes shall mean, each person shown in the book-entry records of a financial institution licensed to act as a financial intermediary for the purposes of the Portuguese Securities Code and which is entitled to hold control accounts with

Interbolsa on behalf of Noteholders (each such institution an “**Affiliate Member of Interbolsa**”), as having an interest in the principal amount of the Notes.

### 1.7 **Inspection**

Copies of the Base Prospectus and of the applicable Final Terms are available for inspection during normal business hours at the Specified Offices of the Paying Agents. The Base Prospectus and the applicable Final Terms are also available for viewing on the website of the Luxembourg Stock Exchange (www.bourse.lu). Copies of the Final Terms may be obtained from those offices save that, if the Notes are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive, the applicable Final Terms will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer and the relevant Paying Agent as to its holding of such Notes and identity.

### 1.8 **Summaries**

The Noteholders are bound by, and are deemed to have notice of, all the provisions of the Notes Common Representative Appointment Agreement, the Paying Agency Agreement, the Security Agreement, the Intercreditor Agreement and the Common Terms Agreement applicable to them. Any assignee or successor Noteholder will benefit from, and be bound by, all the provisions of the Combined Finance Documents and accordingly the Dealer (as identified in the Dealer Agreement) of each issue will execute and deliver to the Intercreditor Agent a Senior Creditors Accession Document on behalf of the initial Noteholders and any assignee or successor Noteholder. Noteholders may consult the documents listed in “General Information - Documents available for inspection” in the terms therein set forth.

## 2. **Definitions**

In these Conditions the following expressions have the following meanings:

“**Acceleration**” means the taking by the Intercreditor Agent (acting on the instructions of the relevant Majority Senior Creditors or of the Senior Creditors (other than the EIB), as the case may be) or the EIB of any action referred to in clause 14 (*Acceleration*) of the Common Terms Agreement and Condition 14 (*Acceleration*);

“**Acceptable Guarantor**” means a legal person that satisfies certain conditions and that is approved by the EIB for participation in an EIB Guarantee up to such Percentage Participation as the EIB has approved subject (i) to the conditions the EIB may in its discretion deem appropriate and (ii) to the acceptance thereof by such legal person;

“**Account Bank**” means the Lead Account Bank and any other Qualifying Bank so appointed by the Issuer in accordance with clause 20.1 (*Appointment of Additional Account Banks*) of the Accounts Agreement;

“**Accounts Agreement**” means the agreement so designated executed on or about the Signing Date between the Issuer, the Lead Account Bank, the Intercreditor Agent and the Security Agent setting out the rules applicable to the opening and operation of the Company Accounts and the making of Authorised Investments;

“**Accrual Yield**” has the meaning given in the relevant Final Terms;

“**Additional Business Centre(s)**” means the city or cities specified as such in the relevant Final Terms;

“**Additional Expropriations Account**” has the meaning ascribed to this expression in clause 3.2. (*Company Accounts*) of the Accounts Agreement;

“**Additional Financial Centre(s)**” means the city or cities specified as such in the relevant Final Terms;

“**Additional Permitted Guarantor**” means any entity granting a Permitted Guarantee after the Signing Date that does not execute and deliver to the Intercreditor Agent a Senior Creditors Accession Document;

“**Additional Senior Creditor**” means any creditor providing Additional Senior Debt to the Issuer, any Additional Senior Guarantor or any Hedging Counterparty entering into a Hedging Agreement with the Issuer after the Signing Date;

“**Additional Senior Debt**” means any additional indebtedness incurred by the Issuer in accordance with clause 5 (*Additional Senior Debt*) to the Common Terms Agreement, excluding, for the avoidance of doubt, any Permitted Indebtedness;

“**Additional Senior Debt Agreement**” means any agreement between the Issuer and an Additional Senior Creditor;

“**Additional Senior Guarantor**” means any entity granting a Permitted Guarantee (i) after the Signing Date that executes and delivers to the Intercreditor Agent a Senior Creditors Accession Document or (ii) existing on the Signing Date that after the Signing Date executes and delivers to the Intercreditor Agent a Senior Creditors Accession Document;

“**Agents**” means the Intercreditor Agent and the Security Agent;

“**Authorised Accounts**” means any account opened and maintained with:

- (a) any Qualifying Bank for the purposes of making Authorised Investments, in accordance with clause 15. (*Authorised Investments*) of the Accounts Agreement;
- (b) any Debt Service L/C Provider for the purposes of issuing Debt Service L/Cs and making any payments in relation thereof;
- (c) any bank for the purposes of issuing Permitted Guarantees and making any payments in relation thereof; and
- (d) any bank for the purposes of incurring additional Short Term Facilities and making any payments in relation thereof;

“**Authorised Investment**” means any of the investments listed in schedule IV (*Authorised Investments*) to the Accounts Agreement;

“**Block Voting Instruction**” means:

- (a) in relation to an Ordinary Decision, the process designed to (i) confirm prove of holding of the Notes and (ii) permit Noteholders to participate in Ordinary Decisions via the Investor Website, subject to the terms and according to the procedures from time to time disclosed in the Investor Website; and
- (b) in relation to a Special Decision, a Certificate in which it is stated that (a) the Notes will not be released until the earlier of: (i) the date by which a decision is required, and (ii) the surrender of such certificate to the Affiliate Member of Interbolsa; and (b) that the bearer of such Certificate is entitled to vote for or against the proposal subject to the Special Decision;

“**Book-Entry Registry**” means the book-entry securities registry system applicable to the Notes, which is subject to the rules, regulations and procedures under which Interbolsa operates in respect of book-entry securities;

“**Broken Amount**” has the meaning given in the relevant Final Terms;



“**Business Day**” means a day which is both:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and each Additional Business Centre specified in the applicable Final Terms; and
- (b) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre) or (ii) in relation to any sum payable in euro, a TARGET Settlement Day;

“**Business Day Convention**”, in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (a) “**Following Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day;
- (b) “**Modified Following Business Day Convention**” or “**Modified Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (c) “**Preceding Business Day Convention**” means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (d) “**FRN Convention**”, “**Floating Rate Convention**” or “**Eurodollar Convention**” means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred provided, however, that:
  - (i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
  - (ii) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
  - (iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (e) “**No Adjustment**” means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

“**Calculation Agent**” means the Portuguese Paying Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

“**Calculation Date**” means 31 December and 30 June in each year, commencing on 30 June 2011

and ending on the Term Date;

“**Calculation Period**” means a period of 12 months commencing on the first day immediately after a Calculation Date or ending on a Calculation Date;

“**CAPEX Reserve Account**” means the account so designated opened and maintained in accordance with the Accounts Agreement, in the name of the Issuer, with the Lead Account Bank;

“**Class of Noteholders**” means all Noteholders holding Notes of the same Series;

“**Clearstream**” means Clearstream Banking, société anonyme, with registered address 42 Avenue JF Kennedy, L-1855, Luxembourg;

“**CMVM**” means the Portuguese Securities Market Commission (*Comissão do Mercado de Valores Mobiliários*);

“**Combined Finance Documents**” means the following documents: (a) the Accounts Agreement; (b) the Common Terms Agreement; (c) each Debt Service L/C; (d) the Intercreditor Agreement; (e) the Security Agreement; and (f) the Grantor Direct Agreement;

“**Common Terms Agreement**” means the agreement so designated executed on or about the Signing Date between the Issuer, the Parent and the Senior Creditors (acting directly or by means of a representative);

“**Company Accounts**” means the Compensations Account, the Debt Service Reserve Account, the Distributions Account, each Expropriations Account, the Notes Collateral Account, the Petty Cash Account, each Proceeds Account and the CAPEX Reserve Account;

“**Compensation**” means any amounts received by the Issuer in respect of:

- (i) expropriation, nationalisation and any form of mandatory acquisition of the Issuer, or substantial part of its assets or of the Main Concession,
- (ii) redemption or early termination of the Main Concession, and
- (iii) Insurances, save for Insurance Proceeds under business interruption Insurances in relation to loss of revenues;

“**Compensations Account**” means the account so designated opened and maintained in accordance with the Accounts Agreement, in the name of the Issuer, with the Lead Account Bank;

“**Concession Contract**” means the concession agreement as approved by the Ministerial Order (“*Resolução do Conselho de Ministros*”) no. 198-B/2008, of 31 December 2008, transferred to the Issuer on or about the Signing Date, as amended from time to time;

“**CVM**” means the Portuguese central securities clearing system (*Central de Valores Mobiliários*) composed of interconnected securities accounts, through which such securities (and inherent rights) are created, held and transferred;

“**Debt Service**” means in respect of any Calculation Period, any amounts due by the Issuer under the Finance Documents as Financing Costs and Financing Principal;

“**Debt Service L/C**” means each letter of credit or irrevocable first demand bank guarantee issued by a Debt Service L/C Provider, for the purpose of satisfying the DSRA Required Balance, under which the Intercreditor Agent may, in accordance with the terms of the Accounts Agreement, demand any amounts payable by the Issuer as Financing Costs and/or Financing Principal (other than any bullet repayment to be made by the Issuer in respect of the Notes on any Notes Maturity Date), substantially in the form set out in schedule III (*Form of Debt Service L/C*) to the Accounts Agreement;

“**Debt Service L/C Provider**” means any Qualifying Bank providing a Debt Service L/C;

“**Debt Service Reserve Account**” means the account so designated opened and maintained in accordance with the Accounts Agreement, in the name of the Issuer, with the Lead Account Bank;

“**Disqualified Guarantor**” means any bank providing an EIB Guarantee which has ceased to be an Acceptable Guarantor;

“**Distributions Account**” means the account so designated opened and maintained in accordance with the Accounts Agreement, in the name of the Issuer, with the Lead Account Bank;

“**DSRA Required Balance**” means, at any time, the amount equal to the aggregate of Debt Service payable by the Issuer in the subsequent 12 month period (other than any principal amounts in respect of Non-Amortising Senior Debt);

“**Early Redemption Amount**” means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

“**EIB**” means the European Investment Bank, an international institution established by the Treaty of Rome on 25 March 1957 and having its registered office at 100 boulevard Konrad Adenauer, L-2950;

“**EIB Facilities**” means the aggregate principal amount outstanding under the EIB Facility Agreement and any other facilities made available by the EIB to the Issuer under the EIB Facility Agreement;

“**EIB Facility Agreement**” means the agreement dated the date hereof between the EIB and the Issuer and any other agreement so designated executed between the EIB and the Issuer setting out the terms and conditions of the EIB Facilities;

“**EIB Guarantee**” means any bank guarantee provided by an Acceptable Guarantor on behalf of the Issuer exclusively in support of its obligations under the EIB Facility Agreement;

“**Engineering and Technical Services Agreement**” means the agreement entered into between BEG – Brisa Engenharia e Gestão, S.A. and the Issuer in relation to the provision by BEG – Brisa Engenharia e Gestão, S.A. to the Issuer of engineering services;

“**Entrenched Rights**” has the meaning from time to time ascribed thereto in the Common Terms Agreement;

“**EURIBOR**” means, in respect of any specified currency and any specified period, the interest rate benchmark known as the Euro zone interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of the European Banking Federation based on estimated interbank borrowing rates for a number of designated currencies and maturities which are provided, in respect of each such currency, by a panel of contributor banks (details of historic EURIBOR rates can be obtained from the designated distributor);

“**Euroclear**” means Euroclear Bank S.A./N.V, with registered address at 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium;

“**Event of Default**” means the events indicated pursuant to Condition 13 (*Events of Default*);

“**Exposure**” means, as at the relevant Decision Date:

- (a) in relation to any Senior Creditor (other than the EIB, the Initial Senior Guarantors, the Additional Senior Guarantors and the Hedging Counterparties) and subject to the provisions of paragraph 6.1.(b) of part A (*Provisions for Taking Ordinary Decisions*) and paragraph 3.1.(b) of part B (*Provisions for Taking Special Decisions*) of schedule V (*Provisions for Taking Ordinary and Special Decisions*) to the Intercreditor Agreement, the aggregate of the principal amount outstanding under the relevant Senior Debt Agreement;

- (b) in relation to the EIB, the aggregate of the principal amount outstanding under the EIB Facility Agreement which does not benefit from an EIB Guarantee, plus an amount equal to the principal amount of the Percentage Participation of any Disqualified Guarantor which has not been replaced or secured pursuant to the terms of the EIB Facility Agreement;
- (c) in relation to any Initial Senior Guarantor or Additional Senior Guarantor granting an EIB Guarantee, the maximum amount which may be demanded under the relevant EIB Guarantee, at such Decision Date, in accordance with the express provisions thereof, plus the aggregate of all payments made pursuant to demands made under the relevant EIB Guarantee, at or prior to such Decision Date, except to the extent reimbursed by the Issuer prior to such Decision Date;
- (d) in relation to any Initial Senior Guarantor or Additional Senior Guarantor granting a Permitted Guarantee that is not an EIB Guarantee, the aggregate of all payments made pursuant to demands made under the relevant Permitted Guarantee, at or prior to such Decision Date, except to the extent reimbursed by the Issuer prior to such Decision Date; and
- (e) in relation to any Hedging Counterparty:
  - (i) where the relevant Hedging Agreement has been terminated, the amount equal to the Realised Hedge Loss of that Hedging Counterparty as a result of such termination, and
  - (ii) following an Acceleration (where the relevant Hedging Agreement has not been terminated), an amount equal to that Hedging Counterparty's "marked-to-market" position in respect of the relevant Hedging Agreement determined by the Hedging Counterparty according to the prevailing market practice and confirmed by the Issuer as at 12:00 hours GMT on the Business Day immediately prior to the date on which the Intercreditor Agent notifies the Finance Parties of the relevant vote;

**"Expropriations Accounts"** means the account designated as the Expropriations Account opened and maintained in accordance with the Accounts Agreement, in the name of the Issuer, with the Lead Account Bank, and each Additional Expropriations Account;

**"Extraordinary Resolution"** means a resolution passed at a meeting of Noteholders in respect of any of the following matters:

- (a) to change any date fixed for payment of principal or interest in respect of the Notes, reduction of the amount of principal or interest due on any date in respect of the Notes or variation of the method of calculating the amount of any payment in respect of the Notes on redemption or maturity;
- (b) to change the currency in which amounts due in respect of the Notes are payable;
- (c) to approve the modification or abrogation of any of the provisions of these Conditions;
- (d) to approve any amendment of this definition;
- (e) to approve any other matter in respect of which these Conditions or article 355.(4) of the Portuguese Companies Code (or other legal provision that may in the future indicate the matters in respect of which meetings of Noteholders are by law obliged to pass a resolution) require an Extraordinary Resolution to be passed; and
- (f) to approve a Special Decision;

**"Fee Letters"** means each letter dated on or about the Signing Date agreed between the Issuer and the Intercreditor Agent, the Security Agent and the Lead Account Bank, and any other letter

agreed, from time to time, between the Issuer and any Senior Creditor or any agent appointed by the Issuer, setting out the amount and timing for payment of various fees payable by the Issuer in relation to the Finance Documents;

“**Final Redemption Amount**” means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

“**Finance Documents**” means the following documents: (a) the Combined Finance Documents, (b) each Senior Debt Agreement; (c) the Fee Letters; and (d) any other documents designated as such by the Intercreditor Agent and the Issuer in writing;

“**Finance Party**” means each Senior Creditor, the Intercreditor Agent, the Security Agent, each Account Bank, the Notes Common Representative, any agent or common representative in respect of any Additional Senior Debt and any successors or assignees of any of the foregoing;

“**Financing Costs**” means any interest, fees, compensation, costs (including breakage costs) or expenses payable under the Finance Documents (other than the Debt Service L/Cs), including the Net Hedging Costs;

“**Financing Principal**” means any principal amounts payable by the Issuer under the Finance Documents (other than the Debt Service L/Cs);

“**Fixed Coupon Amount**” has the meaning given in the relevant Final Terms;

“**Future General Rights**” means any and all credit rights acquired by the Issuer at any time after the Signing Date:

- (i) under or resulting from any Project Agreement, the Management Consultancy Services Agreement and the Shared Services Agreement or guarantees provided thereunder, and
- (ii) under or resulting from any Insurances;

“**General Rights**” means each and all credit rights held by the Issuer on the Signing Date under the Concession Contract, the Engineering and Technical Services Agreement, the O&M Agreement and the Via Verde Contract;

“**Grantor**” means Portugal;

“**Grantor Direct Agreement**” means the agreement so designated executed on or about the Signing Date between the Issuer, the Security Agent and the Grantor;

“**Hedging Agreement**” the 1992 or 2002 standard ISDA Master Agreements (including the confirmations and, if applicable, credit support annexes thereto) entered into with the Initial Hedging Counterparties and any agreement entered into by and between the Issuer and a Hedging Counterparty based on the 1992 or 2002 standard ISDA Master Agreement (including, the confirmations and, if applicable, credit support annexes thereto) and including without limitation for the purposes of hedging (interest rate or currency risks of the Issuer) in accordance with the terms and conditions of the Hedging Policy;

“**Hedging Counterparty**” means each entity which is a counterparty to the Issuer under a Hedging Agreement and which is or has become a party to the Intercreditor Agreement as a Hedging Counterparty in accordance with the provisions of the Intercreditor Agreement;

“**Hedging Policy**” means the hedging strategy substantially in the form of schedule III (*Hedging Policy*) to the Common Terms Agreement;

“**Hedging Termination Payments**” means any amounts falling due from the Issuer under a Hedging Agreement as a result of the termination of that Hedging Agreement, other than interest accruing on any amount not paid when due;

“**Initial Facilities**” means the facilities provided by the Initial Lenders;

“**Initial Facilities Agreements**” means the agreements executed between the Issuer and the Initial Lenders setting out the terms and conditions of the Initial Facilities;

“**Initial Hedging Counterparty**” means each entity which is a counterparty to the Issuer under a Hedging Agreement on the Signing Date;

“**Initial Lender**” means each entity, other than the EIB, the Initial Noteholders, the Initial Senior Guarantors and the Initial Hedging Counterparties, which is a provider of credit or guarantee facilities to the Issuer on the Signing Date;

“**Initial Noteholders**” means the several persons who are holders of the Initial Notes on the Signing Date;

“**Initial Notes**” means the Euro 500,000,000 bonds issued by Brisa Finance, B.V. on 26 September 2003 and due in 2013, the Euro 600,000,000 bonds issued by Brisa on 5 December 2006 and due in 2016 and the Euro 63,300,000 bonds issued by Brisa on 26 October 2009 and due in 2012;

“**Initial Permitted Guarantor**” means any entity granting a Permitted Guarantee existing on the Signing Date that does not enter into any of the Combined Finance Documents on the Signing Date (except if after the Signing Date such entity becomes an Additional Senior Guarantor);

“**Initial Senior Creditors**” means the EIB, the Initial Noteholders (represented, where applicable, by the Notes Common Representative), the Agents, the Initial Lenders, the Initial Senior Guarantors and the Initial Hedging Counterparties;

“**Initial Senior Debt**” means any amounts owing to the Initial Senior Creditors under the Senior Debt Agreements as at the Signing Date, as set out in schedule II (*Initial Senior Debt*) to the Common Terms Agreement (except, for the avoidance of doubt, any amounts that are not drawn on the Signing Date under Permitted Guarantees granted by Initial Senior Guarantors);

“**Initial Senior Guarantor**” means any entity granting a Permitted Guarantee existing on the Signing Date that enters into the relevant Combined Finance Documents on the Signing Date;

“**Initial Shareholder**” means Brisa – Auto-Estradas de Portugal, S.A.;

“**Insurance**” means any policy of insurance taken out by or on behalf of the Issuer as required in line with the generally accepted practice for a prudent toll road concessionaire (excluding, for the avoidance of doubt, any insurances relating to any risks for which cover is not or ceases to be available to the Issuer in the international insurance market on reasonable commercial terms);

“**Insurance Proceeds**” means all proceeds of insurance payable to, or for the account, of the Issuer under the Insurances;

“**Interbolsa**” means *Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A.*, as management entity of the CVM;

“**Intercreditor Agent**” means Caixa – Banco de Investimento, S.A., or any successor thereof appointed in accordance with the Finance Documents and which is for the time being acting as intercreditor agent;

“**Intercreditor Agreement**” means the agreement so designated executed on or about the Signing Date setting out the intercreditor arrangements between the Senior Creditors, including decision making procedures and distribution ranking;

“**Interest Amount**” means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

“**Interest Commencement Date**” means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

“**Interest Determination Date**” has the meaning given in the relevant Final Terms;

“**Interest Payment Date**” means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (a) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (b) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

“**Interest Period**” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date);

“**Investor Website**” has the meaning ascribed to this expression in part A (*Provisions for Taking Ordinary Decisions*) of schedule V (*Provisions for Taking Ordinary and Special Decisions*) to the Intercreditor Agreement;

“**ISDA Definitions**” means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.);

“**Issue Date**” has the meaning given in the relevant Final Terms;

“**Issue Price**” means the issue price set out in the applicable Final Terms;

“**LIBOR**” means, in respect of any specified currency and any specified period, the interest rate benchmark known as the London interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of the Intercontinental Exchange Benchmark Administration based on estimated interbank borrowing rates for a number of designated currencies and maturities which are provided, in respect of each such currency, by a panel of contributor banks (details of historic LIBOR rates can be obtained from the designated distributor);

“**Lead Account Bank**” means Banco Santander Totta, S.A. or any other successor bank or financial institution so appointed by the Issuer, in accordance with the Accounts Agreement;

“**Long Term Senior Debt**” means any Senior Debt originally granted to the Issuer for a term of more than 1 year;

“**Main Concession**” means the concession granted pursuant to the Concession Contract;

“**Major Default**” has the meaning from time to time ascribed to it in the Common Terms Agreement;

“**Majority Senior Creditors**” means Senior Creditors whose Voting Entitlements as at the relevant Decision Date (as defined in the Intercreditor Agreement) together aggregate at least 66.67 per cent. of:

- (a) in the case of an Ordinary Decision, the aggregate Voting Entitlement of all Senior Creditors who have voted (or, in the case of EIB, deemed to have voted) in respect of that

decision in accordance with schedule V (*Provisions for taking Ordinary and Special Decisions*) part A (*Provisions for taking Ordinary Decisions*) to the Intercreditor Agreement,

- (b) in the case of a Special Decision, the aggregate Voting Entitlement of all Senior Creditors in accordance with schedule V (*Provisions for Taking Ordinary and Special Decisions*), part B (*Provisions for Taking Special Decisions*) to the Intercreditor Agreement, and
- (c) in all other cases (if any), the aggregate Voting Entitlement of all Senior Creditors on the Decision Date;

**“Management Consultancy Services Agreement”** means the agreement entered into between Brisa and the Issuer in relation to the provision by Brisa to the Issuer of management services at commercial rates fixed on arm’s length terms;

**“Margin”** has the meaning given in the relevant Final Terms;

**“Maximum Rate of Interest”** has the meaning given in the relevant Final Terms;

**“Maximum Redemption Amount”** has the meaning given in the relevant Final Terms;

**“Minimum Rate of Interest”** has the meaning given in the relevant Final Terms;

**“Minimum Redemption Amount”** has the meaning given in the relevant Final Terms;

**“Net Hedging Costs”** means in respect of any period, the aggregate amount payable (or in respect of a future period, projected to be payable) by the Issuer under the Hedging Agreements (except for costs in connection with the execution of any Hedging Agreement or any Hedging Termination Payments), less the amounts payable (or in respect of a future period, projected to be payable) to the Issuer under those Hedging Agreements on the same date;

**“New Assets”** means all moveable assets and items of equipment acquired or held by the Issuer at any time after the Signing Date, under any title and for whatever reason, and which may be pledged under the applicable law and the Concession Contract;

**“New Shares”** means any and all shares, of any kind and/or class, representing the share capital of the Issuer (or of any other company that results from a merger or spin-off of the Issuer) acquired or subscribed to by, or distributed to, any Shareholder after the Signing Date, including without limitation:

- (a) any and all additional shares that are distributed to any Shareholder as a result of an increase in the share capital of the Issuer by incorporation of reserves,
- (b) any and all additional shares that are acquired or subscribed to by any Shareholder as a result of an increase in the share capital of the Issuer, and
- (c) any and all shares of other companies which are transferred to any Shareholder as a result of a merger or spin-off of the Issuer;

**“Non-Amortising Senior Debt”** means any Senior Debt which does not amortise, but is scheduled to be repaid in full on its final maturity date;

**“Notes Collateral Account”** means the account so designated opened and maintained in accordance with the Accounts Agreement, in the name of the Issuer, with the Lead Account Bank;

**“Notes Common Representative”** means António Frutuoso de Melo & Associados – Sociedade de Advogados, R.L., or any successor thereof appointed in accordance with the Notes Documentation and which is for the time being acting as common representative of the Noteholders;



“**Notes Common Representative Appointment Agreement**” means the agreement so named entered into on or about the Signing Date between the Notes Common Representative and the Issuer;

“**Notes Documentation**” means the documentation pertaining to each Series of Notes and setting out the terms and conditions thereof and any documents related therewith;

“**Notes Maturity Date**” means each maturity date of the Notes as specified in the relevant Final Terms;

“**Obligations**” means any and all payment obligations and liabilities, present and future, of the Issuer under the Finance Documents;

“**Operator**” means Brisa O&M, S.A. or any successor thereof appointed in accordance with the Finance Documents and which is for the time being acting as operator in respect of the Main Concession;

“**O&M Agreement**” means the agreement so designated executed on or about the Signing Date between the Issuer and the Operator;

“**Optional Redemption Amount**” means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

“**Optional Redemption Date**” has the meaning given in the relevant Final Terms;

“**Ordinary Decision**” means any decision required to be taken by the Senior Creditors under the Finance Documents which is not a Special Decision;

“**Parent**” means Brisa – Concessão Rodoviária, SGPS, S.A.;

“**Participating Member State**” means a Member State of the European Communities which adopts the Euro as its lawful currency in accordance with the Treaty;

“**Percentage Participation**” means the percentage participation of an EIB Guarantor in the EIB Guarantees as set out in the relevant EIB Guarantee;

“**Permitted Guarantees**” means each of the following:

- (a) the EIB Guarantees; and
- (b) any bank guarantees provided on behalf of the Issuer exclusively in support of its obligations (i) under clause 17. of the Concession Contract (former article XX of the concession contract approved by Decree-Law no. 294/97, of 24 October 1997), (ii) in relation to any tax due to the tax authorities, (iii) in respect of any legal proceedings in which it is a party or (iv) in respect of expropriations by either:
  - (i) an Initial Senior Guarantor or Additional Senior Guarantor; or
  - (ii) an Initial Permitted Guarantor or Additional Permitted Guarantor, provided that the amount guaranteed thereunder does not exceed €50,000,000 in aggregate;

“**Person**” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

“**Petty Cash Account**” means the account so designated opened and maintained in accordance with the Accounts Agreement, in the name of the Issuer, with the Lead Account Bank;

“**Portuguese Companies Code**” means the Portuguese *Código das Sociedades Comerciais*, approved by Decree-Law no. 262/86, dated 2 September 1986, as amended from time to time;

“**Portuguese Securities Code**” means the Portuguese *Código dos Valores Mobiliários* approved

by Decree-Law no. 486/99, dated 13 November 1999, as amended from time to time;

“**Principal Amount Outstanding**” means, on any day, in relation to a Note, the principal amount of that Note upon issue less the aggregate amount of any principal payments in respect of that Note which have become due and/or payable on or prior to that day;

“**Proceeds Account**” means the account so designated opened and maintained in accordance with the Accounts Agreement, in the name of the Issuer, with the Lead Account Bank and each account so designated opened and maintained in accordance with the Accounts Agreement, in the name of the Issuer, with any Account Bank (other than the Lead Account Bank);

“**Project Agreements**” means the following documents:

- (a) the Concession Contract;
- (b) the Engineering and Technical Services Agreement;
- (c) the O&M Agreement;
- (d) the Via Verde Contract; and
- (e) any other documents designated as such by the Intercreditor Agent and the Issuer in writing;

in each case, as amended or substituted, from time to time, in accordance with the provisions of the Finance Documents;

“**Qualifying Bank**” means any of the following:

- (a) in the case of any Account Bank or bank holding Authorised Investments with an exposure of less than €5,000,000 (Indexed), a bank or financial institution which has a short-term credit rating equal to or greater than “A-2”/”P-2”/”F2” or equivalent, assigned by any Rating Agency, and
- (b) for any other purposes of the Finance Documents, a bank or financial institution which has a short-term credit rating equal to or greater than “A-1”/”P-1”/”F1” or equivalent, assigned by any Rating Agency;

“**Rate of Interest**” means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined according to the provisions of these Conditions and/or the relevant Final Terms;

“**Rating Agency**” means each of Moody’s Investors Service, Inc. (“**Moody’s**”), Standard & Poor’s Rating Services (“**S&P**”), a division of the McGraw-Hill Companies Inc., Fitch Ratings Limited (“**Fitch**”) or another credit rating agency of equal repute, in the opinion of the Intercreditor Agent;

“**Real Assets**” means all real estate assets held by the Issuer, at any given time, on or after the Signing Date, under any title and for whatever reason and able of being mortgaged under the applicable law and the Concession Contract;

“**Realised Hedge Loss**” means in respect of a terminated Hedging Agreement, the amount equal to all monies, debts, liabilities (if any) which are due by the Issuer to the relevant Hedging Counterparty (including, for the avoidance of doubt, the Hedging Termination Payments);

“**Redemption Amount**” means, as appropriate, the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount;

“**Reference Banks**” has the meaning given in the relevant Final Terms or, if none, four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate;

“**Reference Price**” has the meaning given in the relevant Final Terms;

“**Reference Rate**” has the meaning given in the relevant Final Terms;

“**Regular Period**” means:

- (a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

“**Relevant Date**” means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received by the Portuguese Paying Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders in accordance with Condition 20 (*Notices*);

“**Relevant Financial Centre**” has the meaning given in the relevant Final Terms;

“**Relevant Screen Page**” has the meaning given in the relevant Final Terms;

“**Relevant Time**” has the meaning given in the relevant Final Terms;

“**Resolution**” means any resolution in relation to any matter pertaining to, and having an impact on, the Notes and/or the Notes Documentation only which is not an Extraordinary Resolution;

“**Retained Rights**” has the meaning from time to time ascribed thereto in the Common Terms Agreement;

“**Screen Rate Determination**” has the meaning given in the relevant Final Terms;

“**Security Agent**” means Banco Santander Totta, S.A., or any successor thereof appointed in accordance with the Finance Documents and which is for the time being acting as security agent;

“**Security Agreement**” means the agreement so designated executed on or about the Signing Date between the Issuer, the Parent, Brisa, the Security Agent and EIB, including any security document entered into pursuant thereto;

“**Security Assets**” means the balance of the Company Accounts (other than the Distributions Account) and of the Authorised Accounts opened and maintained by the Issuer for the purposes of making Authorised Investments, the General Rights, the Future General Rights, the New Assets and the Real Assets pledged, assigned by way of security or mortgaged (as applicable) in favour of the Security Agent and the EIB under or pursuant to the terms of the Security Agreement;

“**Security Interest**” means any mortgage, pledge, lien, charge, assignment by way of security or security interest or any other agreement or arrangement having a commercial effect analogous to the conferring of security;

“**Senior Creditors**” means each of the Initial Senior Creditors and any Additional Senior

Creditors;

“**Senior Creditors Accession Document**” means the accession document substantially in the form of schedule I (*Senior Creditors Accession Document*) to the Intercreditor Agreement;

“**Senior Creditors Entrenched Rights**” means the rights of the Senior Creditors (other than the Hedging Counterparties) to veto any decision proposed to be taken by the Intercreditor Agent (on behalf of the Senior Creditors) as set out in schedule III (*Entrenched Rights*) part A (*Senior Creditors Entrenched Rights*) of the Intercreditor Agreement;

“**Senior Creditors Retained Rights**” means the rights that the Senior Creditors may exercise in their sole discretion as set out in schedule IV (*Retained Rights*) of the Intercreditor Agreement;

“**Senior Debt**” means any amounts owing to the Senior Creditors under the Senior Debt Agreements;

“**Senior Debt Agreements**” means each of the following: the EIB Facility Agreement, the Notes Documentation, the Initial Facilities Agreements, any agreements entered into by and between the Issuer and the Initial Senior Guarantors and/or Initial Hedging Counterparties and the Additional Senior Debt Agreements;

“**Share Related Rights**” means any and all rights, present and future, deriving from title to and/or possession of the Shares (and, if and where applicable, the New Shares), including without limitation:

- (i) any and all rights to receive dividends, profits or any premium or other payment on account of the Shares;
- (ii) the right to call, take part and vote in any annual general meeting of the Issuer;
- (iii) any and all rights to subscribe to or acquire New Shares or any other transferable securities issued by the Issuer and/or by third parties;
- (iv) any and all pre-emption rights to acquire or subscribe New Shares;
- (v) the right to propose and elect any members of corporate bodies; and
- (vi) any and all other rights granted as a result of title to and/or possession of the Shares (and, if and when applicable, the New Shares);

“**Shared Services Agreement**” means agreement to be entered into between Brisa and the Issuer in relation to the provision by Brisa to the Issuer of back-office and management services at commercial rates fixed on arm’s length terms;

“**Shareholder**” means Brisa – Concessão Rodoviária, SGPS, S.A. and any other person or company who is or has from time to time become a direct shareholder in the Issuer in accordance with the Finance Documents;

“**Shares**” means 15,000,000 ordinary nominative shares, representing 100 per cent. of the Issuer’s share capital, on the Signing Date;

“**Short Term Facilities**” means any debt facilities with a maturity less than or equal to 1 year entered or to be entered into by the Issuer for the purposes of securing additional liquidity;

“**Signing Date**” means 22 December 2010;

“**Special Decision**” means a decision to be taken by the Senior Creditors on any matter giving rise to an Entrenched Right of the Noteholders or a Retained Right of the Noteholders, or in relation to the acceleration of any Senior Debt under clauses 14.1 or 14.3 (*Acceleration*) of the Common Terms Agreement, or in relation to the enforcement of security;

“**Specified Currency**” means the currency set out in the applicable Final Terms;

“**Specified Denomination**” means the denomination set out in the applicable Final Terms;

“**Specified Office**” means each address identified as the address of each Paying Agent in the Paying Agency Agreement and in the last page of this Base Prospectus;

“**Specified Period**” has the meaning given in the relevant Final Terms;

“**Subsidiary**” means, in relation to any Person (the “**first Person**”) at any particular time, any other Person (the “**second Person**”):

- (i) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

“**TARGET Settlement Day**” means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007 (TARGET2) is open for settlement of payment in Euros.

“**Tax Jurisdiction**” means Portugal or any political subdivision or any authority thereof or therein having power to tax;

“**Term Date**” means the date on which all and each of the Obligations have been discharged in full;

“**Treaty**” means the Treaty establishing the European Communities, as amended;

“**Trigger Events**” means the events indicated pursuant to Condition 12 (*Trigger Events*);

“**Via Verde Contract**” means the contract entered into between Via Verde Portugal – Gestão de Sistemas Electrónicos de Cobrança, S.A. and the Issuer in relation to the Via Verde automatic-toll collection system and any other contracts to be entered into by the Issuer in connection with the collection of tolls or the electronic identification of vehicles at commercial rates fixed on arm’s length terms;

“**Voting Entitlement**” means, assuming that 1 Euro of Exposure equals to 1 vote, the number of votes eligible to cast corresponding to the Exposure of:

- (a) in the case of Ordinary Decisions, the EIB, each Noteholder, each Agent, each Initial Lender, each Initial Senior Guarantor, each Initial Hedging Counterparty, each creditor providing Additional Senior Debt to the Company (if any), each Additional Senior Guarantor (if any) and each Hedging Counterparty entering into a Hedging Agreement with the Company after the Signing Date (if any), and
- (b) in the case of Special Decisions, the EIB, each Class of Noteholders, each Agent, each Initial Lender, each Initial Senior Guarantor, each Initial Hedging Counterparty, each creditor providing Additional Senior Debt to the Company (if any), each Additional Senior Guarantor (if any) and each Hedging Counterparty entering into a Hedging Agreement with the Issuer after the Signing Date (if any); and

“**Zero Coupon Note**” means a Note specified as such in the relevant Final Terms.

### 3. Form, Denomination, Title and Transfer

#### 3.1 *Form and Denomination*

The Notes are represented in dematerialised book-entry (*forma escritural*) form in the Specified Currency and the minimum Specified Denomination and can either be registered notes (*nominativas*), in which case Interbolsa, at the request of the Issuer, can ask the Affiliate Members of Interbolsa for information regarding the identity of the Noteholders and transmit such information to the Issuer, or bearer notes (*ao portador*), in which case Interbolsa cannot inform the Issuer of the identity of the Noteholders. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

### 3.2 **Title**

Title to the Notes will be evidenced by book entries in accordance with the Portuguese Securities Code and the regulations issued by the CMVM, by Interbolsa or otherwise applicable thereto. Each person shown in the Book-Entry Registry of an Affiliate Member of Interbolsa as the holder of a Note shall (except as required by law) be deemed to be the holder of such Note. One or more certificates in relation to Notes (each a “**Certificate**”) will be delivered by the relevant Affiliate Member of Interbolsa in respect of its registered holding of Notes upon request by the relevant Noteholder in accordance with that Affiliate Member of Interbolsa’s procedures and pursuant to article 78 of the Portuguese Securities Code. Title to the Notes is subject to compliance with all rules, restrictions and requirements applicable to the activities of Interbolsa and all applicable Portuguese laws and regulations.

The Issuer and the Paying Agents may (to the fullest extent permitted by applicable law) deem and treat the person or entity registered in the Book-Entry Registry as the holder of any Note and the absolute owner for all purposes. Proof of such registration is made by means of a Certificate issued by the relevant Affiliate Member of Interbolsa pursuant to article 78 of the Portuguese Securities Code.

The Notes will be registered in the relevant issue account of the Issuer with Interbolsa and will be held in control accounts opened by each Affiliate Member of Interbolsa on behalf of the Noteholders. The control account of a given Affiliate Member of Interbolsa will reflect at all times the aggregate principal amount of Notes held in the individual securities’ accounts of the Noteholders with that Affiliate Member of Interbolsa.

References to Interbolsa shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system.

### 3.3 **Transfer of Notes**

No Noteholder will be able to transfer Notes, or any interest therein, except in accordance with Portuguese law and regulations. Notes may only be transferred in accordance with the applicable procedures established by the Portuguese Securities Code and the regulations from time to time issued by the CMVM or Interbolsa, as the case may be, and the relevant Affiliate Members of Interbolsa through which the Notes are held.

## 4. **Status of the Notes**

The Notes are senior, direct, unconditional, unsubordinated and secured (in the terms described in Condition 5 (*Security*)) obligations of the Issuer and rank and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) *pari passu* with all other present and future senior, unsubordinated and secured obligations of the Issuer under or pursuant to the Security Agreement, without any preference among such obligations by reason of the date of incurrence or otherwise.

## 5. Security

### 5.1 Security

The Notes are secured by security created, or promised to be created, by the Issuer and the Parent (which, for the avoidance of doubts, has acquired the Shares pledged by the Initial Shareholder in the terms of the Security Agreement) in favour and for the benefit of the Security Agent, on behalf of the Noteholders (represented by the Notes Common Representative) and other Finance Parties, under the terms of the Security Agreement.

The security created pursuant to the Security Agreement, in favour and for the benefit of the Security Agent, on behalf of the Noteholders (represented by the Notes Common Representative) and other Finance Parties, includes as security for the entire and timely performance of all and each of the Obligations:

- (a) a first ranking pledge over all and each of the Shares (including the corresponding Share Related Rights), which Shares (including the corresponding Share Related Rights) have been, prior to the date of this Base Prospectus, acquired by the Parent;
- (b) a first ranking pledge granted by the Issuer over the balance of the Company Accounts (other than the Debt Service Reserve Account and the Distributions Account) held by the Issuer on the Signing Date;
- (c) a first ranking pledge granted by the Issuer over the balance of the Debt Service Reserve Account, exclusively towards the Finance Parties, including, for the avoidance of doubt, the Noteholders, other than the Initial Senior Guarantors and the Additional Senior Guarantors;
- (d) a first ranking pledge granted by the Issuer over all the General Rights.

The Security Agreement also provides that the Issuer and the Parent promise to create security in favour and for the benefit of the Security Agent, on behalf of the Noteholders (represented by the Notes Common Representative) and other Finance Parties, for the entire and timely performance of all and each of the Obligations, including:

- (a) a promise by the Parent to grant a first ranking pledge over all and each of the New Shares (including all and each of the Share Related Rights attached thereto);
- (b) a promise by the Issuer to grant a first ranking mortgage over each and all of the Real Assets acquired by the Issuer after the Signing Date;
- (c) a promise by the Issuer to grant a first ranking mortgage over certain Real Assets if the aggregate commercial value of the Real Assets acquired by Issuer, and not yet mortgaged, is equal to or exceeds €5,000,000 and if the Security Agent has informed the Issuer that certain Real Assets shall be mortgaged;
- (d) a promise by the Issuer to grant a first ranking pledge over certain New Assets if the aggregate commercial value of the New Assets acquired by Issuer, and not yet pledged, is equal to or exceeds €2,000,000 and if the Security Agent has informed the Issuer that certain New Assets shall be pledged;
- (e) a promise by the Issuer to grant a first ranking pledge over the balance of any Company Account or Authorised Account for the purposes of making Authorised Investments opened by the Issuer after the Signing Date;
- (f) a promise by the Issuer to grant a first ranking pledge over the New Assets.

In addition, the Issuer assigns by way of security (*cessão de créditos com escopo de garantia*) to the Security Agent, on behalf of the Noteholders (represented by the Notes Common Representative) and other Finance Parties (other than EIB) and EIB, the Future General Rights.

## 5.2 *Guarantees and Security limited to Security Assets*

Guarantees and security created and promised to be created by the Issuer, the Parent, Brisa and/or the Shareholder in respect of the Notes are limited to the guarantees and security created and promised to be created by the Issuer, the Parent, Brisa and/or the Shareholder over the Security Assets pursuant to and in accordance with the terms of the Security Agreement and, accordingly, the Noteholders will not have the benefit nor shall be entitled, in relation to the Parent, to make any claim based on articles 501 and 502 of the Portuguese Companies Code (which do not currently legally apply to any shareholder of the Parent), article 629 of the Portuguese Civil Code or other legal provisions of similar nature, and unconditionally and irrevocably waive any right arising thereunder in relation to the Notes.

## 6. **Fixed Rate Note Provisions**

### 6.1 *Application*

This Condition 6 (*Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.

### 6.2 *Accrual of interest*

The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments*). Each Note will cease to bear interest from the date of its final redemption unless payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Portuguese Paying Agent or, as the case may be, the Notes Common Representative has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment). Interest will be transferred by Interbolsa to the Affiliate Members of Interbolsa for distribution by them to the account of the entitled Noteholders in accordance with Interbolsa's usual rules and operating procedures.

### 6.3 *Fixed Coupon Amount*

The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

### 6.4 *Calculation of Interest Amount*

The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount or a Broken Amount is not specified in the applicable Final Terms shall be calculated by applying the Rate of Interest to the principal amount outstanding of such Note, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards or otherwise in accordance with the applicable market convention). For this purpose, a “**sub-unit**” means, in the case of any currency other than Euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of Euro, means one cent. For this purpose “**Day Count Fraction**” means in respect of the calculation of an amount of interest in accordance with this Condition 6.4:

- (i) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
  - (A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest



Commencement Date) to (but excluding) the relevant payment date (the “**Accrual Period**”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year;

or

(B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and

(2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(ii) if “30/360” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

## **7. Floating Rate Note Provisions**

### **7.1 Application**

This Condition 7 (*Floating Rate Note Provisions*) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable.

### **7.2 Accrual of interest**

The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments*). Each Note will cease to bear interest from the date of its final redemption unless payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7 (*Floating Rate Note Provisions*) (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Portuguese Paying Agent or, as the case may be, the Notes Common Representative has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

### **7.3 Screen Rate Determination**

If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:

(a) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

- (b) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (c) if, in the case of (a) above, such rate does not appear on that page or, in the case of (b) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
  - (i) request the principal Relevant Financial Centre office of each the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
  - (ii) determine the arithmetic mean of such quotations; and
- (d) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the principal financial centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the principal financial centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

#### 7.4 ***ISDA Determination***

If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where “**ISDA Rate**” in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;
- (b) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms; and
- (c) the relevant Reset Date (as defined in the ISDA Definitions) is either (i) if the relevant Floating Rate Option is based on the London inter-bank offered rate (LIBOR) for a currency, the first day of that Interest Period or (ii) in any other case, as specified in the relevant Final Terms.

#### 7.5 ***Maximum or Minimum Rate of Interest***

If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the

minimum so specified.

## 7.6 *Calculation of Interest Amount*

The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the principal amount of such Note during such Interest Period and multiplying the product by the relevant Day Count Fraction. For this purpose, “**Day Count Fraction**” means in respect of the calculation of an amount of interest for any Interest Period:

- (i) if “Actual/Actual” or “Actual/Actual (ISDA)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y1” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D1” is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (vi) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Day Count Fraction =

where:

“Y1” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D1” is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D2 will be 30;

- (vii) if “30E/360 (ISDA)” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

Day Count Fraction =

where:

“Y1” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D1” is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

## 7.7 **Publication**

The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Portuguese Paying Agent and each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination. Notice thereof shall also promptly be given to the Noteholders. The

Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period.

**7.8 *Notifications etc.***

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7 (*Floating Rate Note Provisions*) by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Notes Common Representative, the Portuguese Paying Agent and the Noteholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent or the Notes Common Representative in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

**7.9 *Determination or Calculation by Notes Common Representative***

If the Calculation Agent fails at any time to determine a Rate of Interest or to calculate an Interest Amount or any other amount which it is required to do, the Notes Common Representative will determine such Rate of Interest and make such determination or calculation which shall be deemed to have been made by the Calculation Agent. In doing so, the Notes Common Representative shall apply all of the provisions of these Conditions with any necessary consequential amendments (but always subject to any Minimum Rate of Interest or Maximum Rate of Interest specified in the relevant Final Terms, if any)) to the extent that, in its sole opinion and with absolute discretion, it can do so and in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances and will not be liable for any loss, liability, cost, charge or expense which may arise as a result thereof. Any such determination or calculation made by the Notes Common Representative shall be binding on the Issuer and the Noteholders.

**8. *Zero Coupon Note provisions***

**8.1 *Application***

This Condition 8 (*Zero Coupon Note provisions*) is applicable to the Notes only if the Zero Coupon Note provisions are specified in the relevant Final Terms as being applicable.

**8.2 *Late payment on Zero Coupon Notes***

If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

- (a) the Reference Price; and
- (b) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of:
  - (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; or
  - (ii) the day which is seven days after the Portuguese Paying Agent or, as the case may be, the Notes Common Representative has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

**9. *Redemption and Purchase***

**9.1 *Scheduled redemption***

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their

principal amount on the Notes Maturity Date, subject as provided in Condition 10 (*Payments*).

**9.2 *Redemption due to Compensation received***

The Issuer shall early redeem the Notes (together with any other outstanding Senior Debt), on a pro-rata basis, with the amounts of any Compensation received (other than any Compensation falling under paragraph (iii) of the definition of Compensation).

**9.3 *Redemption of Initial Notes for tax reasons***

Subject as provided in Condition 10 (*Payments*), the Issuer may redeem the Initial Notes:

- (a) at any time (if the Floating Rate Note Provisions are not specified in the relevant Final Terms as being applicable); or
- (b) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 30 nor more than 60 days' notice to the relevant Noteholders (which notice shall be irrevocable), at the Early Redemption Amount, together with interest accrued (if any) to the date fixed for redemption, if, immediately before giving such notice, the Issuer satisfies the Notes Common Representative that:

- (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 11.1 (*Gross-up for Initial Notes*) as a result of any change in, or amendment to, the laws or regulations of the jurisdiction of the Issuer's incorporation or any political sub-division or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date on which agreement was reached to issue the relevant Series of Initial Notes; and
- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided, however, that no such notice of redemption shall be given earlier than:
  - (1) where the Initial Notes may be redeemed at any time, 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Initial Notes were then due; or
  - (2) where the Initial Notes may be redeemed only on an Interest Payment Date, 60 days prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Initial Notes were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Notes Common Representative a certificate signed by 2 directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred. The Notes Common Representative shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the circumstances set out in (i) and (ii) above, in which event it shall be conclusive and binding on the relevant Noteholders. Upon the expiry of any such notice as is referred to in this Condition 9.3 (*Redemption of Initial Notes for tax reasons*), the Issuer shall be bound to redeem the relevant Initial Notes in accordance with this Condition 9.3 (*Redemption of Initial Notes for tax reasons*).

For the avoidance of doubt, Initial Notes may be redeemed under this Condition 9.3 (*Redemption of Initial Notes for tax reasons*) on a Series by Series basis, and thus redemption is not required to take place in relation all Series of Initial Notes.

9.4 ***Redemption at the option of the Issuer***

Provided that no Trigger Event or Event of Default (or trigger event or event of default under the EIB Facility Agreement) would result from early redeeming the Notes, if the Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date at the relevant Optional Redemption Amount on the Issuer's giving not less than 15 nor more than 30 days' notice to the Noteholders and having notified the Notes Common Representative prior to the provision of such notice (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date at the Optional Redemption Amount plus accrued interest (if any) to such date).

9.5 ***Partial redemption***

If the Notes are to be redeemed in part only on any date in accordance with Condition 9.4 (*Redemption at the option of the Issuer*), the Notes to be redeemed shall be selected by the drawing of lots in such place as the Notes Common Representative approves and in such manner as the Notes Common Representative considers appropriate, subject to compliance with applicable law and the rules of each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation, and the notice to Noteholders referred to in Condition 9.4 (*Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount shall in no event be greater than the maximum or be less than the minimum so specified.

9.6 ***No other redemption***

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 9.1 (*Scheduled redemption*) to 9.5 (*Partial redemption*).

9.7 ***Early redemption of Zero Coupon Notes***

Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Notes Maturity Date shall be an amount equal to the sum of:

- (a) the Reference Price; and
- (b) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition 9.7 (*Early redemption of Zero Coupon Notes*) or, if none is so specified, a Day Count Fraction of 30E/360.

9.8 ***Purchase***

The Issuer or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price. Notes so purchased by the Issuer or any of its Subsidiaries may be held, cancelled or resold at the option of the Issuer or the relevant Subsidiary (whichever the case may be), subject to compliance with all applicable laws. Such Notes may be held, reissued, resold or, at the option of the Issuer or the relevant Subsidiary, cancelled by Interbolsa.

Notes purchased by the Issuer will grant no voting rights to the Issuer for the time such Notes are held by the Issuer.

**9.9 Cancellation**

All Notes redeemed by the Issuer or any Subsidiaries shall be forthwith cancelled by Interbolsa. All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 9.8 (*Purchase*) cannot be reissued or resold.

**9.10 Exchange to be informed**

The Issuer shall inform the Luxembourg Stock Exchange of any Notes redeemed before the relevant Notes Maturity Date, pursuant to this Condition 9 (*Redemption and Purchase*), if required under the Luxembourg Stock Exchange's rules.

**9.11 Interbolsa to be informed**

The Issuer shall, promptly upon becoming aware thereof, give notice to Interbolsa in accordance with the regulations applied by Interbolsa from time to time, of the exercise of any optional redemption under this Condition 9 (*Redemption and Purchase*).

**10. Payments**

**10.1 Method of payment:** Subject as provided below:

- (a) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the Noteholder with, or, at the option of the Noteholder, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency; and
- (b) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the Noteholder or, at the option of the Noteholder, by a euro cheque.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 11 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "Code") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 11 (*Taxation*)) any law implementing an intergovernmental approach thereto.

**10.2 Payments in respect of Notes:** Payment of principal and interest in respect of Notes:

- (a) in euros will be:
  - (i) credited, according to the procedures and regulations of Interbolsa, by the Portuguese Paying Agent (acting on behalf of the Issuer) from the payment current account which the Portuguese Paying Agent has indicated to, and has been accepted by, Interbolsa to be used on the Portuguese Paying Agent's behalf for payments in respect of securities held through Interbolsa to the payment current accounts held by the Affiliate Members of Interbolsa whose control accounts with Interbolsa are credited with such Notes and thereafter;
  - (ii) credited by such Affiliate Members of Interbolsa from the aforementioned payment current accounts to the accounts of the owners of those Notes or through Euroclear and Clearstream to the accounts of the beneficial owners of those Notes with Euroclear and Clearstream, in accordance with the rules and procedures of Interbolsa and/or Euroclear and Clearstream, as the case may be;



- (b) in currencies other than euros will be:
  - (i) transferred, on the payment date and according to the procedures and regulations applicable by Interbolsa, from the account held by the Portuguese Paying Agent in the Foreign Currency Settlement System (*Sistema de Liquidação em Moeda Estrangeira*), managed by Caixa Geral de Depósitos, S.A., to the relevant accounts of the relevant Affiliate Members of Interbolsa, and thereafter
  - (ii) transferred by such Affiliate Members of Interbolsa from such relevant accounts to the accounts of the owners of those Notes or through Euroclear and Clearstream to the accounts with Euroclear and Clearstream of the beneficial owners of those Notes, in accordance with the rules and procedures of Interbolsa or Euroclear and Clearstream, as the case may be.

The holders of Notes are reliant upon the procedures of Interbolsa to receive payment in respect of Notes.

### 10.3 *General provisions applicable to payments*

The Issuer will be discharged by payment to Interbolsa in respect of each amount so paid. Each of the entities shown in the records of Interbolsa as the beneficial holder of a particular nominal amount of Notes must look solely to Interbolsa for his share of each payment made by the Issuer to, or to the order of such entity.

Payments of principal and interest in respect of the Notes will be subject to Portuguese laws and regulations, notably the Portuguese Securities Code and the regulations from time to time issued and applied by the CMVM and Interbolsa.

If the Portuguese Paying Agent makes a partial payment in respect of any Note, it will record a statement in the Book-Entry Registry indicating the amount and date of such payment in respect of the relevant Note.

Notwithstanding the foregoing provisions of this Condition 10.3 (*General provisions applicable to payments*), if any amount of principal and/or interest in respect of Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a paying agent in the United States if: (a) the Issuer has appointed a paying agent with specified offices outside the United States with the reasonable expectation that such paying agent would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due; (b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and (c) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

### 10.4 *Payment Day*

If the date for payment of any amount in respect of any Note is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, “**Payment Day**” means any day which (subject to Condition 15 (*Prescription*)) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Additional Financial Centre specified in the applicable Final Terms; and
- (b) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on

which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Financial Centre) or (ii) in relation to any sum payable in euro, a day which is a TARGET Settlement Day.

#### 10.5 ***Interpretation of principal and interest***

Any reference in these Conditions to interest in respect of the Initial Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 11.1 (*Gross-up for Initial Notes*).

### 11 **Taxation**

#### 11.1 ***Gross-up for Initial Notes***

All payments of principal and interest in respect of the Initial Notes by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the jurisdiction of incorporation of the Issuer or any political sub-division therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the Initial Noteholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Initial Note:

- (i) to, or to a third party on behalf of, an Initial Noteholder which is liable to such taxes, duties, assessments or governmental charges in respect of such Initial Note by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Initial Note; or
- (ii) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC, as amended, or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (iii) to, or to a third party on behalf of, an Initial Noteholder in respect of whom the information required in order to comply with Decree-Law no. 193/2005, of 7 November 2005, as amended, and any implementing legislation, is not received before or at the relevant payment date or which does not comply with the formalities in order to benefit from tax treaty benefits, when applicable; or
- (iv) to, or to a third party on behalf of, an Initial Noteholder resident in a tax haven jurisdiction as defined in Ministerial Order no. 150/2004, of 13 February 2004 (Portaria do Ministério das Finanças e da Administração Pública no. 150/2004) as amended from time to time, issued by the Portuguese Minister of Finance with the exception of (a) central banks and governmental agencies, as well as international institutions recognised by the Tax Jurisdiction, of those tax haven jurisdictions, and (b) tax haven jurisdictions which have a double taxation treaty in force or a tax information exchange agreement in force with Portugal; or
- (v) to, or to a third party on behalf of (a) an Initial Noteholder resident for tax purposes in Portugal or any political subdivision or any authority thereof or therein having power to tax (with the exception of legal persons that benefit from a waiver of Portuguese withholding

tax or from Portuguese income tax exemptions), or (b) an Initial Noteholder not resident in Portugal acting with respect to the holding of the Notes through a permanent establishment located in Portugal (with the exception of permanent establishments that benefit from a waiver of Portuguese withholding tax).

#### 11.2 ***No gross-up for Notes other than Initial Notes***

Without prejudice to Condition 11.1 (*Gross-up for Initial Notes*), all payments of principal and interest in respect of the Notes (other than the Initial Notes) by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Tax Jurisdiction, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law or regulation. In such event, the Issuer shall not be required to pay to the Noteholders such additional amounts and the Noteholders shall receive the net amounts after such withholding or deduction, as required by law.

#### 11.3 ***Taxing jurisdiction***

If the Issuer becomes subject at any time to any taxing jurisdiction other than the Issuer's jurisdiction of incorporation, references in these Conditions to the Tax Jurisdiction shall be construed as references to both the Issuer's jurisdiction of incorporation and/ or such other jurisdiction.

### 12 **Trigger Events**

The occurrence and cessation of Trigger Events and the procedures applicable following the occurrence of a Trigger Event are governed by the applicable provisions of the Common Terms Agreement, as described in "*Overview of Certain Transaction Documents – Common Terms Agreement*".

### 13 **Events of Default**

The occurrence and cessation of Events of Default and the procedures applicable following the occurrence of an Event of Default are governed by the applicable provisions of the Common Terms Agreement, as described in "*Overview of Certain Transaction Documents – Common Terms Agreement*".

### 14 **Acceleration**

#### 14.1 ***Proceedings***

Subject to the Senior Creditors Entrenched Rights and Senior Creditors Retained Rights, the Intercreditor Agent may, and shall if so directed by the Majority Senior Creditors at any time whilst an Event of Default (other than a Major Default) is subsisting, by notice to the Issuer (with copy to the Account Banks):

- (a) demand that all or part of the amounts outstanding under the Notes together with accrued interest and any other amounts accrued under the Notes (and all or part of the amounts outstanding under the Senior Debt Agreements together with accrued interest and any other amounts accrued under the Finance Documents), be immediately due and payable, whereupon they shall become immediately due and payable; and/or
- (b) declare all or part of the Notes to be payable on demand together with accrued interest and all other amounts accrued under the Notes (and all or part of the Senior Debt together with accrued interest and all other amounts accrued under the Senior Debt Agreements), shall immediately become due and payable on demand by the Intercreditor Agent; and/or

- (c) cancel any outstanding commitment under the Senior Debt Agreements.

#### 14.2 ***Amounts immediately due and payable***

After the occurrence of a Major Default which is subsisting, the Senior Creditors (other than EIB, which, after the occurrence of a Major Default or an event of default under the EIB Facility Agreement which is subsisting, may by notice to the Issuer, through the Intercreditor Agent, demand that all part of the amounts outstanding under the EIB Facility Agreement together with accrued interest, be immediately due and payable, whereupon they shall become immediately due and payable) may, by notice to the Issuer, on the basis of a decision of Senior Creditors accounting for more than 66.67 per cent. of principal outstanding of Senior Debt (other than Senior Debt outstanding under the EIB Facility Agreement), immediately demand that all part of the amounts outstanding under the Notes and the relevant Senior Debt Agreements together with accrued interest, be immediately due and payable, whereupon they shall become immediately due and payable.

#### 14.3 ***Waived Acceleration***

Neither the Intercreditor Agent (acting on instructions of the Senior Creditors), EIB or the Senior Creditors (other than EIB), as applicable, may declare an Acceleration in respect of any Event of Default, event of default under the EIB Facility Agreement or Major Default (as applicable) which has been waived by the Intercreditor Agent (acting on the instructions of the Majority Senior Creditors), EIB or the Senior Creditors (other than EIB), as applicable, to the extent and for the period of such waiver.

#### 14.4 ***Enforcement***

Subject to the terms of the Intercreditor Agreement and without prejudice to the Senior Creditors Entrenched Rights or the Senior Creditors Retained Rights, the Security Agent may, and shall if so directed by the Majority Senior Creditors, at any time after an acceleration of any Senior Debt by the EIB or by the Senior Creditors, as applicable, by notice to the Issuer:

- (a) enforce all or part of the Security Interests under the Security Agreement following the acceleration of any Senior Debt; and/or
- (b) give any notice to the Account Bank or take any action or enforce any right under the Accounts Agreement; and/or
- (c) call on any Debt Service L/C.

#### 14.5 ***Information on enforcement procedures***

Following an acceleration notice under this Condition 14 (*Acceleration*) and, at all times during the enforcement of all or part of the Security Interests created under the Security Agreement, the Agents shall keep the Noteholders (represented for this purpose by the Notes Common Representative) fully informed on the progress of those enforcement proceedings and shall comply with any instructions issued by the Senior Creditors in connection therewith.

#### 15 **Prescription**

Claims for principal shall become void unless the relevant Certificates are surrendered within 20 years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Certificates are surrendered within 5 years of the appropriate Relevant Date.

#### 16 **Agents**

In acting under the Paying Agency Agreement and in connection with the Notes, the Paying Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders. The Paying Agency Agreement contains

provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

Each initial Paying Agent and its initial Specified Offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint a successor Paying Agent and additional or successor paying agents and/or approve any change in the specified office through which any Paying Agent acts; *provided, however, that:*

- (a) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange (or any other relevant authority); and
- (b) there will at all times be a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; and
- (c) there will at all times be a Paying Agent in Portugal capable of making payment in respect of the Notes as contemplated by these terms and conditions of the Notes, the Agency Agreement and applicable Portuguese law and regulation.

Notice of any change in the Paying Agent or in its Specified Office shall promptly be given to the Noteholders.

## 17 **Notes Common Representative**

The Notes Common Representative has been appointed by a resolution of the Initial Noteholders and the holders of any additional Notes issued under the Programme will adhere to the terms of the Notes Common Representative Appointment Agreement and accept being so represented by the Notes Common Representative. The Noteholders may dismiss and substitute the Notes Common Representative (if any) by means of an Extraordinary Resolution. Upon the appointment of a new Notes Common Representative by the Noteholders, any previously appointed and dismissed Notes Common Representative will immediately cease its engagement and will be under the obligation immediately to transfer to the new Notes Common Representative appointed by the Noteholders all documents and information then held by such Notes Common Representative pertaining to the Notes.

## 18 **Ordinary Decisions and Noteholders meetings**

### 18.1 ***Notes Common Representative Appointment Agreement and Intercreditor Agreement***

The Notes Common Representative Appointment Agreement contains provisions in relation to Noteholders meetings and schedule V of the Intercreditor Agreement contains provisions in relation to Ordinary Decisions and Special Decisions.

### 18.2 ***Ordinary Decisions***

18.2.1 Noteholders may individually be called to opine on a given matter whenever the Intercreditor Agent posts a notice ("**Ordinary Decision Notice**") for such purpose on the Investor Website specifying:

- (i) the matter to be decided upon;
- (ii) that the decision required is an Ordinary Decision;
- (iii) whether the matter gives rise to an Entrenched Right or a Retained Right for any of the Senior Creditors;

- (iv) how the Senior Creditors may participate in the Ordinary Decision (the convening notice may either detail the applicable procedures or refer to the Investor Website section where these procedures may from time to time be consulted by the Senior Creditors); and
  - (v) the date by which a decision is required, which will be no less than 15 and no more than 30 days after the posting of the notice by the Intercreditor Agent.
- 18.2.2 Each Noteholder may only express its opinion in respect of proposals subject to Ordinary Decisions by way of Block Voting Instruction.
- 18.2.3 Opinions expressed by the Noteholders in relation to Ordinary Decisions will not contribute to a Noteholders resolution and therefore no minimum number of Noteholders opining in respect of an Ordinary Decision is required in order for the opinions issued by the Noteholders to be valued as described in 18.4.2.
- 18.3 *Noteholders meetings*
- 18.3.1 A Noteholders meeting may at any time be convened by the Notes Common Representative or, if no Notes Common Representative is appointed or if the Notes Common Representative refuses to convene the meeting, by the chairman of the general meeting of shareholders of the Issuer.
- 18.3.2 A meeting of Noteholders must be convened by the Notes Common Representative or, if no Notes Common Representative is appointed or if the Notes Common Representative refuses to convene the meeting, by the chairman of the general meeting of shareholders of the Issuer:
- (a) whenever the Notes Common Representative (or the chairman of the general meeting of shareholders of the Issuer, as applicable) receives from the Intercreditor Agent a notice (“**Special Decision Notice**”), which shall also be served to each Senior Creditor (other than the Noteholders), specifying:
    - (i) the matter to be decided upon;
    - (ii) that the decision required is a Special Decision;
    - (iii) whether the matter gives rise to an Entrenched Right or a Retained Right for any class of Senior Creditors;
    - (iv) how the Senior Creditors may participate in the Special Decision; and
    - (v) the date by which a decision is required, which will be no less than 45 and no more than 60 days after the notice issued by the Intercreditor Agent.
  - (b) upon the request in writing of Noteholders holding not less than 5 per cent. of the aggregate Principal Amount Outstanding of the outstanding Notes.
- 18.3.3 Within 2 Business Days upon receiving a Special Decision Notice, the Notes Common Representative (or the chairman of the general meeting of shareholders of the Issuer, as applicable) shall convene a Noteholders meeting to approve a Special Decision.
- 18.3.4 Each Noteholder may only vote proposals subject to Resolutions or Extraordinary Resolutions by way of Block Voting Instruction.
- 18.3.5 The quorum required to hold a meeting of Noteholders will be, in relation to each Series of Notes:
- (a) if the matter at stake is to be decided by way of a Resolution, any person or persons holding or representing Notes then outstanding (except Notes held by the Issuer, if any), regardless of the Principal Amount Outstanding thereof; or

- (b) if the matter at stake is to be decided by way of an Extraordinary Resolution, a person or persons holding or representing at least 50 per cent. of the Principal Amount Outstanding of the relevant Series of Notes (except Notes held by the Issuer, if any) or, at any adjourned meeting, any person or persons holding or representing any of the Notes then outstanding (except Notes held by the Issuer, if any), regardless of the Principal Amount Outstanding thereof.

18.3.6 The number of votes required to pass a Resolution or an Extraordinary Resolution, as the case may be, will be, in relation to each Series of Notes:

- (a) if the matter at stake is to be decided by way of a Resolution, the majority of the votes cast at the relevant meeting;
- (b) if the matter at stake is to be decided by way of an Extraordinary Resolution, except for the one set out in (c) below, at least 50 per cent. of the Principal Amount Outstanding of the relevant Series of Notes or, at any adjourned meeting, two-thirds of the votes cast at the relevant meeting; or
- (c) if in respect to an increase in the obligations of the holders of Notes, all holders of the relevant Series of Notes.

18.3.7 Resolutions and Extraordinary Resolutions will be binding on all Noteholders holding or representing Notes of the same Series, whether or not they are present at the meeting or have voted against such Resolutions and Extraordinary Resolutions.

#### 18.4 *Ordinary Decisions and Special Decisions subject to other Senior Creditors vote*

18.4.1 Save as otherwise provided in the Intercreditor Agreement and subject to the Entrenched Rights and the Retained Rights of the Noteholders and the other various classes of Senior Creditors, all waivers, consents or approvals under any Finance Document or any amendment to the terms of any Finance Document (in each case, other than the Senior Debt Agreements, including, for the avoidance of doubt, the Notes Documentation) will require the consent of the Majority Senior Creditors in accordance with and subject to the terms of the Intercreditor Agreement.

18.4.2 In case of an Ordinary Decision, each individual Voting Entitlement will be counted for or against the relevant proposal for the purposes of determining the Majority Senior Creditors' position. At any rate, a quorum requirement will be set for an Ordinary Decision, with Senior Creditors (other than EIB) representing at least 10 per cent. of the Senior Debt (other than the Senior Debt outstanding under the EIB Facility Agreement) having opined in relation to the matter to which Ordinary Decision Notice refers. Otherwise, no Ordinary Decision may be approved.

18.4.3 In case of a Special Decision, each Voting Entitlement will be counted for or against the relevant proposal for the purposes of determining the Majority Senior Creditor position, provided that the aforementioned quorum and majority provisions have been complied with in passing the relevant Extraordinary Resolution.

18.4.4 If the Notes Common Representative does not notify the Intercreditor Agent of the result of a Noteholders' meeting in relation to a Special Decision by the relevant date, the respective Voting Entitlement will be excluded for the purposes of determining whether the requisite voting levels have been attained in relation to a decision of the Senior Creditors.

#### 18.5 *Modification and Waiver*

18.5.1 The Notes Common Representative may concur with the Issuer and any Finance Party or any other parties to the Notes Documentation to a rectification or modification to the Notes Documentation or Combined Finance Documents or waive or authorise any breach or proposed

breach of any Notes Documentation or Combined Finance Document in the name and on behalf of the Noteholders provided that any such rectification, modification, waiver or authorisation (except if contrary to mandatory provisions of Portuguese law):

- (i) is acknowledged by a Resolution or Extraordinary Resolution (as the case may be); or
- (ii) is, in the reasonable opinion of the Notes Common Representative, of a formal, minor or technical nature or made to correct a manifest error.

18.5.2 In addition, the parties to the Paying Agency Agreement may agree to modify any provision thereof, save that the Notes Common Representative shall only agree without the consent of the Noteholders to such modification if, in the opinion of the Notes Common Representative, such modification is not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and, unless the Notes Common Representative agrees otherwise, shall be notified to the Noteholders as soon as practicable thereafter.

#### 18.6 **Notification**

Any modification, abrogation, waiver or authorisation in accordance with this Condition 18 (*Ordinary Decisions and Noteholders meetings*) shall be binding on the Noteholders and shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 20 (*Notices*).

#### 19 **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the amount and date of the first payment of interest thereon) so that the same shall be consolidated and form a single Series with the outstanding Notes.

#### 20 **Notices**

All notices regarding the Notes will be deemed to be validly given on the date of such publication if published (i) in a leading newspaper of general circulation in Portugal (which is expected to be *Diário de Notícias*) or by any other way which complies with the Portuguese Securities Code and Interbolsa's rules on notices to investors, notably the disclosure of information through the CMVM official website ([www.cmvm.pt](http://www.cmvm.pt)), and (ii) if and for so long as the Notes are admitted to trading on, and listed on the Official List of the Luxembourg Stock Exchange, and as long as the rules of such exchange so requires in a daily newspaper of general circulation in Luxembourg and/or the Luxembourg Stock Exchange's website, [www.bourse.lu](http://www.bourse.lu). It is expected that any such publication in a newspaper will be made in the *Luxemburger Wort* or the *Tageblatt* or any other applicable leading daily newspaper having general circulation in Luxembourg. So long as the Notes are listed on the Luxembourg Stock Exchange, the Issuer will also request that notices to holders of the Notes be published on the website of the Luxembourg Stock Exchange. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange (or any other relevant authority) on which the Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers, and, in the case of publication on the website of the Luxembourg Stock Exchange, on the date of such publication. Notices to be given by any Noteholder shall be in writing and may be given to the Portuguese Paying Agent through Interbolsa in such manner as the Portuguese Paying Agent and Interbolsa may approve for this purpose.



## 21 **Redenomination, Renominalisation and Reconventioning**

### 21.1 **Application**

This Condition 21 (*Redenomination, Renominalisation and Reconventioning*) is applicable to the Notes only if it is specified in the relevant Final Terms as being applicable.

### 21.2 **Notice of redenomination**

If the country of the Specified Currency becomes or, announces its intention to become, a Participating Member State, the Issuer may, without the consent of the Noteholders, on giving at least 30 days' prior notice to the Noteholders and the Paying Agents and having notified the Notes Common Representative prior to the provision of such notice, designate a date (the "**Redenomination Date**"), which shall be the first Interest Payment Date under the Notes falling on or after the date on which such country becomes a Participating Member State (or the relevant Notes Maturity Date, in the case of Zero Coupon Notes), as from which the Notes shall be redenominated in euro.

### 21.3 **Redenomination**

Notwithstanding the other provisions of these Conditions, with effect from the Redenomination Date:

- (a) the Notes shall be deemed to be redenominated into Euro in the denomination of Euro 0.01 with a principal amount for each Note equal to the principal amount of that Note in the Specified Currency, converted into Euro at the rate for conversion of such currency into Euro established by the Council of the European Union pursuant to the Treaty (including compliance with rules relating to rounding in accordance with European Community regulations); provided, however, that, if the Issuer determines, with the agreement of the Notes Common Representative then market practice in respect of the redenomination into Euro 0.01 of internationally offered securities is different from that specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the Paying Agents of such deemed amendments;
- (b) the payment obligations contained in all Notes denominated in the Specified Currency will become void on the date (the "**Euro Exchange Date**") on which the Issuer gives notice (the "**Euro Exchange Notice**") to the Noteholders that replacement Notes denominated in Euro are available for exchange (provided that such Notes are available) and no payments will be made in respect thereof, but all other obligations of the Issuer thereunder (including the obligation to exchange such Notes in accordance with this Condition 21 (*Redenomination, Renominalisation and Reconventioning*)) shall remain in full force and effect;
- (c) new Notes denominated in Euro will be issued in exchange for Notes denominated in the Specified Currency in such manner as the Notes Common Representative may specify and as shall be notified to the Noteholders in the Euro Exchange Notice; and
- (d) all payments in respect of the Notes (other than, unless the Redenomination Date is on or after such date as the Specified Currency ceases to be a sub-division of the Euro, payments of interest in respect of periods commencing before the Redenomination Date) will be made solely in Euro by cheque drawn on, or by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) maintained by the payee with, a bank in the principal financial centre of any Member State of the European Communities.

### 21.4 **Interest**

Following redenomination pursuant to this Condition 21 (*Redenomination, Renominalisation and Reconventioning*), the amount of interest due in respect of the Notes issued will be calculated by reference to the Principal Amount Outstanding of the Notes.

#### 21.5 ***Interest Determination Date***

If the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable and Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, with effect from the Redenomination Date the Interest Determination Date shall be deemed to be the second TARGET Settlement Day before the first day of the relevant Interest Period.

### 22 **Governing Law and Jurisdiction**

#### 22.1 ***Governing law***

The Notes shall be construed in accordance with Portuguese law.

#### 22.2 ***Submission to jurisdiction***

The Issuer agrees, for the exclusive benefit of the Noteholders that the courts of Portugal are to have non-exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Notes and accordingly any suit, action or proceedings (together referred to as “**Proceedings**”) arising out of or in connection with the Notes may be brought in such courts.

#### 22.3 ***Waiver***

The Issuer hereby irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any such Proceedings in any such court and any claim that any such Proceedings have been brought in an inconvenient forum and hereby further irrevocably agrees that a judgment in any such Proceedings brought in the Portuguese courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.

#### 22.4 ***Proceedings outside Portugal***

Nothing contained in this Condition shall limit any right to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

## DESCRIPTION OF THE CONCESSION CONTRACT

The following is a summary of certain provisions of the Concession Contract (defined below). It does not purport to be a complete description of the Concession Contract and is qualified in its entirety by reference to the full text of the Concession Contract, the current terms of which have been established by Decree-Law no. 294/97, dated 24 October 1997 as amended from time to time and as republished by Decree-Law no. 247-C/2008, of 30 December 2008.

### *General*

The Issuer builds, operates and maintains a system of toll motorways in Portugal pursuant to a Concession Contract (the “**Concession Contract**”) which was in effect between Brisa and the Portuguese State from 1972 to 2010 and currently is in effect between the Issuer and the Portuguese State. The Concession Contract has been amended periodically since it was first executed in 1972, the version currently in force having been approved by the Ministerial Order (“*Resolução do Conselho de Ministros*”) no. 198-B/2008, of 31 December 2008. In accordance with clause 40 of the Concession Contract, Brisa transferred the Main Concession to the Issuer on or about the Signing Date.

The Concession Contract is an administrative contract under Portuguese law. The Portuguese State has the right unilaterally to amend the contents of the Concession Contract or terminate the concession granted pursuant to the Concession Contract (the “**Main Concession**”) by reasons of public interest as long as the Issuer is fully compensated.

The scheduled termination date of the Concession Contract is 31 December 2035.

### *Scope of the Main Concession*

Pursuant to the Concession Contract, the Main Concession is granted to the Issuer with respect to the motorways listed therein, and all infrastructure works (bridges, tunnels, over and underpasses, viaducts, etc.), machinery, service areas, equipment, junctions, toll plazas, service buildings and other properties connected with the operation and maintenance of the motorways subject to the Main Concession (the “**Concession Properties**”, expression that excludes non-revertible fixed assets of the Issuer that are not directly related to the operation or maintenance of the motorways). Expropriated lands are property of the Portuguese State and are for the exclusive benefit of the Issuer in order to fulfil its obligations under the Concession Contract. Upon termination of the Main Concession, control of Concession Properties, together with the right to operate the motorways under the Main Concession and to collect toll revenues, is the exclusive right of the Portuguese State. The scope and terms of the Main Concession may be amended by mutual consent of the Portuguese State and the Issuer.

### *Construction*

The Concession Contract sets out a detailed investment plan and the dates by which projects should be completed. At the request of the Issuer, for good cause, and following the approval of a resolution by the Council of Ministers of Portugal (a “**Cabinet Resolution**”), the completion date of any particular project may be changed. The completion dates set out in the Concession Contract assume, *inter alia*, that the Issuer has received in due time the financial contributions for construction activities from the Portuguese State which it is required to provide pursuant to the Concession Contract.

The Issuer may finance its activities through loans and bank credits obtained in both domestic and international markets, its own funds and through any other means available to it, together with funds received from the Republic of Portugal and the EU.

The Portuguese State is obliged generally to contribute 20 per cent. of the costs pertaining to the construction of the operated motorways. The percentage of the Portuguese State’s contribution to the Issuer’s construction costs may be adjusted pursuant to a joint order of the Ministry of Finance and the organisation that regulates the transportation sector in Portugal, in the event that, for reasons proven not to be attributable to the Issuer, the actual cost of a construction project differs significantly from the

Issuer's projections due to unforeseen additional works or the breach of construction schedules as a result of an event of force majeure.

The Concession Contract provides that the amount of the Portuguese State's contribution to the Issuer's construction costs shall be reduced by the amount of funds received from certain other sources, namely the EU, such that the aggregate of all such funds reaches 20 per cent. of the construction costs.

The construction costs for which the Portuguese State is partially responsible include (i) the cost of studies relating to the construction projects; (ii) actual construction costs; and (iii) costs related directly to the equipment used to operate the motorway network and the construction of assistance centres.

Pursuant to the Concession Contract, the Portuguese State will only be obliged to contribute to cost overruns which do not exceed 15 per cent. of the original cost estimate when these are related to a motorway construction or 10 per cent. of the original cost estimate when they correspond to ancillary work (e.g. an overpass). These percentages may be increased in certain situations when authorised by the Minister of Finance and by the ministry responsible for overseeing road transportation (currently the Ministry of Public Works, Transportation and Communications), after a justified request for such purpose has been presented by BRISA and an investigation carried out by the Infraestruturas de Portugal and the *Inspecção Geral de Finanças*.

#### *Tax Exemption*

Decree-Law no. 287/99, of 28 July 1999, implemented some changes to the Concession Contract and to the tax benefits that apply to Brisa. Pursuant to these amendments, investments made on certain motorways before 2002 will be eligible for a 50 per cent. tax deduction and such amounts will be deductible in tax years 2006 and 2007. Some depreciation of deferred costs will also be considered as costs for tax purposes.

#### *New Lane Construction*

The Issuer is required to increase the number of lanes on the toll motorways on the following terms:

- on motorway sections where there are two lanes in each direction, one additional lane, in each direction to come into operation by the end of the second year in which the annual average volume of daily traffic on such sections reaches 35,000 vehicles; and
- on motorway sections where there are three lanes in each direction, one additional lane in each direction to come into operation by the end of the second year in which the annual average volume of daily traffic on such sections reaches 60,000 vehicles.

The Portuguese State may, following a justified request by the Issuer in the event that increasing lanes on certain sections or subsections of the Main Concession motorways is inadvisable for technical and economic reasons, authorise the building of new toll motorways to replace six-lane motorways in order to form alternative routes for traffic for these sections. The Concession Contract provides that, as of 1 July 1997, the creation of new lanes shall not be financed by the Portuguese State except in cases where the increase of lanes relates to toll free motorway sections, in which case the Portuguese State will be required to pay 100 per cent. of the construction costs.

#### *Tariff Rates*

The tariff rates are determined on the basis of two factors: the class of vehicle and the distance in kilometres of the applicable motorway section.

The Concession Contract provides the following classes of vehicles:

- Class I vehicles include motorcycles and vehicles whose height, vertically measured at the first axle level, is less than 1.1 metres with or without trailer (e.g. a passenger car);
- Class II vehicles include vehicles with two axles and whose height, vertically measured at the first

axle is equal to or exceeding 1.1 metres (e.g. a light-weight truck);

- Class III vehicles include vehicles with three axles and whose height, vertically measured at the first axle is equal to or exceeding 1.1 metres (e.g. a heavy truck); and
- Class IV vehicles include vehicles with more than three axles and whose height, vertically measured at the first axle is equal to or exceeding 1.1 metres.

Pursuant to the Concession Contract, the ratio of tariff rates charged on Class I and Class IV vehicles may not exceed a maximum of 1:2.5 without prior authorisation from the Minister of Finance and from the ministry responsible for overseeing road transportation. An increase in tariff rates would first require a proposal from the Issuer and a favourable opinion from EP.

The Concession Contract provides that the maximum tariff rate per kilometre on new motorways and motorway sections placed into operation will be the amount calculated by adjusting Euro 0.051 by 90 per cent. of the annual increase in the *Índice de Preços no Consumidor* (the “**IPC**” – a consumer price index, which excludes housing costs, for Continental Portugal) inflation index since December 1996.

#### *Adjustment of Tariff Rates*

Under the terms of the Concession Contract, the Issuer may, on an annual basis, adjust tariff rates in accordance with inflation by a percentage not exceeding 90 per cent. of the annual percentage increase in the IPC inflation index of the previous year. If the increase is contained within this limit, then no approval from Portugal is required.

In line with a reclassification of vehicles and the allocation to the Classes mentioned in the preceding section, the adjustment of tariff rates in accordance with inflation may, on an exceptional basis and during the years 2006-2011 (inclusive), step up to 100 per cent. of the annual percentage increase in the IPC inflation index of the previous year.

The Issuer may request, 60 days prior to the date on which the new tariffs are valid, that the Ministry of Finance and the ministry responsible for overseeing road transportation approve a tariff rate increase higher than the increase that would result from the application of the above formula whenever, in the Issuer’s determination, such an increase is warranted by changes in the economic terms of the Concession Contract or unpredictable financial variables.

It is possible under exceptional circumstances for the Portuguese State to propose to the Issuer that the adjustments of tariff rates be based on a formula other than the one described above. By 15 November of each year, the Issuer must notify the Ministry of Finance, through the *Inspecção Geral de Finanças*, of the indexed tariff rates to be in force the following year, together with justified calculations.

#### *Toll Exemptions*

The following vehicles are exempt from the payment of tolls:

- vehicles registered to high-ranking members of the Portuguese Government;
- vehicles in the service of the police and security forces;
- fire trucks, ambulances and other emergency vehicles, when duly identified;
- armed forces and security vehicles, when in a convoy;
- the Issuer’s vehicles and other vehicles, when involved in activities related to the Issuer’s business; and
- vehicles used by the Infraestruturas de Portugal and *Inspecção Geral de Finanças*, in activities related to motorway inspection.

The Issuer may not grant additional toll exemptions, except where these are justified by reasons

connected to the operation of the motorways and with the prior consent of Infraestruturas de Portugal has been obtained.

#### *Performance Bond*

The Concession Contract requires the Issuer to provide the Portuguese State with a performance bond (the “**Performance Bond**”) in an amount not less than €53,900,000 in order to assure Brisa’s satisfaction of its obligations under the Concession Contract. The Performance Bond may take the form of funds deposited in Caixa Geral de Depósitos in cash or securities issued or guaranteed by the Portuguese State or in the form of a bank guarantee or insurance bond. The Performance Bond must be established in favour of the EP.

The Issuer provided the full amount of the Performance Bond through bank guarantees.

The Issuer is required to increase the amount of the Performance Bond in accordance with changes in the IPC. Furthermore, after every new motorway or motorway section comes into operation, funds equal to 1 per cent. of the value of such motorway or motorway section must be added to the Performance Bond. The Issuer is required to increase the amount of the Performance Bond within one month of the approval of the financial statements on which the new motorway or motorway section first appears.

During the last two years of the Main Concession, the Portuguese State may require the Issuer to increase the Performance Bond, in order to assure that the Issuer delivers the Concession Properties in perfect condition and without any liabilities. The Issuer can withdraw the Performance Bond within one year of termination of the Main Concession.

If the Performance Bond is drawn down, the Concession Contract requires that Brisa reinstates the amount drawn within one month.

The Portuguese State may draw down on the Performance Bond whenever the Issuer fails to pay any applicable contractual penalties or whenever Infraestruturas de Portugal is required to assume the place of the Issuer for the purpose of completing a given project.

#### *Accessory Works on the Motorways*

The Concession Contract specifies that each motorway must have the following elements, among other things: (i) fencing along its sides; (ii) vertical and horizontal sign posting; (iii) security equipment, especially crash barriers; (iv) landscaping; (v) lighting of interchanges, toll plazas and service areas; (vi) telecommunications equipment; and (vii) anti-pollution and noise reduction equipment.

#### *Expropriation of private property*

The Issuer, acting on behalf of the Portuguese State, is responsible under the Concession Contract for the expropriation of the private properties necessary for the construction of the motorways subject to the Main Concession. The parcels of land to be expropriated will be identified in the plotting plans approved by the ministry responsible for overseeing road transportation.

The expropriations carried out by the Issuer are subject to current Portuguese legislation on expropriations, in particular the *Código das Expropriações*, approved by Law no. 168/99 of 18 September 1999, as amended (the “**Expropriation Code**”).

#### *Special powers of the Portuguese State*

In addition to the general powers of the Portuguese State described above, the Portuguese State may vary technical specifications of the works required to be completed by the Issuer. The Portuguese State may also require the Issuer to make modifications to the works already constructed. In the event that the Issuer proves that the alterations required by the Portuguese State are prejudicial to the Issuer, the Concession Contract provides that the Issuer has the right to receive compensation in an amount agreed between the Issuer and the Portuguese State. Infraestruturas de Portugal can intervene to ask modifications.

Infraestruturas de Portugal also has the authority to determine the time period and conditions in which these alterations or modifications are to be carried out.

#### *Maintenance Obligations*

The Issuer has an obligation to keep the motorways subject to the Main Concession in a good state of repair and condition. This requirement extends not only to the motorways but also to the access roads, interchanges, recreational areas, service areas and overpasses. The Issuer has the responsibility during the life of the Main Concession to carry out all maintenance works which are necessary for the motorways, motorway junctions and motorway service areas to satisfy fully the purposes for which they were intended.

The supervisory personnel of Infraestruturas de Portugal are responsible for verifying the conditions of the Issuer's motorways, and the Issuer must carry out such repairs and improvements as these officials deem necessary.

#### *Motorway Service Areas*

The Concession Contract requires that service areas be constructed on the Issuer's motorways at least every 50 kilometres. The Issuer may enter into agreements with third parties for the financing, construction and operation of such service areas.

#### *Emergency Assistance for Motorists*

The Issuer has an obligation to ensure emergency assistance is available for users of motorways subject to the Main Concession. Specifically, the Issuer must provide breakdown assistance and establish a telecommunications network along its motorways so that motorists can request such assistance. In addition, the Issuer is required to implement systems for traffic monitoring, accident prevention and the provision of warning information to motorists.

#### *Reversion of the Concession Properties to Portugal*

Upon the expiry of the Main Concession, all of the rights of the Issuer arising under the Concession Contract will cease and the Concession Properties will be surrendered to the Portuguese State, in good repair and condition and free of charge or encumbrance.

In the event that repairs are necessary, Infraestruturas de Portugal shall manage the execution of such work in order to return the motorways to a good state of repair and condition. Expenses for any such repairs will be subtracted from the Performance Bond or charged to the Issuer in the event the Performance Bond is insufficient to cover such expenses.

The Portuguese State has a right of first refusal to purchase the Issuer's non-real estate assets, which are not included in the Concession Properties but are related to the operation of the Main Concession.

#### *Sub-Concessions and Transfers*

The Issuer is not permitted, without the previous authorisation of the Portuguese State, to enter into a sub-concession contract or to transfer the Main Concession in whole or in part.

In the event that the Portuguese State permits the Issuer to enter into a sub-Concession Contract, the Issuer will nevertheless maintain all rights and remain subject to all liabilities stemming from the Concession Contract. If the Issuer is permitted to transfer the Main Concession, the new Concession holder shall assume all of the Issuer's duties, obligations and responsibilities under the Concession Contract and the duties, obligations and responsibilities that eventually may be imposed on the Issuer as a condition for the authorisation of the transfer by the Portuguese State.

#### *Contractual penalties*

In the event that the Issuer fails to comply with the terms of the Concession Contract or the lawful

determination of any supervising authority the Portuguese State has the right to either apply contractual penalties or, in certain circumstances, to revoke the Concession Contract before the end of the Main Concession period.

Contractual penalties may vary between a minimum of €4,988 and a maximum of €99,760 for each breach or for each day of delay in compliance with the Concession Contract, depending upon the severity of the breach, and such minimum and maximum values will be adjusted each year for inflation in accordance with the IPC of the previous year. The Performance Bond may be used for the payment of penalties; however, the Issuer must reinstate the full value of the Performance Bond prior to the drawdown no later than one month after it is drawn upon. If the Performance Bond is not sufficient to pay the penalties assessed against the Issuer, the remaining penalty may be charged directly against the Issuer.

Without prejudice to the foregoing, Infraestruturas de Portugal may on a temporary basis replace the Issuer in the execution of any activity, repair work, operation work or other activity which has been interrupted for the account and responsibility of the Issuer.

#### *Optional early revocation of the Concession Contract during the last five years of the Contract Agreement*

Pursuant to the Concession Contract, during the last five years of the concession period the Portuguese State has the right to revoke the Concession Contract at any time after giving the Issuer one year's notice.

In such event, the Portuguese State will assume all rights and responsibilities of the Issuer related to the operation and maintenance of the motorways subject to the Main Concession which result from agreements entered into before the Issuer was notified of the early revocation of the Concession Contract.

Any new obligations assumed during the period between the notification of revocation and the Portuguese State's assumption of the Main Concession shall only bind the Portuguese State if the Portuguese State has approved them beforehand.

In the event of an early revocation of the Concession Contract, the Issuer will be entitled to the following compensation:

- (i) an annual sum payable up to the end of the normal concession period equal to the average net operating income for the seven years preceding the notice of revocation, which figure shall be derived by deducting from the gross income of the Issuer its administration, maintenance and operating costs; and
- (ii) a sum equivalent to the value of any new works carried out with the approval of the Portuguese State after notification of revocation, deducting from such sum one-seventh of the value of such works for each year which has passed since the works were completed.

The compensation value referred to in (i) above will not include the value of the works referred to in (ii) above and the charges related to such works. The total amount of the compensation payment will be established by an arbitration committee comprised of an arbitrator appointed by the Issuer, an arbitrator appointed by the Portuguese State and an arbitrator appointed by both parties, or in the absence of agreement, by the president of the Lisbon Court of Appeal.

#### *Revocation of the Concession Contract*

If the Issuer breaches any of its obligations under the Concession Contract in a serious or repeated manner, the Portuguese State may revoke the Concession Contract.

The Concession Contract may be revoked for various reasons, including but not limited to:

- abandonment of the construction, operation or maintenance of the motorways subject to the Main Concession;
- a judicial declaration of bankruptcy against the Issuer;



- a breach of any obligations in connection with the application of a penalty;
- failure to supply or replace the Performance Bond under the established terms and within the established time limits;
- the assignment or transfer of the Main Concession, in whole or in part, without prior authorisation;
- failure to fulfil decisions issued by a competent court; and
- repeated failure to comply with the decisions of the supervising authorities which is detrimental to the construction or operation of the motorways subject to the Main Concession.

In case of revocation of the Concession Contract for breach, the Issuer will forfeit the Performance Bond. In case of such revocation, the value of the Concession Property is to be evaluated by an arbitral committee and a new concessionaire will then be selected by an auction.

*Force Majeure*

The Concession Contract provides that the Issuer will not be responsible for breaches of the Concession Contract in proven cases of force majeure.

*Dispute resolution*

Disputes as to validity, interpretation and performance of the Concession Contract are to be resolved by a competent court. The Issuer and Portugal may, however, agree to submit disputes to arbitration.

#### **USE OF PROCEEDS**

The net proceeds of each issue of Notes will be applied by the Issuer to meet part of its general financing requirements or to meet any other purpose defined by the Issuer in the relevant Final Terms.

## TAXATION

### **Portuguese Taxation**

Economic benefits derived from interest, amortisation, reimbursement premiums and other instances of remuneration arising from the Notes are designated as investment income for Portuguese tax purposes. In the case of Zero Coupon Notes, the difference between the redemption value and the subscription cost is qualified as investment income and is also subject to Portuguese income tax.

Gains obtained with the repayment of Notes or of any other debt securities are qualified as capital gains for Portuguese tax purposes.

### ***General tax regime applicable on debt securities***

According to the general tax provisions, investment income on the Notes paid to a holder of Notes (who is the effective Noteholder thereof (the “Noteholder”) considered to be a resident legal person for tax purposes in Portuguese territory or to a non-Portuguese resident having a permanent establishment therein to which income is attributable, is subject to withholding tax at a rate of 25 per cent., except where the Noteholder is a collective investment undertaking incorporated under the Portuguese law, a Portuguese resident financial institution (or a non-resident financial institution having a permanent establishment in the Portuguese territory to which income is attributable) or benefits from a withholding tax exemption as specified by current Portuguese tax law. In relation to Noteholders that are corporate entities resident in Portuguese territory (or non-resident having a permanent establishment therein to which income is attributable), such withholding tax is treated as a payment on account of the final tax due.

However, investment income paid or made available to accounts held by one or more parties acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 per cent., unless the relevant beneficial owner(s) of the income is/are identified and as a consequence the tax rates applicable to such beneficial owner(s) will apply.

If the payment of interest or other investment income on Notes is made available to Portuguese resident individuals, a withholding tax applies at a rate of 28 per cent, which is the final tax on that income unless the individual elects to include such income in his taxable income, subject to tax at progressive income tax rates of up to 48 per cent. In the latter circumstance an additional income tax will be due on the part of the taxable income exceeding €80,000 as follows: (i) 2.5 per cent. on the part of the taxable income exceeding €80,000 up to €250,000 and (ii) 5 per cent. on the remaining part (if any) of the taxable income exceeding €250,000. Also, an additional surcharge is due according to the taxpayer taxable income, as follows: (i) 1 per cent for taxable income exceeding €7,070 up to €20,000; (ii) 1.75 per cent for taxable income exceeding €20,000 up to €40,000; (iii) 3 per cent for taxable income exceeding €40,000 up to €80,000 and (iv) 3.5 per cent for taxable income above €80,000.

However, investment income paid or made available to accounts held by one or more parties acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 per cent., unless the relevant beneficial owner(s) of the income is/are identified and as a consequence the tax rates applicable to such beneficial owner(s) will apply.

Investment income on the Notes paid to Noteholders considered as non-resident in Portuguese territory (and having no permanent establishment therein to which income is attributable) is subject to a final withholding tax at a flat rate of 25 per cent. (in the case of non-resident legal persons), at a rate of 28 per cent. (in the case of non-resident individuals) or at a rate of 35 per cent. (in the case of investment income payments (i) to individuals or companies domiciled in a “low tax jurisdiction” list approved by Ministerial Order (*Portaria*) No. 150/2004 of 13 February, as amended by Ministerial Order (*Portaria*) No. 292/2011 of 8 November, or (ii) to accounts opened in the name of one or more accountholders acting on behalf of one or more unidentified third parties, in which the relevant beneficial owner(s) of the income is/are not identified, as the case may be). The above withholding tax rates may be reduced in accordance with any applicable double taxation treaty entered into by Portugal, subject to compliance

with certain procedures and certification requirements of the Portuguese tax authorities, aimed at verifying the non-resident status and eligibility for the respective tax treaty benefits.

Capital gains obtained on the disposal of the Notes by Noteholders that are non-resident legal persons that do not have a permanent establishment in Portugal to which the gains are attributable are, as a rule, exempt from corporate income tax. The exemption from income tax liability does not apply to such non-residents if: (a) more than 25 per cent. of its share capital is held, either directly or indirectly, by Portuguese residents, or (b) its country of residence is in a country, territory or region subject to a clearly more favourable tax regime included in the “low tax jurisdictions” list approved by Ministerial order (*Portaria*) no. 150/2004, of 13 February 2004, amended by Ministerial Order (*Portaria*) no. 292/2011, of 8 November 2011.

Regarding item (a) above the capital gains are still exempt if the following requirements are cumulatively met: (i) the beneficial owner is resident in an EU Member State, in an European Economic Area Member State which is bound to cooperate with Portugal under an administrative cooperation arrangement in tax matters similar to the exchange of information schemes in relation to tax matters existing within the EU Member States, or in a country with which Portugal has a double tax treaty in force which foresees the exchange of information; (ii) the beneficial owner is subject and not exempt from a tax referred to on article 2 of Council Directive 2011/96/UE of 30 November 2011, or from a tax of similar nature with a rate not lower than 60 per cent of the Portuguese IRC rate (currently 12,6 per cent.); (iii) the beneficial owner holds, directly or indirectly, at least 10 per cent. of the share capital or voting rights for at least 1 year uninterruptedly of the entity disposed; (iv) the beneficial owner is not part of an arrangement or series of arrangements which have been put into place for the main purpose or one of the main purposes of obtaining a tax advantage. Although the abovementioned cumulative requirements have been in full force since 31 March 2016 and apply to securities in general, the law is not clear on its application for the holder of debt securities to benefit from the relevant capital gain tax exemption, seeing as some of the alluded requirements appear not to apply to debt securities.

Whenever said exemption does not apply, capital gains are subject to taxation at a 25 per cent. flat rate. Under the double taxation conventions entered into by Portugal, Portugal as the State of Source is usually restricted on its taxation powers to tax such gains and hence those gains are not generally subject to Portuguese tax, but the applicable rules should be confirmed on a case by case basis.

Capital gains obtained on the disposal of the Notes by Noteholders that are individuals not resident in a country, territory or region subject to a clearly more favourable tax regime included in the “low tax jurisdictions” list approved by Ministerial order (*Portaria*) no. 150/2004, of 13 February, amended by Ministerial Order (*Portaria*) no. 292/2011, of 8 November 2011, that do not have a permanent establishment in Portugal to which the income is attributable are exempt from personal income tax. Capital gains obtained by individuals that are not entitled to said exemption will be subject to taxation at a 28 per cent. flat rate.

Investment income (including interest) derived from the Notes and capital gains obtained by Noteholders that are legal persons resident for tax purposes in Portugal and by non-resident legal persons with a permanent establishment in Portugal to which the gains are attributable are included in their taxable income and are subject to corporate income tax rate at a rate of (i) 21 per cent. or (ii) if the taxpayer is a small or medium enterprise as established in Decree-Law no. 372/2007, of 6 November 2007, 17 per cent. for taxable profits up to €15,000 and 21 per cent. on profits in excess thereof to which a municipal surcharge may be added (*derrama municipal*) of up to 1.5 per cent. of its taxable income. Corporate taxpayers with a taxable income of more than €1,500,000 are also subject to a State surcharge (*derrama estadual*) of (i) 3 per cent. on the part of its taxable profits exceeding €1,500,000 up to €7,500,000, (ii) 5 per cent. on the part of the taxable profits that exceeds €7,500,000 up to €35,000,000, and (iii) 7 per cent. on the part of the taxable profits that exceeds €35,000,000.

Capital gains obtained by Noteholders that are resident individuals with the transfer of the Notes are subject to Portuguese capital gains taxation, whereby the positive difference between such gains and gains on other securities and losses in securities is subject to an autonomous tax at 28 per cent., which is the final tax on that income unless the individual elects to include such income in his taxable income, subject to tax at progressive income tax rates of up to 48 per cent. In the latter circumstance an additional income tax will be due on the part of the taxable income exceeding €80,000 as follows: (i) 2.5 per cent. on the part of the taxable income exceeding €80,000 up to €250,000 and (ii) 5 per cent. on the remaining part (if any) of the taxable income exceeding €250,000. Also, an additional surcharge is due according to the taxpayer taxable income, as follows: (i) 1 per cent for taxable income exceeding €7,070 up to €20,000; (ii) 1.75 per cent for taxable income exceeding €20,000 up to €40,000; (iii) 3 per cent for taxable income exceeding €40,000 up to €80,000 and (iv) 3.5 per cent for taxable income above €80,000.

#### ***Special debt securities tax regime***

Pursuant to Decree-Law no. 193/2005, of 7 November 2005, as amended from time to time (“**Decree-Law 193/2005**”), investment income paid on, as well as capital gains derived from a sale or other disposition of the Notes, to non-Portuguese resident Noteholders will be exempt from Portuguese income tax provided the debt securities are integrated in (i) a centralised system for securities managed by an entity resident for tax purposes in Portugal, or (ii) an international clearing system operated by a managing entity established in a member state of the EU other than Portugal (e.g. Euroclear or Clearstream, Luxembourg) or in a European Economic Area Member State provided, in this case, that such State is bound to cooperate with Portugal under an administrative cooperation arrangement in tax matters similar to the exchange of information schemes in relation to tax matters existing within the EU Member States or (iii) integrated in other centralised systems not covered above provided that, in this last case, the Portuguese Government authorises the application of the Decree-Law 193/2005, and the beneficiaries are:

- (i) central banks or governmental agencies; or
- (ii) international bodies recognised by the Portuguese State; or
- (iii) entities resident in countries or jurisdictions with whom Portugal has a double tax treaty in force or a tax information exchange agreement; or
- (iv) other entities without headquarters, effective management or a permanent establishment in Portuguese territory to which the relevant income is attributable and which are not domiciled in a blacklisted jurisdiction as set out in the Ministerial order no. 150/2004, as amended.

For the purposes of application at source of this tax exemption regime, Decree-Law no. 193/2005 requires completion of certain procedures and the provision of certain information. Under these procedures (which are aimed at verifying the non-resident status of the Noteholder), the Noteholder is required to hold the Notes through an account with one of the following entities:

- (i) a direct registered entity, which is the entity with which the debt securities accounts integrated in the centralised system are opened;
- (ii) an indirect registered entity, which, although not assuming the role of the "direct registered entities", is a client of the latter; or
- (iii) an international clearing system, which is an entity that proceeds, in the international market, to clear, settle or transfer securities which are integrated in centralised systems or in their own registration systems.

#### **1. Domestic Cleared Notes – held through a direct or indirect registered entity**

Direct registered entities are required, for the purposes of Decree-Law no. 193/2005, to register the Noteholders in one of two accounts: (i) an exempt account or (ii) a non-exempt account.

Registration of the Notes in the exempt account is crucial for the exemption to apply. For this purpose, the registration of the non-resident Noteholders in an exempt account, allowing application of the exemption upfront, requires evidence of the non-resident status, to be provided by the Noteholder to the direct registered entity prior to the relevant date for payment of interest or prior to the redemption date (in case of Zero Coupon Notes) and to the transfer of Notes, as follows:

- (a) if the Noteholder is a central bank, an international body recognised as such by the Portuguese State, or a public law entity and respective agencies, a declaration issued by the beneficial owner of the Notes itself duly signed and authenticated, or proof of non-residence pursuant to (d) below. The respective proof of non-residence in Portugal is provided once, its periodical renewal not being necessary and the beneficial owner should inform the direct register entity immediately of any change in the requisite conditions that may prevent the tax exemption from applying;
- (b) if the Noteholder is a credit institution, a financial company, a pension fund or an insurance company domiciled in any OECD country or in a country with which Portugal has entered into a double taxation treaty, certification shall be made by means of the following: (A) its tax identification official document; or (B) a certificate issued by the entity responsible for such supervision or registration, or by tax authorities, confirming the legal existence of the beneficial owner of the Notes and its domicile; or (C) proof of non-residence pursuant to (d) below. The respective proof of non-residence in Portugal is provided once, its periodical renewal not being necessary and the beneficial owner should inform the direct register entity immediately of any change in the requisite conditions that may prevent the tax exemption from applying;
- (c) if the Noteholder is an investment fund or other collective investment scheme domiciled in any OECD country or in a country with which Portugal has entered into a double tax treaty in force or a tax information exchange agreement in force, it shall make proof of its non-resident status by providing any of the following documents: (a) a declaration issued by the entity responsible for its supervision or registration or by the relevant tax authority, confirming its legal existence, domicile and law of incorporation; or (b) proof of non-residence pursuant to the terms of paragraph (d) below. The respective proof of non-residence in Portugal is provided once, its periodical renewal not being necessary and the beneficial owner should inform the direct register entity immediately of any change in the requisite conditions that may prevent the tax exemption from applying;
- (d) other investors will be required to make proof of their non-resident status by way of: (a) a certificate of residence or equivalent document issued by the relevant tax authorities; (b) a document issued by the relevant Portuguese Consulate certifying residence abroad; or (c) a document specifically issued by an official entity which forms part of the public administration (either central, regional or peripheral, indirect or autonomous) of the relevant country. The Noteholder must provide an original or a certified copy of such documents and, as a rule, if such documents do not refer to a specific year and do not expire, they must have been issued within the three years prior to the relevant payment or maturity dates or, if issued after the relevant payment or maturity dates, within the following three months. The Noteholder must inform the registering entity immediately of any change in the requirement conditions that may eliminate the tax exemption.

2. **Internationally Cleared Notes – held through an entity managing an international clearing system**

Pursuant to the requirements set forth in the tax regime, if the Notes are registered in an account held by an international clearing system operated by a managing entity, the latter shall transmit, on

each interest payment date and each relevant redemption date, to the direct register entity or to its representative, and with respect to all accounts under its management, the identification and quantity of securities, as well as the amount of income, and, when applicable, the amount of tax withheld, segregated by the following categories of beneficiaries:

- a) entities with residence, headquarters, effective management in Portuguese territory or a permanent establishment therein to which the income would be imputable, and which are non-exempt and subject to withholding;
- b) entities which have residence in country, territory or region with a more favourable tax regime, included in the Portuguese “blacklist” (countries and territories listed in Ministerial Order no. 150/2004) and which are non-exempt and subject to withholding;
- c) entities with residence, headquarters, effective management in Portuguese territory or a permanent establishment therein to which the income would be imputable, and which are exempt or not subject to withholding;
- d) other entities which do not have residence, headquarters, effective management in Portuguese territory or a permanent establishment therein to which the income would be imputable.

On each interest payment date and each relevant redemption date, the following information with respect to the beneficiaries that fall within the categories mentioned in paragraphs (a), (b) and (c) above, should also be transmitted:

- (a) name and address;
- (b) tax identification number (if applicable);
- (c) identification and quantity of the securities held; and
- (d) amount of income generated by the securities.

If the conditions for the exemption to apply are met, but, due to inaccurate or insufficient information, tax was withheld, a special refund procedure is available under the special regime approved by Decree-law no. 193/2005, as amended from time to time. The refund claim is to be submitted to the direct register entity of the Notes within 6 months from the date the withholding took place. A special tax form for these purposes was approved by Order (*despacho*) no. 2937/2014, published in the Portuguese Official Gazette, second series, no. 37, of 21 February 2014, issued by the Portuguese Minister Secretary of State for Tax Matters (currently *Secretário de Estado e Assuntos Fiscais*) and may be available at [www.portaldasfinancas.gov.pt](http://www.portaldasfinancas.gov.pt).

The refund of withholding tax after the above six-month period is to be claimed from the Portuguese tax authorities within two years, starting from the term of the year in which the withholding took place.

The absence of evidence of non-residence in respect to any non-resident entity which benefits from the above mentioned tax exemption regime shall result in the loss of the tax exemption and consequent submission to the applicable Portuguese general tax provisions foreseen above.

## FATCA

Portugal has implemented, through Law 82-B/2014, of 31 December 2014 and Decree Law 64/2016, of 11 of October 2016, the legislation based on the reciprocal exchange of information with the United States of America on financial accounts subject to disclosure (the “**Financial Reporting Regime**”) in order to comply with Sections 1471 through 1474 of FATCA. Under such legislation the Issuer will be required to obtain information regarding certain accountholders and report such information to the Portuguese tax authorities which, in turn, would report such information to the Inland Revenue Service of

the United States of America. In this regard, the United States of America and Portugal signed on 6 August 2015 an intergovernmental agreement (Model 1) which is already in force.

### **Stamp Duty**

No stamp duty will be payable on the issue or transfer of Notes once they qualify as debt securities for the purposes of article 5 no. 2 of the Council Directive 2008/7/EC of 12 February 2008 concerning indirect taxes on the raising of capital, not capable of being the subject matter of indirect taxation imposed by European Union Member States, a position that has already been sanctioned by the Portuguese Tax Authorities through Opinion no. 156/03, of 13 October 2003 (*Parecer 156/03*). Under said Opinion interest arising from Notes is also not subject to Portuguese stamp duty.

### **Luxembourg Taxation**

The comments below are intended as a basic summary of certain tax consequences in relation to the purchase, ownership and disposition of the Notes under Luxembourg law. Persons who are in any doubt as to their tax position should consult a professional tax adviser.

#### ***Withholding tax***

Under Luxembourg tax law currently in effect and with the possible exception of interest paid to individual Noteholders and to certain entities, there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest). There is also no Luxembourg withholding tax, with the possible exception of payments made to individual Noteholders and to certain entities, upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Notes.

In accordance with the law of 23 December 2005, as amended (the “**Relibi Law**”), interest payments made by Luxembourg paying agents within the meaning of the Relibi Law, to Luxembourg individual residents and to certain residual entities securing interest payments on behalf of Luxembourg individual residents are subject to a 10 per cent (10%) withholding tax. Noteholders should note that, based on the draft bill of law n°7020 introduced by the Luxembourg parliament on 26 July 2016, it is foreseen to increase the withholding tax rate from 10 per cent. to 20 per cent.. Responsibility for withholding such tax will be assumed by the Luxembourg paying agent.

The 10 per cent. withholding tax represents the final tax liability for the Luxembourg individual resident taxpayers, receiving the interest payment in the course of their private wealth.

### **Administrative cooperation in the field of taxation**

Under EC Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the “**Savings Directive**”), EU Member States are required to provide to the tax authorities of other EU Member States details of payments of interest (or income deemed equivalent for these purposes) paid by a person within its jurisdiction to an individual resident in that other EU Member State. In this respect it should be noted that the Savings Directive, as amended by Council Directive 2014/48/EU, of 24 March 2014, was repealed by Council Directive 2015/2060, of 10 November 2015. The aim was the adoption of a single and more comprehensive cooperation system in the field of taxation in the European Union under Council Directive 2011/16/EU, of 15 February 2011. Notwithstanding the repeal of the Savings Directive as of 1 January 2016, certain provisions will continue to apply for a transitional period.

The new regime under Council Directive 2011/16/EU, as amended by Council Directive 2014/107/EU, of 9 December 2014, introduced the automatic exchange of information in the field of taxation concerning bank accounts and is in accordance with the Global Standard released by the Organization for Economic Co-operation and Development in July 2014. This regime is generally broader in scope than the Savings Directive.

Under Council Directive 2014/107/EU, financial institutions are required to report to the Tax Authorities of their respective Member State (for the exchange of information with the State of Residence)



information regarding bank accounts, including depository and custodial accounts, held by individual persons residing in a different Member State or entities which are controlled by one or more individual persons residing in a different Member State, after having applied the due diligence rules foreseen in the Council Directive. The information refers not only to personal information such as name, address, state of residence, tax identification number and date and place of birth, but also to the account balance at the end of the calendar year, and (i) in case of depository accounts, the total gross amount of interest paid or credited in the account during the calendar year; or, (ii) in the case of custodial accounts, the total gross amount of interest, dividends and any other income generated, as well as the proceeds from the sale or redemption of the financial assets paid or credited in the account during the calendar year to which the financial institution acted as custodian, broker, nominee, or otherwise as an agent for the account holder, among others.

Portugal has implemented Directive 2011/16/EU through Decree-Law No. 61/2013, of 10 May 2013. Also, Council Directive 2014/107/EU was implemented through Decree-Law No. 64/2016, of 11 October 2016.

In view of the abovementioned regimes, all information regarding the registration of the financial institution, the procedures to comply with the reporting obligations and the forms to use for that end will be provided through Order of the Ministry of Finance.

#### **FATCA Withholding**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, as amended, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including Portugal) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply to foreign passthru payments prior to 1 January 2019. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

#### **The proposed financial transaction tax ("FTT")**

The European Commission has published a proposal for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”). Estonia has since then officially announced its withdrawal from the negotiations.

The proposed FTT has a very broad scope and could, if introduced in its current form, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under current proposals, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States (excluding Estonia) and the scope of any such tax is uncertain. Additional EU Member States may decide to participate. Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

## SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of the Dealers. The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in a dealer agreement dated 22 December 2010 as amended and restated on 16 November 2016 (and as amended or supplemented from time to time, the “**Dealer Agreement**”) and made between the Issuer and the Dealers. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

In the Dealer Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

### **United States**

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended and U.S. Treasury regulations thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each Dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any Dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

### **United Kingdom**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Note in, from or otherwise involving the United Kingdom.

## Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “**FIEA**”) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, article 6 of the Foreign Exchange and Foreign Trade Control Law (Act No. 228 of 1949, as amended), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

### Public Offer selling restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to article 3(2) of the Prospectus Directive in that Relevant Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the issuer has consented in writing to its use for the purpose of that Non-exempt offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to article 3 of the Prospectus Directive, or supplement a prospectus pursuant to article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “**Prospectus Directive**” means Directive 2003/71/EC, as amended.

## Portugal

In relation to the Notes, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, regarding any offer or sale of Notes by it in

Portugal or to individuals resident in Portugal or having a permanent establishment located in the Portuguese territory, it will comply with all laws and regulations in force in Portugal, including (without limitation) the Portuguese Securities Code (*Código dos Valores Mobiliários*), as amended, any regulations issued by the Portuguese Securities Market Commission (*Comissão do Mercado de Valores Mobiliários*) and Commission Regulation (EC) No. 809/2004 implementing the Prospectus Directive, and other than in compliance with all such laws and regulations: (i) it has not directly or indirectly taken any action or offered, advertised, marketed, invited to subscribe, gathered investment intentions, sold or delivered and will not directly or indirectly take any action, offer, advertise, market, invite to subscribe, gather investment intentions, sell, re-sell, re-offer or deliver any Notes in circumstances which could qualify as a public offer (*oferta pública*) of securities pursuant to the Portuguese Securities Code and other applicable securities legislation and regulations, notably in circumstances which could qualify as a public offer addressed to individuals or entities resident in Portugal or having permanent establishment located in Portugal, as the case may be; (ii) all offers, sales and distributions by it of the Notes have been and will only be made in Portugal in circumstances that, pursuant to the Portuguese Securities Code, qualify as a private placement of Notes only (*oferta particular*); (iii) it has not distributed, made available or caused to be distributed and will not distribute, make available or cause to be distributed the Base Prospectus or any other offering material relating to the Notes to the public in Portugal. Furthermore, if the Notes are subject to a private placement addressed exclusively to qualified investors as defined, from time to time, in article 30 of the Portuguese Securities Code (*investidores qualificados*), such private placement will be considered as a private placement of securities pursuant to the Portuguese Securities Code.

#### **France**

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes, and such offers, sales and distributions have been and will only be made in France to (a) providers of investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*) and/or (c) a limited circle of investors (*cercle restreint*) acting for their own account as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 to D.411-4 of the French *Code monétaire et financier*.

#### **Ireland**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that: (a) it has not offered or sold and will not offer or sell any Notes except in conformity with the provisions of the Prospectus Directive and, where applicable, implementing measures in Ireland and the provisions of the Companies Acts 1963 to 2006 of Ireland and every other enactment which is to be read together with any of those Acts; (b) in connection with offers or sales of Notes it has only issued or passed on, and will only issue or pass on, in Ireland or elsewhere, any document received by it in connection with the issue of such Notes to persons who are persons to whom the document may otherwise lawfully be issued or passed on; and (c) it has complied and will comply with all applicable provisions of, and is acting under and within the terms of an authorisation to do so for the purposes of, Directive 2004/39/EC of the European Parliament, as amended and of the Council of 21 April 2004, and it has complied with any applicable codes of conduct or practice made under the applicable local implementing legislation.

#### **General**

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will (to the best of its knowledge and belief) comply with all applicable securities laws and

regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the other Dealers shall have any responsibility therefore.

The Dealers shall not be bound by any of the restrictions relating to any specific country or jurisdiction (set out above to the extent that such restrictions shall, as a result of changes in the official interpretation after the date of the Dealer Agreement, of applicable laws and regulations, no longer be applicable) but without prejudice to the obligations of the Dealers in the paragraph above.

None of the Issuer and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

No action has been or will be taken in any jurisdiction by the Issuer or the Dealers that would permit a public offering of the Notes, or possession or distribution of the Base Prospectus or any other offering material in any jurisdiction where the action for the purpose is required.

With regard to each Tranche, the relevant Dealer will be required to comply with such other restrictions as the Issuer and the relevant Dealer shall agree.

Selling restrictions may be supplemented or modified. Any such supplement or modification relevant only to a particular series or tranche of Notes will be agreed between the Issuer and the relevant Dealer(s).

## GENERAL INFORMATION

### Authorisation

The establishment of the Programme has been duly authorised by a resolution of the Board of Directors of Brisa – Concessão Rodoviária, S.A. dated 20 December 2010 and the update and maintenance of the Programme has been duly authorised by a resolution of the Board of Directors of Brisa – Concessão Rodoviária, S.A. dated 12 August 2015. The security created and/or promised to be created by Brisa – Concessão Rodoviária, SGPS, S.A. has been duly authorised by a resolution of the Board of Directors of Brisa – Concessão Rodoviária, SGPS, S.A. dated 20 December 2010.

### Listing and Admission to Trading

Application has been made to the CSSF to approve this document as a base prospectus. The CSSF assumes no undertaking as to the economical and financial soundness of the information contained herein and the quality or solvency of the Issuer, pursuant to the provisions of article 7 (7) of the Luxembourg Law dated 10 July 2005 on prospectuses for securities (implementing the Prospectus Directive). Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC, as amended).

However, Notes may be issued pursuant to the Programme which will not be listed on the Luxembourg Stock Exchange or any other stock exchange or which will be listed on such stock exchange as the Issuer and the relevant Dealer(s) may agree.

### Clearing of the Notes

The Notes will be integrated in and held through Interbolsa as operator of the CVM. The appropriate ISIN for each Tranche of Notes allocated by Interbolsa will be specified in the Final Terms. The address of Interbolsa is Avenida da Boavista, 3433 – 4100 – 138 Porto, Portugal.

For the time being, Interbolsa will only settle and clear Notes denominated in Euro, U.S. dollars, Sterling, Japanese yen and Swiss francs.

The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

### Conditions for determining price

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

### Litigation

There are no, nor have there been, any governmental, legal or arbitration proceedings, involving Brisa – Concessão Rodoviária S.A. and Brisa – Concessão Rodoviária, SGPS, S.A. (and, so far as Brisa – Concessão Rodoviária S.A. and Brisa – Concessão Rodoviária, SGPS, S.A. are aware, no such proceedings are pending or threatened) which may have, or have had, during the twelve months prior to the date of this Base Prospectus, a significant effect on the financial position of Brisa – Concessão Rodoviária, S.A. or Brisa – Concessão Rodoviária, SGPS, S.A..

### Significant or Material Change

Since 31 December 2015, there has been no material adverse change in the prospects of Brisa – Concessão Rodoviária, S.A. nor of Brisa – Concessão Rodoviária, SGPS, S.A. Moreover, since 30 June 2016 there has been no significant change in the financial or trading position of Brisa – Concessão Rodoviária, S.A. nor in the financial or trading position of Brisa – Concessão Rodoviária, SGPS, S.A..

## **Auditors**

The financial statements of Brisa – Concessão Rodoviária, S.A. have been audited without qualification for the years ended 31 December 2014 and 31 December 2015 by Deloitte & Associados, SROC, S.A., who have given, and have not withdrawn, their consent to the inclusion of their report in this Base Prospectus in the form and context in which it is included. Deloitte & Associados, SROC, S.A. is a member of the *Ordem dos Revisores Oficiais de Contas*.

For a better understanding of the above issues the reading of the complete versions of the opinions included in the annual reports of Brisa – Concessão Rodoviária S.A. together with the respective financial statements, is recommended.

The financial statements of Brisa – Concessão Rodoviária, SGPS, S.A. have been audited without qualification for the years ended 31 December 2014 and 31 December 2015 by Deloitte & Associados, SROC, S.A., who have given, and have not withdrawn, their consent to the inclusion of their report in this Base Prospectus in the form and context in which it is included.

## **Documents available for inspection**

For so long as the Programme remains in effect or any Notes shall be outstanding, copies and, where appropriate, English translations of the following documents will, free of charge, upon request to the Issuer, be available for inspection by the Noteholders that produce evidence satisfactory to the Issuer and the relevant Paying Agent as to its holding of Notes and identity, during normal business hours at the Specified Offices of the Paying Agents:

- (a) a copy of the constitutive documents of the Issuer;
- (b) a copy of the constitutive documents of the Parent;
- (c) a copy of the base prospectus dated 22 December 2010, the base prospectus dated 2 March 2012 and the supplement thereto dated 2 May 2012, the base prospectus dated 16 May 2013 and the supplements thereto dated 19 September 2013 and 13 March 2014, the base prospectus dated 4 July 2014 and the supplement thereto dated 23 March 2015 and the base prospectus dated 14 October 2015 and the supplements thereto dated 4 February, 23 February and 31 May 2016;
- (d) a copy of this Base Prospectus;
- (e) the Notes Common Representative Appointment Agreement;
- (f) the Paying Agency Agreement;
- (g) the Dealer Agreement;
- (h) the Common Terms Agreement;
- (i) the Security Agreement;
- (j) the Intercreditor Agreement;
- (k) the Accounts Agreement;
- (l) the Grantor Direct Agreement;
- (m) the Tax Deed of Covenant; and
- (n) any future base prospectus, publicly disclosed prospectuses and information memoranda, any supplement to a base prospectus and the Final Terms (save that Final Terms, publicly disclosed prospectuses and information memoranda relating to a Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Note and such holder must produce



evidence satisfactory to the Issuer and the Portuguese Paying Agent as to its holding of Notes and identity) to such base prospectus and any other documents incorporated herein or therein by reference.

Under the Programme, the Noteholders will not have access to any document signed or delivered by the Issuer, and shall refrain from requesting the consultation thereof, other than the aforementioned documents, other documents expressly named in a Combined Finance Document as being disclosable to Senior Creditors, other documents disclosed by the Issuer to the public in general or other documents which are required by any applicable law to be disclosed to holders of the Notes.

#### **Financial statements available**

For so long as the Programme remains in effect or any Notes shall be outstanding, copies and, where appropriate, English translations of the following documents may be obtained, free of charge, during normal business hours at the Specified Offices of the Paying Agents, namely:

- (a) the audited annual financial statements published by Brisa – Concessão Rodoviária, S.A. and Brisa – Concessão Rodoviária, SGPS, S.A., for the periods ended on 31 December 2014 and 31 December 2015;
- (b) the unaudited interim financial statements published by Brisa – Concessão Rodoviária, S.A. and Brisa – Concessão Rodoviária, SGPS, S.A., for the periods ended on 30 June 2015 and 30 June 2016; and
- (c) in each case, together with any audit or review reports prepared in connection therewith.

In addition, copies of this Base Prospectus, each set of Final Terms relating to Notes which are admitted to trading on the Luxembourg Stock Exchange's regulated market and each document incorporated by reference are available on the Luxembourg Stock Exchange's website at [www.bourse.lu](http://www.bourse.lu).

#### **Material contracts**

In addition to the agreements described in "*Overview of Certain Transaction Documents*", which are entered into in the ordinary course of the Issuer's business, the Issuer and the Parent have not entered into any material contracts outside the ordinary course of the relevant businesses which could result in the Issuer being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Noteholders in respect of the Notes.

#### **Notes Common Representative**

The Notes provide that the Notes Common Representative take action on behalf of the Noteholders in certain circumstances, but only if the Notes Common Representative is indemnified to its satisfaction. It may not be possible for legal, regulatory or other reasons for the Notes Common Representative to take certain actions in relation to the Notes and accordingly in such circumstances the Notes Common Representative will be unable to take such actions, notwithstanding the provision of an indemnity to it.

#### **Dealer Activities**

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to the Issuer, and/or its Affiliates in the ordinary course of business.

#### **Ratings**

Neither the Issuer nor the Parent is rated. Notes to be issued under the Programme may be rated or unrated and where a Series of Notes is rated, such rating will be disclosed in the applicable Final Terms.

#### **GLOSSARY OF DEFINED TERMS**

"**Account Opening Sheet**" means the signature sheet of the representatives of the Issuer authorised to

operate the relevant Company Account, in accordance with the Accounts Agreement;

“**Affiliate**” means in respect of a person, any of its Subsidiaries or Holding Companies or any other Subsidiary of any such Holding Company;

“**Ancillary Business Activity**” means the business activities of the Issuer which:

- (a) are ancillary to the activities of the Issuer relating to the Main Concession; and
- (b) are on arms’ length terms and are intended to provide additional revenues to the Issuer; and
- (c) make use of the facilities and/or the assets of the Main Concession in a manner which does not and will not interfere with the implementation of the Main Concession and/or the maintenance and operation of any of the facilities and/or use of any of the assets of the Main Concession; and
- (d) are permitted under the Concession Contract or otherwise authorised by the Grantor; and
- (e) have been consented to by the Intercreditor Agent, and

provided that the Intercreditor Agent shall not withhold any consent for the purposes of paragraph (e) above if: (i) the terms on which the relevant activities are to be carried out will not give rise to significant liability on the part of the Issuer or the Operator (other than a liability that will be subject to adequate insurance); (ii) such activities will not give rise to a breach of any Project Agreement; and (iii) such activities will not be prejudicial to the interests of the Issuer or any of the Finance Parties;

“**Auditors**” Deloitte & Associados, SROC, S.A. in relation to the period ending on 27 July 2016 and PriceWaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas Lda. from the 28 July 2016 onwards or any other auditing firm of international standing; “**Available Cashflow**” means, for each Calculation Period, the aggregate of:

- (a) EBITDA, plus
- (b) interest income (excluding any interest income received from Affiliates), less
- (c) tax paid, less
- (d) net change in working capital, less
- (e) any capital expenditure that is not capable of being funded from available committed facilities or the balance standing to the credit of the CAPEX Reserve Account,

plus

- (f) any decrease in the CAPEX Required Balance as at the Calculation Date on which the Calculation Period ends from the CAPEX Required Balance as at the Calculation Date on which the previous Calculation Period ended;

or less

- (g) any increase in the CAPEX Required Balance as at the Calculation Date on which the Calculation Period ends from the CAPEX Required Balance as at the Calculation Date on which the previous Calculation Period ended;

“**Brisa**” means Brisa - Auto-Estradas de Portugal, S.A.;

“**Calculation Certificate**” means each certificate delivered by the Issuer to the Intercreditor Agent under clause 11.3 (*Financial Undertakings*) and prepared on the basis of the Issuer’s audited accounts for the Financial Year ending on that Calculation Date, in relation to a Calculation Date falling on 31 December, or of the Issuer’s half-year unaudited accounts for the half-year ending on that Calculation Date, in relation to a Calculation Date falling on 30 June;

“**CAPEX**” means all capital expenditure incurred by the Issuer in relation to:

- (a) feasibility studies and design work;
- (b) purchase of land, including expenses associated with purchase process;
- (c) construction works, in respect of new infrastructure or widening of existing motorways;
- (d) purchase of equipment and associated software, including safety equipment and information and monitoring systems;
- (e) maintenance works in relation to road pavements, major structures and signalling (excluding any such works undertaken by the Operator pursuant to the O&M Agreement); and
- (f) any other expenditure on assets which will revert to the Grantor at the end of the Main Concession;

“**CAPEX Required Balance**” means in relation to any Calculation Date, the amount required to discharge any obligations of the Issuer with respect to CAPEX forecast to be payable, in each case in the subsequent 6 month period;

“**Cashflow Waterfall**” means the priority of application of monies set out in clause 12.2. (*Proceeds Accounts*) of the Accounts Agreement;

“**CLCR**” means in respect of any Calculation Date, the ratio of:

- (a) the aggregate of the Discounted Forecast Available Cashflow for each Calculation Period after that Calculation Date until the scheduled expiry date of the Concession Contract and the amount standing to the credit of the Debt Service Reserve Account on that Calculation Date, to
- (b) the Net Senior Debt on that Calculation Date;

“**Discounted Forecast Available Cashflow**” means in respect of any future Calculation Period, the Forecast Available Cashflow for that Calculation Period discounted at the Discount Rate;

“**Discount Rate**” means in respect of any Calculation Date, the weighted average cost of the Senior Debt outstanding on that date;

“**Distributions**” means any payment by the Issuer to any Shareholder or Affiliate of a Shareholder as:

- (a) principal, interest (and/or any other form of remuneration) or other sum in respect of any investment paid by a Shareholder or any Affiliate of a Shareholder into the Issuer or in respect of any Shareholder Loans or of any debt instrument issued by a Shareholder;
- (b) loans or any other form of advance made directly or indirectly by the Issuer to, or the subscription of any debt instrument issued by, a Shareholder or any Affiliate of a Shareholder;
- (c) dividends in respect of the Shares or any other distribution (in cash or in kind) on or in respect of the share capital of the Issuer (including, without limitation, any payment by virtue of a reduction of share capital, redemption of shares or acquisition by the Issuer of its own shares), and
- (d) any other payment of management, advisory or other fee or distribution of any kind by the Issuer to any Shareholder or any Affiliate of a Shareholder (excluding the payment of any amounts which constitute Project Costs);

“**Documents**” means the Finance Documents and the Project Agreements;

“**EBITDA**” means the aggregate earnings before interest, tax, depreciation and amortisation of the Issuer, adjusted to exclude any exceptional and/or non-cash items;

“**EIB Security**” means the EIB Guarantees and any security from time to time constituted by or in respect thereof, including any Alternative EIB Security and/or Cash Collateral;

“**Financial Covenants**” means the undertakings of the Issuer relating to financial ratios set out in clause 11 (*Financial Undertakings*) to the Common Terms Agreement;

**“Financial Indebtedness”** means any indebtedness in respect of:

- (a) monies borrowed or raised and debit balances at banks and other financial institutions,
- (b) any debenture, bond, note, commercial paper, loan stock or other security,
- (c) any acceptance or documentary credit facilities, bill discounting or factoring facilities,
- (d) receivables sold or discounted (other than on a non-recourse basis),
- (e) the acquisition cost of any asset to the extent payable before or after the time of acquisition or possession by the party liable where the advance or deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset,
- (f) leases entered into primarily as a method of raising finance or financing the acquisition of the asset leased,
- (g) any currency swap or interest swap, cap or collar arrangements or any other similar instrument,
- (h) any amount raised under any other transaction having the commercial effect of a borrowing or raising of money (other than in the normal course of trading), or
- (i) any guarantee of or other assurances against financial loss in respect of indebtedness of any person of a kind referred to above;

**“Financial Year”** means each calendar year;

**“Force Majeure Event”** has the meaning given to it in the Concession Contract;

**“Forecast Available Cashflow”** means, in respect of any Calculation Date, the projected Available Cashflow for the Calculation Period commencing on the first day immediately after that Calculation Date;

**“Forecast Financing Costs”** means, in respect of any Calculation Date, the projected Financing Costs for the Calculation Period commencing on the day after that Calculation Date;

**“Forward Looking ICR”** means, in respect of any Calculation Date, the ratio of Forecast Available Cashflow to Forecast Financing Costs for the Calculation Period commencing on the first day immediately after that Calculation Date;

**“General Conditions”** means the general conditions applicable to the opening of accounts applied by each Account Bank to its customers in general;

**“Good Industry Practice”** means the exercise of the degree of skill, care and operating practice which would ordinarily be expected from a skilled and experienced person engaged in the same type of undertaking as the Issuer acting in good faith in accordance with the requirement of law and international best practice in the highway construction and/or management industry;

**“Hedging Liabilities”** means the Net Hedging Costs and the Hedging Termination Payments;

**“Hedging Collateral”** at any time, any asset (including, without limitation, cash and/or securities) which is paid or transferred by a Hedging Counterparty to the Issuer as collateral in respect of the performance by such Hedging Counterparty of its obligations under the relevant Hedging Agreement together with any income or distributions received in respect of such asset and any equivalent of such asset into which such asset is transformed;

**“Hedging Collateral Accounts”** any collateral accounts in the name of the Issuer opened with any Account Bank from time to time pursuant to the Accounts Agreement and the relevant mandate into which Hedging Collateral in respect of any Hedging Agreement may be deposited in accordance with the terms of any such Hedging Agreement;

**“Historic ICR”** means in respect of any Calculation Date, the ICR for the Calculation Period ending on that Calculation Date;

“**Holding Company**” means, in respect of any person, any other person of which such person is a Subsidiary;

“**ICR**” means the ratio of Available Cashflow to Financing Costs for a certain Calculation Period;

“**Independent Director**” means any director of the Issuer that satisfies the following requirements:

- (a) is not affected by any impediment foreseen in article 414-A of the Portuguese Companies Code which shall be applicable with the necessary adjustments; and
- (b) does not have (and has not had) any executive or non-executive role in any company directly or indirectly held by any shareholder owning, directly or indirectly, more than 30 per cent. of the Issuer (“**Related Entity**”);

“**Indexed**” means, in relation to any amount, that such amount is increased annually in line with CPI as from the Signing Date;

“**Legal Qualifications**” means the following:

- (a) the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors,
- (b) the time barring of claims under the applicable statutes of limitation, the possibility that an undertaking to assume liability for, or indemnify a person against, non-payment of stamp duty may be void and defences of set-off or counterclaim,
- (c) similar principles, rights and defences under the laws of any relevant jurisdiction, and
- (d) any legal qualifications or reservations as to matters of law set out in the legal opinions issued on the date thereof, provided that, for the avoidance of doubt, such qualifications or reservations shall not include any assumption of fact;

“**Material Adverse Effect**” means an event or circumstance the occurrence or effect of which:

- (a) is materially adverse to the ability of the Issuer to perform and comply with any of its material obligations under the Concession Contract and the other Project Agreements;
- (b) is materially adverse to the ability of the Issuer to pay or repay amounts which are or may become outstanding under the Finance Documents as they fall due or to the ability of the Finance Parties to enforce such payment or repayment;
- (c) is materially adverse to the interests of the Finance Parties or their ability to exercise or enforce their rights under the Finance Documents; or
- (d) is materially adverse to the validity or enforceability of, or the effectiveness of any Security Interest granted pursuant to the Finance Documents;

“**Minimum Balance**” means €50;

“**Net Senior Debt**” means in respect of any Calculation Date:

- (a) Senior Debt outstanding (including, for the avoidance of doubt, payments made pursuant to demands under any Permitted Guarantee granted by any Initial Senior Guarantor or Additional Senior Guarantor, to the extent such payments have not been reimbursed by the Issuer), or projected to be outstanding, on that Calculation Date, less
- (b) for the purposes of the CLCR, the amount standing to the credit of the Notes Collateral Account on that Calculation Date, or
- (c) for the purposes of the Net Senior Debt/EBITDA the aggregate of the amounts standing, or projected to be standing, to the credit of the Company Accounts, other than the Distributions Account, on that Calculation Date;

“**Net Senior Debt/EBITDA**” means, in respect of any Calculation Date, the ratio of Net Senior Debt on that Calculation Date to EBITDA for the Calculation Period ending on that Calculation Date;

“**Permitted Distributions**” means any Distribution paid out of monies standing to the credit of the Distributions Accounts, which have been transferred to that account in accordance with clause 10.2.(p) (*Negative Undertakings*) of the Common Terms Agreement;

“**Project Costs**” means any costs and expenses incurred or to be incurred by the Issuer for the purposes of the Main Concession and any Ancillary Business Activities including, without limitation, any such costs and expenses of the following type:

- (a) liabilities under the Project Agreements;
- (b) liabilities under the Management Consultancy Services Agreement up to the annual amount of €18,000,000 (Indexed) or as otherwise approved by the Intercreditor Agent;
- (c) liabilities under the Shared Services Agreement up to the annual amount of €5,000,000 (Indexed) or as otherwise approved by the Intercreditor Agent;
- (d) CAPEX;
- (e) expropriation costs in connection with expropriations of land which are required to be carried out under the Concession Contract;
- (f) premiums payable in respect of the Insurances;
- (g) fees and costs of professional advisers to the Issuer engaged in respect of the Main Concession;
- (h) expenditure payable by the Issuer in respect of salaries, rental of premises, office equipment and supplies and out of pocket expenses and other expenditure of an administrative and managerial nature;
- (i) Taxes or Tax Permitted Payments; and
- (j) any costs and expenses approved by the Intercreditor Agent;

“**Prospectus Regulation**” means Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC, as amended;

“**Rose Notes**” means the Euro 400,000,000 Rose No. 1 securitisation notes issued on 19 December 2007 and due in 2012;

“**Rose Notes Documentation**” means the documentation pertaining to the issue of the Rose Notes and setting out the terms and conditions thereof and any documents related therewith;

“**Shareholder**” means Brisa – Concessão Rodoviária, SGPS, S.A. and any other person or company who is or has from time to time become a direct shareholder in the Issuer in accordance with the Finance Documents;

“**Shareholder Loans**” means any loans made to the Issuer by any Shareholder where repayment is subordinated on terms satisfactory to the Intercreditor Agent;

“**Shareholders Accession Document**” means the accession document substantially in the form of schedule II (*Shareholders Accession Document*) to the Intercreditor Agreement;

“**Solicited Credit Ratings**” a solicited long term credit rating assigned to Notes issued under the Programme by a Rating Agency;

“**Stabilisation Programme**” means the stabilisation programme agreed by the Portuguese government with the International Monetary Fund and the European Central Bank and the European Union in May 2011;

“**Tax**” means any tax, levy, impost, duty, fees or other charge or withholding of similar nature, including any interest or penalty payable in connection with any failure to pay or any delay in paying any of the same;

“**Tax Permitted Payments**” means any payment made by the Issuer to the Parent or Brisa in respect of its share of the Tax payable by Brisa on a group tax consolidation basis, in an amount not exceeding the amount of tax calculated on the basis of the Issuer’s own individual periodical tax return;

“**Transfer Date**” means any date falling within 120 days of any Calculation Date;

“**Treasury Transaction**” means any currency or interest rate purchase, cap or collar agreement, forward rate agreement, interest rate agreement, interest rate or currency or future or option contract, foreign exchange or currency purchase or sale agreement, interest rate swap, currency swap or combined similar agreement or any derivative transaction protecting against or benefiting from fluctuations in any rate or price.

## ANNEX – ALTERNATIVE PERFORMANCE MEASURES

In addition to the financial information contained in this Base Prospectus prepared in accordance with the financial reporting framework applicable to the Issuer, some Alternative Performance Measures (“APMs”), in accordance with ESMA Guidelines on Alternative Performance Measures dated 5 October 2015 (ESMA/2015/1415en) (the “**ESMA Guidelines**”), are disclosed in this annex. The Issuer discloses these APMs for better understanding of its financial performance. These APMs constitute additional financial information and shall not, in any circumstance, replace the financial information produced under the applicable reporting framework. The definition and calculation of APMs by the Issuer may differ from the definition and calculation of APMs used by other companies and may not be comparable.

ESMA Guidelines define an APM as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. Following the recommendations of ESMA Guidelines, the following APMs are used on this Base Prospectus. The following APMs are based upon information included in the Issuers’ financial information prepared in accordance with the IFRS-EU.

### ***EBITDA and EBITDA Margin***

EBITDA is calculated by adding back to Operating Results (as presented on page 39 of the Issuer’s Financial Statements for the year ended 31 December 2015) the deduction made in relation to Provisions, amortisation, depreciation, adjustments and reversals (as presented on the same page of the Issuer’s Financial Statements for the year ended 31 December 2015).

EBITDA Margin is expressed as percentage and is calculated by dividing EBITDA by the sum between Rendered Services (as presented on page 39 of the Issuer’s Financial Statements for the year ended 31 December 2015), Other operating income (as presented on page 39 of the Issuer’s Financial Statements for the year ended 31 December 2015) and Operating subsidies (as presented on page 39 of the Issuer’s Financial Statements for the year ended 31 December 2015).

The following table provides the reconciliation between the information from the Issuer’s Financial Statements for the years ended 31 December 2014 and 31 December 2015 and for the six month period ended 30 June 2016, prepared in accordance with the IFRS-EU, and both EBITDA and EBITDA Margin:

#### BRISA - CONCESSÃO RODOVIÁRIA, S.A.

(Amounts expressed in Euros)

	30.06.2016	31.12.2015	31.12.2014
<b>Operating income*:</b>			
Rendered services* (1)	236 261 241	490 518 696	460 015 151
Other operating income* (2)	1 921 954	6 398 656	5 522 302
Operating subsidies* (3)	23 279	-	-
Income associated to construction service*	9 115 551	17 305 103	10 950 343
Total operating income*	<b>247 322 025</b>	<b>514 222 455</b>	<b>476 487 796</b>
<b>Operating expenses*:</b>			
External supplies and services*	( 60 702 353)	( 120 394 464)	( 120 914 471)
Personnel costs*	( 786 312)	( 1 564 574)	( 1 466 953)
Provisions, amortisation, depreciation, adjustments and reversals*	( 84 871 564)	( 161 997 826)	( 159 735 759)
Tax*	( 570 517)	( 1 050 031)	( 963 425)
Other operating expenses*	( 38 328)	( 101 648)	( 115 175)
Expenses associated to construction service*	( 9 115 551)	( 17 305 103)	( 10 950 343)
Total operating income*	<b>( 156 084 625)</b>	<b>( 302 413 646)</b>	<b>( 294 146 126)</b>
Operating Results*	<b>91 237 400</b>	<b>211 808 809</b>	<b>182 341 670</b>
Provisions, amortisation, depreciation, adjustments and reversals*	84 871 564	161 997 826	159 735 759
<b>EBITDA (4)</b>	<b>176 108 964</b>	<b>373 806 635</b>	<b>342 077 429</b>
<b>EBITDA margin in % [4 divided by (1+2+3)]</b>	<b>73.9%</b>	<b>75.2%</b>	<b>73.5%</b>

\*Information from the Statements of profit and loss and other comprehensive income



## Net Debt

Net Debt is calculated by deducting to the aggregate nominal amount of the Issuer's financial debt the amount of Cash and cash equivalent (as presented on page 38 of the Issuer's Financial Statements for the year ended 31 December 2015).

The following table provides the reconciliation between the information from the Issuer's Financial Statements for the years ended 31 December 2014 and 31 December 2015 and for the six month period ended 30 June 2016, including further explanations when such information cannot be read directly from such Statements, and Net Debt:

### BRISA - CONCESSÃO RODOVIÁRIA, S.A.

(Amounts expressed in Euros)

	30.06.2016	31.12.2015	31.12.2014
<b>Bond issues:</b>			
Nominal amount of Bond issued in 2006 with maturity in 2016*	407,300,000	407,300,000	600,000,000
Nominal amount of Bond issued in 2012 with maturity in 2015*	-	-	63,500,000
Nominal amount of Bond issued in 2012 with maturity in 2032*	100,000,000	100,000,000	100,000,000
Nominal amount of Bond issued in 2012 with maturity in 2018*	300,000,000	300,000,000	300,000,000
Nominal amount of Bond issued in 2013 with (initial) maturity in 2020*		120,000,000	120,000,000
Nominal amount of Bond issued in 2014 with maturity in 2021*	300,000,000	300,000,000	300,000,000
Nominal amount of Bond issued in 2015 with maturity in 2025*	300,000,000	300,000,000	-
Nominal amount of Bond issued in 2016 with maturity in 2023*	300,000,000	-	-
Nominal amount of Bond issued in 2016 with maturity in 2022*	120,000,000	-	-
Total bond issues	<b>1,827,300,000</b>	<b>1,527,300,000</b>	<b>1,483,500,000</b>
<b>Other loans:</b>			
Nominal amount outstanding under loan from European Investment Bank**	565 288 424	584 781 128	623 766 537
Nominal amount outstanding under commercial paper**	150 000 000	75 000 000	52 400 000
Bank overdrafts*	919	205	205
Total other loans	<b>715 289 343</b>	<b>659 781 333</b>	<b>676 166 742</b>
Aggregate nominal amount of Issuers's financial debt	<b>2 542 589 343</b>	<b>2 187 081 333</b>	<b>2 159 666 742</b>
Cash and cash equivalent (***)	526 062 867	227 613 789	339 363 079
<b>Net Debt</b>	<b>2 016 526 476</b>	<b>1 959 467 544</b>	<b>1 820 303 663</b>

\*Information from Note 19 to the Issuer's Financial Statements for the years ended 31 December 2014 and 31 December 2015 and from Note 16 to the Issuer's Financial Statements for the six month period ended 30 June 2016. The Bond issued in 2006 with maturity in 2016 was reduced in 2015 following a tender offer that led to the cancellation of Notes worth 192,700,000 Euros. In the case of the Bond issued in 2013 with (initial) maturity in 2020, the Issuer early redeemed such bond issue in June 2016.

\*\*As consequence of the Issuer's Financial Statements having been prepared in accordance with the IFRS-EU, such information that cannot be read directly from the Issuer's Financial Statements.

\*\*\*Information from the Issuer's Statements of Financial Position

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