

**COURT-SUPERVISED REORGANIZATION PLAN  
FILED BY**

**FXK ADMINISTRAÇÃO E PARTICIPAÇÕES S.A.,  
ARTECOLA PARTICIPAÇÕES S.A.,  
ARTECOLA QUÍMICA S.A.,  
ARTECOLA EXTRUSÃO LTDA.,  
ARTEFLEX MAXIMINAS EQUIPAMENTOS DE PROTEÇÃO INDIVIDUAL  
LTDA. AND  
ARTECOLA NORDESTE S.A. – INDÚSTRIAS QUÍMICAS – all under  
court-supervised reorganization**

*Court-supervised Reorganization Case filed by FXK Administração e Participações S.A.,  
Artecola Participações S.A., Artecola Química S.A., Artecola Extrusão Ltda., Arteflex  
Maximinas Equipamentos de Proteção Individual Ltda. and Artecola Nordeste S.A. –  
Indústrias Químicas, pending before the Bankruptcy and Reorganization Court of the  
Judicial District of Novo Hamburgo, State of Rio Grande do Sul, under docket No.  
0002843-89.2018.8.21.0019.*

**FXK ADMINISTRAÇÃO E PARTICIPAÇÕES S.A.**, a legal entity governed by private law, registered with CNPJ/MF under No. 91.669.135/0001-08 (“**FXK**”); **ARTECOLA PARTICIPAÇÕES S.A.**, a legal entity governed by private law, registered with CNPJ/MF under No. 21.315.899/0001-01 (“**Artecola Participações**”); **ARTECOLA QUÍMICA S.A.**, a legal entity governed by private law, registered with CNPJ/MF under No. 44.699.346/0001-03 (“**Artecola Química**”); **ARTECOLA EXTRUSÃO LTDA.**, a legal entity governed by private law, registered with CNPJ/MF under No. 10.439.439/0001-79 (“**Artecola Extrusão**”); **ARTEFLEX MAXIMINAS EQUIPAMENTOS DE PROTEÇÃO INDIVIDUAL LTDA.**, a legal entity governed by private law, registered with CNPJ/MF under No. 10.852.767/0001-00 (“**Arteflex**”); **ARTECOLA NORDESTE S.A. – INDÚSTRIAS QUÍMICAS**, a legal entity governed by private law, registered with CNPJ/MF under No. 08.567.190/0001-35 (“**Artecola Nordeste**” and, along with FXK, Artecola Participações, Artecola Química, Artecola Extrusão, and Arteflex, the “**Debtors**”), all duly identified in the record of the court-supervised reorganization mentioned above and with their principal place of business located at Rua Curitibanos, no. 133, Sala A, Canudos, Novo Hamburgo/RS, CEP 93542-130, are submitting this court-supervised Reorganization Plan (“**RP**”) for approval by the General Meeting of Creditors and confirmation by the court, pursuant to Articles 45 and 58 of Law No. 11101/2005, as amended (“**LRF**”):

- (i) Considering the Debtors have been facing economic, market-related, and financial difficulties;
- (ii) Considering that, in response to such difficulties, on February 5, 2018 the Debtors filed for court-supervised reorganization under the LRF and are required to submit a reorganization plan for approval by the General Meeting of Creditors and confirmation by the court, under Article 53 of the LRF;
- (iii) Considering this RP satisfies the requirements contained in Article 53 of the LRF, given that it: (a) details the Debtors' means for reorganization; (b) is economically viable; and (c) is submitted along with the Debtors' respective economic-financial and asset appraisal reports signed by experts;
- (iv) Considering that, via this RP the debtors are seeking to overcome their economic-financial crisis and restructure their business in order to: (a) preserve and adjust their business activities; (b) continue creating wealth, tax revenue, and jobs; and (c) renegotiate payments to their creditors;

The Debtors submit this RP for approval by the General Meeting of Creditors and confirmation by the court as follows:

## **PART I – INTRODUCTION**

### **1. CONSTRUCTION AND DEFINITIONS**

**1.1. Rules of Construction.** The terms defined in this Section 1 will be used, as appropriate, in their singular or plural form, all the while retaining the meaning assigned to them. Except as otherwise provided for, all sections and annexes mentioned in this RP refer to this RP's own sections and annexes. The titles of chapters and sections in this RP have been included solely for reference purposes and in no way should they impact the content of their provisions. The application of this RP must be construed according to Article 47 and following of the LRF.

**1.2. Definitions.** The terms used in this RP have the meanings defined below:

**1.2.1. "FNDE Claim":** its meaning is defined in Section 4.2 below.

**1.2.2. "Trustee":** trustee appointed by the Reorganization Court according to Chapter II, Part III of the LRF, namely firm *Medeiros & Medeiros Administração de Processos de Falência e Empresas em Recuperação Ltda.*, registered with CNPJ/MF under No. 24.593.890/0001-50, with its head office at Rua Júlio de Castilhos, 679, rooms 111 and 112, in the city of Novo Hamburgo, state of Rio Grande do Sul, CEP 93510130, represented by Mr. Laurence Bica Medeiros.

**1.2.3. “GMC”:** means the General Meeting of Creditors, according to Chapter II, Part IV of the LRF.

**1.2.4. “RP approval”:** means approval of this RP under Article 45 or Article 58 of the LRF, in keeping with the provisions in Articles 55 and 56 of the LRF.

**1.2.5. “Cash Sweep”:** its meaning is defined in Chapter 10 of this RP.

**1.2.6. “CDI”:** means the rate corresponding to the variation, as disclosed and calculated by the Central Bank of Brazil, of the Interbank Certificates of Deposit - CDI.

**1.2.7. “Claims”:** all employee claims, secured claims, unsecured claims, and micro and small company claims, as well as the corresponding outstanding liabilities on the Date of Filing.

**1.2.8. “Secured Creditors”:** mean the creditors holding secured claims backed by security interest.

**1.2.9. “Micro and Small Company Creditors”:** mean the creditors organized as micro or small companies, according to Article 41, IV, of the LRF.

**1.2.10. “Unsecured Creditors”:** mean creditors holding unsecured claims.

**1.2.11. “Employee Claims”:** mean the claims held by Employee Creditors.

**1.2.12. “Creditors”:** mean the individual and legal entities included in the list of creditors made by the Trustee, along with changes deriving from settlements reached by the parties or court decisions, and which are subject to the effects from the reorganization.

**1.2.13. “Secured Creditors”:** mean the creditors holding secured claims backed by security interest (including pledge and/or mortgage), as provided for in article 41, II, of the LRF, whose interest will be protected unless it is expressly discharged by the respective Secured Creditor holding such interest.

**1.2.14. “Financing Creditors”** means the Creditors who collaborate with the court-supervised reorganization of the Arteccla Group by granting financing, under market conditions, whose credits will be paid in a privileged manner, pursuant to Section 11 of this Plan.

**1.2.15. “Micro and Small Company Creditors”:** mean the creditors organized as micro or small companies, according to art. 41, IV, of the LRF.

**1.2.16. “Unsecured Creditors”:** mean creditors holding unsecured claims, with general lien, especially privileged and subordinated, according to Article 41, III, of the LRF.

**1.2.17. “Employee Creditors”:** mean creditors holding claims under employment laws or related to workplace accidents, according to art. 41, I, of the LRF, including claims related to employee contract termination letters sent before the Date of Filing, regardless of how the notice period was served.

**1.2.18. “Date of Filing”:** means the date on which the court-supervised petition was filed by the Debtors, that is, February 5, 2018.

**1.2.19. “Business Day”:** means any and all days other than Saturday, Sunday, or any day banks are closed or authorized to remain closed, according to calendars in the states of São Paulo and Rio Grande do Sul and/or at the debtors’ principal place of business.

**1.2.20. “Restructured Debt”:** means the new terms of the Debtors’ total debt to Creditors after the RP is confirmed, including Employee Claims, Secured Claims, Unsecured Claims, and Micro and Small Company Claims, contained in the List of Creditors and as they may be determined when the final list of creditors is made, to which the conditions and forms of payment hereunder will apply.

**1.2.21. “RP Confirmation”:** means the lower court’s decision confirming the RP under arts. 45 and 58, *caput*, or Article 58, paragraph 1, of the LRF, as the case may be.

**1.2.22. “Real Estate”:** means the real estate items listed in **Annex 6.3**.

**1.2.23. “Reorganization Court”:** means the Bankruptcy and Reorganization Court of the Judicial District of Novo Hamburgo, state of Rio Grande do Sul.

**1.2.24. “List of Creditors”:** means the final list entered by the Debtors in the reorganization record, as replaced by the list to be released by the Trustee, according to Article 7, paragraph 2, of the LRF, and amended by the decisions regarding the respective objections and/or belated proofs of claim filed.

**1.2.25. “LRF”:** means Brazilian Law No. 11101, dated February 9, 2005, as amended.

**1.2.26. “RP”:** means the debtors' court-supervised reorganization plan as it is hereby submitted and, as the case may be, as it is confirmed by the court.

**1.2.27. “FNDE Claim Granted”:** means the decision in favor of the plaintiff of the FNDE Claim has become final and unappealable.

**1.2.28. “Court-Supervised Reorganization”:** means court-supervised reorganization case No. 0002843-89.2018.8.21.0019, filed by the Debtors before the Reorganization Court.

**1.2.29. Debtors or Artecola Group:** means, jointly, the companies FXXK Administracao e Participacoes S.A., Artecola Participações S.A. Artecola Química S.A., Artecola

Extrusion Ltda. and Arteccla Nordeste S.A. – Indústrias Químicas; as qualified in the Reorganization Court.

## **PART II – OBJECTIVE OF THE RP**

### **2. OBJECTIVE OF THE RP**

**2.1. Objective.** Given the Debtors are having difficulties to honor their current financial liabilities, this RP sets out steps to reprofile the Debtors’ debt, generate the operating cash flow required for paying off said debt, and generate working capital and funds necessary to keep the Debtors’ activities going, now duly adjusted to the Debtors’ new circumstances.

**2.2. Reasons of the Court-Supervised Reorganization.** Reasons for Court-Supervised Reorganization The Debtors’ financial crisis is the product of an unfortunate combination of negative events that began when the Arteccla Group stepped into the construction market upon acquiring ownership interest in company Gatron Inovação em Compósitos S.A. and signing up to Brazil’s National Program for the Refurbishment and Purchase of Equipment for Public Preschools (Programa Nacional de Reestruturação e Aquisição de Equipamentos para a Rede Escolar Pública de Educação Infantil - Proinfância). Because of the crisis Brazil has been facing in the past decade, from 2014 onward governmental agencies have been significantly and repeatedly failing to disburse the agreed-upon funds, thereby “depleting” the Arteccla Group’s cash position. Incidentally, such situation has led the Debtors and others to resort to the courts and file the FNDE Claim, as described in this RP. Added to that, the crisis has prompted abrupt credit cutbacks among suppliers and financial institutions, which has hurt the business even further. The above mentioned facts, as already duly stated in the reorganization petition, have created the Debtors’ economic-financial and liquidity crisis leading them to file for reorganization.

**2.3. RP Economic Viability and Appraisal of the Debtors’ Assets.** In compliance with the provisions of items II and III of Article 53 of the LRF, the Economic-Financial Report, now **Annex 2.3.-A** as set forth in this RP and Assets Valuation (as combined with pages 3295/3395, incorporated in this RP as Annex 2.3.-B) and Assets and the Economic Feasibility Report of this RP, signed by experts.

## **PART III – REORGANIZATION STEPS**

### **3. KEEPING ACTIVITIES GOING AND THE NEED FOR NEW SUPPLIES**

**3.1. Keeping Supply Activities Going.** Subject to statutory limitations, the Debtors reserve the right and the ability to carry out their activities and take all steps consistent with their company purpose, within the regular course of their business, including with respect to the renewal, payment or purchase of new supplies, both with new and current

partners/suppliers, as long as under usual business conditions, without the need for prior authorization from the GMC or the Reorganization Court.

**3.1.1.** The Debtors run their activities in an integrated manner in order to streamline their operations and management, reason why the funds of one of the Debtors may be transferred to another in the regular course of the Debtors' business.

**3.2. Securing Funds.** The Debtors may secure new loans and supplies without the need for prior authorization from the GMC or the Reorganization Court. The Debtors may sign loan agreements to ensure their activities are viable. However, the Debtors must notify the Reorganization Court about occasional new loans and notify the Trustee about new supplies according to practices from the Date of Filing when providing monthly information for the Trustee's Monthly Reports.

## **PART IV – PAYMENT TO CREDITORS**

### **4. NOVATION**

**4.1. Novation.** Under Article 59 of the LRF, all Creditor Claims are novated as provided for in this RP. The claims novated after the application of the conditions and forms contained in this RP will make up the Restructured Debt, as stated in this RP.

**4.2. Origin of Funds for Payment to Creditors.** The funds for payment to Creditors will come from (i) operating profits occasionally generated by the Debtors' continuing business activities, (ii) the sale of assets listed in this RP and annexes hereto, (iii) amounts occasionally received by the Debtor or the Debtor's shareholders from the action for damages filed by Arteccla Participações S.A. and others against Brazil's National Education Development Fund (Fundo Nacional de Desenvolvimento da Educação – FNDE), currently pending before the 1st Federal Court of Novo Hamburgo, RS, case No. 5001395-76.2018.4.04.7108) ("FNDE Claim"), and (iv) dividends occasionally received by the Debtors as a result of Debtors' ownership interest in companies headquartered above.

### **5. PAYMENT OF EMPLOYEE CREDITORS**

**5.1. Employee Claims.** Employee Creditors will be paid their Employee Claims capped at the amount corresponding to 100 (one hundred) minimum monthly salaries per Employee Claim up to the 5th (fifth) Business Day of the 12th (twelfth) month after RP Confirmation or definitive proof of the respective claim is filed, in the event it is filed after RP Confirmation, duly adjusted for inflation at the Reference Rate from the Date of Filing to the date of the actual payment. Such global manner for Employee Claim payment as provided for in this Chapter 5 of the RP is according to the ruling by the Superior Court of Justice (Superior Tribunal de Justiça – STJ), in Appeal to the STJ No. 1649.774/SP, Reporting Appellate Judge Marco Aurélio Bellizze.

**5.2. Employee Claims above 100 minimum monthly salaries.** The amount of Employee Claims exceeding the amount corresponding to 100 (one hundred) minimum monthly salaries will be paid upon the application of an 80% (eighty percent) discount in 28 (twenty-eight) equal and consecutive twice-yearly payments, the first one owed by the 15th (fifteenth) day of the 18th (eighteenth) month after RP Confirmation and the others in the subsequent semesters.

**5.3. Earlier Payments.** The Debtors may, at their sole and exclusive discretion, dispose of the property listed in Annex 5.3, which may be disposed through the organization of an isolated production unit, pursuant to Article 60 of the LRF, to anticipate the payment of Employee Claims lower than one hundred (100) minimum wages, respecting any payments already made under Section 5.1, above. The disposal dealt with in this clause may be preceded by incorporation, sale, assignment or any other real estate or corporate transaction to be carried out exclusively between the Debtors in order to maximize the value obtained from the sale.

**5.3.1.** From among Employee Claims worth less than 100 (one hundred) minimum monthly salaries, Employee Claims worth equal to or less than 5 (five) minimum monthly salaries will have priority in the earlier payments allowed by the sale of real estate described in **Annex 5.3**. Therefore, Employee Creditors holding Employee Claims worth more than 5 (five) minimum monthly salaries will only be entitled to earlier payments after Employee Claims worth less than 5 (five) minimum monthly salaries have been fully paid off.

**5.4. Release.** The payments made as provided for in this Section 5 will fully and irrevocably release the Debtors from Employee Claims.

## **6. PAYMENT OF SECURED CREDITORS**

**6.1. Payment of Secured Creditors.** Creditors with Secured Creditors will be entitled to receive the nominal value of the credits novated according to this PRJ, based on the List of Creditors and will receive their credits according to the conditions set forth in this Chapter 6, in a bank account to be indicated to the Court-Supervised Reorganization Court or directly to the Debtors or by issuing the corresponding slip, as follows:

- (i) **Grace Period.** There will be a grace period of 15 (fifteen) months from the RP Ratification. The first payment will be made by the last business day of the quarter immediately following the end of the grace period, i.e., within 18 (eighteen) months from the RP Ratification.
- (ii) **Charges.** Charges corresponding to 100% (one hundred percent) of the CDI, from the Date of Filing to the current payment. During the grace period the amounts due as charges will be capitalized in the principal amount of the Secured Claim.

- (iii) **Amortization**. Payment of Secured Claim will be made in 20 (twenty) quarterly, progressive and consecutive installments, the first due until the last business day of the quarter immediately following the end of the grace period set forth in item (i) above. The amortization percentages in each quarter payments are made are given in the following table:

Amortization Flow Secured Claim		
Year of Payment	Annual Amortization (%)	Quarterly Amortization (%)
Year 1	12%	3%
Year 2	16%	4%
Year 3	24%	6%
Year 4	24%	6%
Year 5	24%	6%

**6.2. Earlier Payments**. Debtors shall anticipate the payment of Secured Claim (i) with proceeds from the sale of properties subject to collateral, indicated in **Annex 6.3** ("**Real Estate**"), in accordance with the conditions set forth in Section 6.3, or by donation. in payment of said Real Estate, according to the conditions defined in Section 6.4; (ii) the amounts resulting from the rental of the respective Real Estate, according to the conditions defined in Section 6.5; and/or (iii) with appeals from any decision of favorable merit in the FNDE Action, pursuant to the conditions defined in Section 6.8.

**6.3. Disposal of Real Estate**. The competitive process for the disposal of the Real Estate listed in **Annex 6.3** will be conducted in a court event upon submission of closed bids, the terms and conditions will be found in the notice, in the terms of articles 141 and 142 of the Judicial Reorganization Law, to be published within 30 (thirty) days prior to the event, observing the procedures provided for in this RP ("Notice"), and it is certain that the first event shall occur within no more than 360 (three hundred and sixty) consecutive days counted from the RP Ratification. The Debtors declare that such disposal is necessary as part of this RP for its restructuring and will not impact the payment flow of other Creditors.

**6.3.1 Disposal Resources**. The proceeds from the sale of the Real Estate will be intended exclusively for the payment of the Secured Creditor holding the said security, not taking advantage of each other. Any balance remaining after the full settlement of the respective Secured Claim will be used to amortize the remaining balances of the other Secured Creditors.

**6.3.2 Term**. The Real Estate shall be sold while there is still outstanding balance of Secured Claim.



- 6.3.3 Amount:** Exclusively during the initial period of 360 (three hundred and sixty) calendar days from the RP Ratification, the Property will be disposed of at the minimum appraisal value provided for in **Annex 6.3**. If during this initial period of 360 (three hundred and sixty) days a proposal is offered with value lower than the appraisal value and of interest to the respective lender with Secured Creditor, he must obtain the consent of the Debtors authorizing the sale of the Real Estate for less than the sale price evaluation. After this initial period of 360 (three hundred and sixty) days, it will be up to the Real Guarantee Lender holding the respective guarantee, in its sole and exclusive discretion, to approve the disposal value of the Real Estate, choosing the Winning Proposal, as provided in Section 6.3.7, without any binding to minimum value and without any interference from the Debtors.
- 6.3.4 Participation in the Competitive Process.** Any interested in participating in the competitive process for the acquisition of Real Estate, should express their interest by notification to the Debtors, with a copy to the Judicial Administrator and protocol in the records of the Court-Supervised Reorganization, stating their interest in offering any proposal for acquisition, within the deadline, up to fifteen (15) days after the Publication of the Notice, expressly declaring itself aware that it will incur a fine and indemnity in case of default of its obligations in relation to the proposal presented by it.
- 6.3.5 Financial Capacity.** Interested parties must prove their financial ability to purchase and good repute by making available the audited financial statements and other documents to be indicated in the Notice, necessary for the credit assessment and compliance with applicable regulatory standards.
- 6.3.6 Annulment or Invalidation of the RP.** The annulment or invalidation, in whole or in part, of this RP, but maintaining the sale of the Real Estate and the payment of Secured Creditors in the form of the RP, will not affect the succession of the acquirers.
- 6.3.7 Winning Proposal.** Closed proposals will be opened by the Judicial Administrator within five (5) business days from the deadline for submission of closed proposals. The tender opening session, with date, time and place, must be included in the Notice, and the Secured Creditors can follow the opening of the proposals. The winning proposal for the acquisition of the Real Estate will be the one chosen by the respective Secured Creditor holding the security to be disposed. (“Winning Proposal”), the winning bid for the acquisition of any of the Real Estate will be the one that represents the best conditions for the respective Secured Creditor holding the security to be disposed, preferably with the highest purchase price.
- 6.3.8 Selection of the Winning Proposal.** The selection of the Winning Proposal will

be made through electronic message to be sent by the Debtors, within 15 (fifteen) calendar days from the opening of the closed proposals, to the Secured Creditors whose respective security has received at least one proposal, requesting the indication of the proposal. proposal to be accepted, or the rejection of all proposals and the holding of a new future event, which shall occur within 15 (fifteen) calendar days from the receipt of the electronic message sent by the Debtors.

**6.3.9 Lack of Proposals.** In the event that there are no offers for all or any of the Real Estate, or in case of rejection of all proposals by a Real Estate by the respective Secured Creditor, a new court order, in the same manner as described in the Section 6.3, shall be held within more than 180 (one hundred and eighty) calendar days, counted from the date of the last judicial event. And if this hypothesis occurs again, new events shall be held in successive terms not exceeding 360 (three hundred and sixty) consecutive days, counted from the date of the last judicial event.

**6.3.10 Approval of Winning Proposals.** Winning Proposals shall be ratified by the Reorganization Court, which shall declare the winner free of any liens, contingencies and/or succession, pursuant to Articles 60 and 142 of the Judicial Reorganization Law.

**6.3.11 Lack of Succession.** The purchasers of the Real Estate shall not succeed the Debtors in any of their constraints, debts and obligations of any nature whatsoever, including, but not limited to, those of a tax and labor nature, unless otherwise agreed by the acquirer and the Debtors.

**6.3.12 Referral of Brokers and Follow Up by Creditors.** Secured Creditors have the right to appoint brokers, agents or agents that aim to assist the sale efforts of the Real Estate, as well as to participate directly in the monitoring of the sale process of the respective Real Estate whose guarantee they hold, upon prior and express notification to the Debtors about such interest.

**6.3.13 Hiring Brokers or Auctioneers.** The Debtors shall, within 30 (thirty) days of the RP Confirmation, hire brokers or auctioneers with expertise in the area of real estate disposal.

**6.3.14 Sale Resource Allocation.** The amounts resulting from the disposal of each Real Estate will be used to settle the Real Guaranteed Creditor holding the real guarantee recorded in the respective Property, up to the limit of the Secured Creditor and respecting any payments made under Section 6.1. will be made directly into the bank account to be indicated by the respective Secured Creditor or by issuing a bank slip. Any remaining balance should be directed to the amortization of any remaining balance of the remaining Secured Creditors.

**6.3.15 Sale Authorization by Creditors.** From RP Confirmation and regardless of signing any separate documents, Secured Creditors whose claims are backed by the real estate to be disposed authorize the sale and transfer of the property, whose funds will be used to pay their Secured Claims up to the limit of such Secured Claims, as long as such is done in strict compliance with the provisions of this RP, provided that in strict accordance with the provisions of this RP, it is certain that the respective collateral will be maintained on the property until the full payment of the price of the Property and the consequent payment of the respective Secured Creditor.

**6.4. Transfer in lieu of payment.** Notwithstanding, the Secured Creditors may choose, by means of petition protocol to this effect in the Court-Supervised Reorganization records or by express notice to the Debtors, at any time, the receipt of part of their Secured Claims upon payment in kind of the Real Estate listed in **Annex 6.3**, encumbered to them.

**6.4.1** If the Secured Creditor chooses to give in payment, such payment in full shall be 100% (one hundred per cent) of the forced settlement amount set forth in the respective valuations set forth in Annex 6.3.1, so that any remaining balance shall remain in effect, paid in accordance with the payment flow established in Section 6.1. This option may be made at any time by the respective collateral creditor holding the collateral as long as there is an outstanding balance in excess of one hundred percent (100%) of the Forced settlement value of the Real Estate.

**6.4.2** If the Secured Creditors has rejected a proposal for the disposal of the respective Real Estate upon payment in cash and exclusively in the 360 (three hundred and sixty) calendar days counted from the RP Confirmation, for more than the forced settlement amount, the Donation in payment will be made for 100% of the amount of the proposal declined by the respective Secured Creditors. The donation in payment within more than 360 (three hundred and sixty) calendar days counted from the RP Confirmation shall comply with the provisions of Section 6.4.1.

**6.5. Rent.** Secured Creditors will receive the amounts arising from the lease of their Real Estate given as security ("Rents") from the RP Confirmation. Debtors are required to amend their Real Estate lease agreements and make all necessary arrangements for the Renters to be paid directly by the tenants to their Real Secured Creditor on a monthly basis to the account to be indicated by their Secured Creditors or upon issuance of slips, in order to amortize the installments of the referred payment flow, first reducing the last installment, then the second to last, and so on, until all the Rentals are used. The rents will be due (i) until the disposal of the respective Real Estate; (ii) while there is a balance due, pursuant to Section 6.1; or (iii) while the rental agreement of the respective Real Estate lasts.

**6.6. Other Securities.** The other Real Estate owned by the Debtors that were also the subject of a collateral security to the Guaranteed Creditors, as identified in Annex 2.3.-B, may be given as chattel mortgage to the respective Secured Creditor, either to guarantee the payment of the Secured Claims in this RP, either to secure Non-Subject Credits, which is hereby authorized through this RP.

**6.7. Secured Fiduciary Disposal.** The Debtors, provided in mutual agreement with the Secured Creditor that expresses interest in this regard, will give in fiduciary, in guarantee of full payment of Secured Claims and/or Non-Subject Credits, the mortgaged real estate, to the respective Secured Creditor benefiting from the respective mortgages of each of the Real Estate or other properties not mentioned in **Annex 6.3**, but already identified among the properties listed in **Annex 2.3.-B** of this RP, whose registration costs will be borne by the respective Secured Creditor, if you have not agreed with the Debtors and/or third parties in a different sense and by your own instrument. Regardless of whether or not the option provided for in this Section is exercised by the Secured Creditor, the security originally granted to it will remain valid and effective until the full settlement of the Secured Claims, as new, pursuant to this RP, and mortgages are certain, will be held over the Real Estate until the full payment of the respective Secured Claims, even if the fiduciary disposal provided for in this Section is constituted.

**6.8. FNDE Claim Granted.** After Unsecured Creditors are paid, in case there is a surplus amount of funds from the FNDE Claim, such surplus funds must be used to pay the occasionally remaining balance owed to Secured Creditors included in the payment flow provided for in Section 6.1, up to the remaining balance limit.

**6.9. Release.** The payments made as provided for in this Section 6 will fully and irrevocably release the Debtors from Secured Claims.

## **7. PAYMENT OF UNSECURED CREDITORS**

**7.1. Payment of Unsecured Creditors.** Unsecured Creditors will be entitled to receive the nominal value of the credits novated according to this PRJ, based on the List of Creditors and will receive their credits according to the conditions set forth in this Section 7, in a bank account to be indicated to the Court-Supervised Reorganization Court or directly to the Debtors or by issuing the slip, as follows:

- (i) **Extended Flow.** The Debtors undertake to pay 20% (twenty percent) of the stated value of each Unsecured Claim according to the List of Creditors, and the remaining 80% (eighty percent) will be paid provided the FNDE Claim is granted.
- (ii) **Grace Period.** With respect to the 20% (twenty percent) payment corresponding to the extended flow, there will be a 24 (twenty-four) month grace period counted from RP Confirmation. The first payment will be made 6 (six) months counted from the end of the 24 (twenty-four) month grace period, that is, 30 (thirty)

months after RP Confirmation.

- (iii) **Adjustment for Inflation and Interest.** Adjustment for inflation according to the changes in the Reference Rate and applicable from the Date of Filing until the actual payment. During the grace period, the amounts owed as adjustment for inflation and interest will be capitalized to the principal amount of the Unsecured Claim.
- (iv) **Amortization.** Unsecured Claims will be paid in 52 (fifty-two) quarterly consecutive installments, the first of which is due 6 (six) months after the end of the grace period provided for in item (ii) above. The amortization percentages in each year payments are made are given in the following table.

Amortization Flow Unsecured Claims	
Year	%
Year 1	0.00%
Year 2	0.00%
Year 3	0.90%
Year 4	1.40%
Year 5	2.40%
Year 6	3.30%
Year 7	3.70%
Year 8	4.00%
Year 9	6.40%
Year 10	8.70%
Year 11	10.00%
Year 12	13.30%
Year 13	14.50%
Year 14	15.70%
Year 15	15.70%

- (v) **FNDE Claim Granted.** After a decision on the merits of the FNDE Claim has become final and unappealable ordering the defendants in that suit to make any payments to the Debtors, with maturity expected to occur within five (5) years from the RP Confirmation, successively extendable until the actual final decision (“FNDE Claim Granted”), the Unsecured Claims will be restated so that each Unsecured Creditor receives their respective claim under the conditions provided for below solely through the FNDE Claim funds and up to their limit:
- a. **Charges.** Charges corresponding to 100% (one hundred percent) of the CDI, from the Date of Filing to the current payment. During the grace period the amounts due as charges will be capitalized in the principal amount of the Unsecured Claim.

- b. **Resource Allocation Action FNDE.** Payments with FNDE Claim will be owed in the event of any payments to the Debtors on account of said FNDE Claim up to the limit of the amount received for such claim, considering the amounts of the Unsecured Credits to be paid pursuant to this Section. These amounts will be used to pay Unsecured Creditors in proportion to their Credits. If there is an excess balance after the payment of the Unsecured Creditors, such amount shall be allocated to Secured Creditors, in accordance with the conditions defined in Section 6.1. The amounts received under the FNDE Action will be deducted from the taxes due upon receipt, as well as the costs and expenses related to the FNDE Action, including attorney's fees.
- c. **Allocation of Amounts.** The amounts received from the FNDE Claim will be used to pay Unsecured Creditors on a *pro rata* basis according to the List of Creditors and will be allocated to payments in the following order: (1) payments of charges on this FNDE Payment; (2) payment of the principal amount of Unsecured Claims up to the limit of the respective Unsecured Claims according to the List of Creditors.
- d. **Release.** The amount of Unsecured Claim will be deemed fully paid off when these creditors receive all amounts owed to the Debtors from the FNDE Claim, provided such claim is granted. In the event there is a surplus balance from the FNDE Claim after the Unsecured Creditors are paid, as well as the Secured Creditors as the case may be, under this RP such remaining balance will be used to keep the Debtors' activities in operation.
- e. **Monthly Reports.** The Debtors shall, by the last Business Day of each month, from the RP Confirmation, make available in the Court-Supervised Reorganization monthly report on the FNDE Action, which shall contain the main proceedings of the process during the period.
- f. **Fiduciary Assignment of FNDE Claim Credit Rights.** Through this RP and upon a decision to be issued by the Reorganization Court, the Debtors agree to the fiduciary assignment of their respective credit rights related to the FNDE Claim, under article 66-B of Law No. 4728/1965 and according to Article 1361 and following of the Brazilian Civil Code, as applicable, in order to guarantee the allocation of FNDE Claim funds and payments to this Court-Supervised Reorganization's Creditors while a final ruling is not reached with respect to the FNDE Claim. In order to set up this fiduciary ownership of credit rights, under art. 1362 of the Brazilian Civil Code, it is hereby agreed that (I) the amount secured corresponds to the amount given in the List of Creditors and will be distributed among the

Creditors on a pro rata basis; (II) the time of payment corresponds to the time the FNDE Claim award is paid; (III) the interest rate is described in line (a) of item (v) of this Section, and (IV) it is non-transferable, with the scope of guarantee and object of the transfer of fiduciary property corresponding to the full credit rights arising from the FNDE Action, held by the Debtors, as well as those of third parties that have been assigned in favor of the Debtors, as per item (vi) this Section. The fiduciary assignment provided for in this RP is entered into under an impenetrability section.

**g. Official Letter to the Registries of Deeds and Documents.** The Debtors shall request to the Reorganization Court an official letter to the Registries of Deeds and Documents competent for the registration of this RP to comply with paragraph 1 of Article 1,361 of the Civil Code.

**h. Notification of the Fiduciary Assignment.** Notwithstanding the possibility of communication of the present fiduciary assignment by the Debtors themselves, the communication to the federal court in which the FNDE Action is being processed, whose credit rights are assigned in trust as provided in this RP, is of convenience and discretion of each secured creditor, being certain that the Creditors do not subrogate in the active pole of the FNDE Action, having only the fiduciary assignment of the credit rights that the Debtors may obtain, and under no circumstances is the Creditors' responsibility to bear any liens of any kind, arising from said lawsuit, except that the success fees of the Recovering Patron's FNDE Action will be deducted from the amounts to be paid to the Creditors, prior to the apportionment, as provided in this RP.

**(vi) Assignment from Third Parties to the Debtors.** Within 30 (thirty) days from the RP Confirmation, the Debtors are required to celebrate with Mr. Eduardo Renato Kunst, deed of assignment of credit rights in favor of the former, having as object the portion of the credit rights that would be the responsibility of Mr. Eduardo Renato Kunst in the FNDE Action. The credit rights object of the assignment will be destined to complement the payments due by the Debtors under the terms of this RP, following the same allocation of the resources resulting from the FNDE Action held by the Debtors, as provided in this Section 7.1 and Section 6.5.

**(vii) FNDE Claim Denied.** In case the Debtors' FNDE Claim is denied, meaning that the decision finding against the Debtors in said case has become final and unappealable, Unsecured Claims will be deemed released after the installments provided for in item (iv) above are paid.

**7.2. Release.** The payments made as provided for in this Section 7 will fully and

irrevocably release the Debtors from Unsecured Claims.

## **8. PAYMENT OF MICRO AND SMALL COMPANY CREDITORS**

**8.1. Payment of Micro and Small Company Creditors.** Micro and Small Company Creditors will be paid the stated value of the claims novated according to this RP, minus any amounts owed as interest, pecuniary penalties, and other charges.

**8.2. Payment of Micro and Small Company Claims.** Micro and Small Company Claims will be paid under the conditions below.

- (i) **Payment of the Principal Amount.** The Debtors will pay the amount corresponding to 15% (fifteen percent) of the face value of each Micro and Small Company Claim, as stated in the List of Creditors.
- (ii) **Grace Period.** 24 (twenty-four) months counted from RP Confirmation.
- (iii) **Adjustment for Inflation.** Adjustment for inflation calculated based on the changes in the Reference Rate.
- (iv) **Amortization.** Payment in 26 (twenty-six) twice-yearly consecutive installments, the first of which due 6 (six) months after the end of the grace period mentioned in item (ii) above. The amortization percentages in each year payments are made are given in the following table:

Amortization Flow Micro and Small Company Claims	
Year	%
Year 1	0.00%
Year 2	0.00%
Year 3	0.90%
Year 4	1.40%
Year 5	2.40%
Year 6	3.30%
Year 7	3.70%
Year 8	4.00%
Year 9	6.40%
Year 10	8.70%
Year 11	10.00%
Year 12	13.30%
Year 13	14.50%
Year 14	15.70%
Year 15	15.70%



**8.3. Release.** The payments made as provided for in this Section 8 will fully and irrevocably release the Debtors from Micro and Small Company Claims.

## **9. PAYMENT OF PARTNER CREDITORS**

**9.1. Partner Creditors.** Unsecured Creditors and Micro and Small Company Creditors that continue supplying inputs or providing services to the Debtors will be considered Partner Creditors and may receive their Claims in full according to the List of Creditors and in an accelerated manner, prorated to the payment timeframe granted, without interest, for payment by the Debtors.

**9.1.1.** The amortization of Partner Creditors' Claims will be accelerated at the rate of 0.07% (point zero seven percent) of the net amount of the sales invoice or service bill, per day of extra time granted and increase in the existing credit limit.

**9.1.2.** For Creditors to be considered Partner Creditors, the minimum timeframe for payment and limit without interest granted to the Debtors will be 15 (fifteen) days on each sales invoice or service bill.

**9.1.3.** The acceleration is capped at a total of 4% (four percent) of the net amount of the sales invoice or service bill.

**9.2. Payment Date.** The payment referred to in this Section 9 will be owed in the month following the issuance of the sales invoice or service bill which led to the accelerated payment to the Partner Creditor.

**9.3. Contracting with Partner Creditors.** The purchase of inputs and raw materials, as well as the engagement of services, will be connected to the Debtors' purchasing needs and working capital, and business conditions must be consistent with market practices. Therefore, the Debtors will in no way be obligated to make purchases or engage services.

## **10. EXTRAORDINARY AMORTIZATION IN CASE OF "EXCESS CASH" (*CASH SWEEP*)**

**10.1. Cash Sweep.** Debtors undertake to make any and all excess resources in their Free Cash Flow generated, as defined in **Annex 2.3-A**, thus understood as the positive difference between (i) the Free Cash Flow actually realized in the financial statements, audited by an independent audit firm, and (ii) the Free Cash Flow projected in the economic viability report of this RP, as per **Annex 2.3-A**, is shared with the Creditors in the proportion of 50% (fifty percent) advance payments of 80% of Unsecured Credits not included in the extended payment flow, and 50% (fifty percent) for the operation and maintenance of the activities of the Cash Sweep.

**10.1.1.** Subject to the provisions of Clauses 7.1 (v) and 7.1. (vi), upon calculation of the Cash Sweep, the Debtors undertake to make the prepayment, in part or in full, of

the balance of Unsecured Credits that is outstanding at the time of occurrence of each Cash Sweep event, *pro rata* to the amount of the respective Credit of each Creditor, and such payments shall be due until the end of the sixth month following the end of each fiscal year that has resulted in the Cash Sweep payment.

## **11. PAYMENT OF FINANCING CREDITORS**

**11.1. Financing Creditors.** Creditors who collaborate with the Court-Supervised Reorganization of the Arteccla Group by granting, at any time after the Approval of the Plan, short, medium or long term financing under market conditions and more advantageous to the Debtors than those presented by other financial institutions or investment funds, will be considered Financing Creditors and may receive the payment flow dealt with in Section 7.1 (iv), above, in an accelerated manner as set forth below.

**11.1.1. Value and payment of acceleration.** The maximum amount to be paid in an accelerated manner will be equivalent to up to five percent (5%) per year of the principal amount of the Credit in relation to new credit granted with long-term operations, whereas for short and medium term operations the maximum acceleration will be up to 1% (one percent). Payment of this amount will be made by adding to the principal amount of the new credit granted, which will be paid in the form of the credit agreement to be entered into between the parties.

**11.1.2. Acceleration allocation.** Amounts relating to the accelerated payment provided for in this Section 11 shall be allocated to the installments provided for in Section 7.1 (iv) so that the more mature installments are paid first. The quarterly installments provided for in said Section 7.1 (iv) will continue to be due until settlement of the flow provided for therein, which, due to acceleration, will have a shorter than expected full payment period.

**11.1.3. Adhesion.** Adhesion of the Creditors to the condition of Financing Creditor shall be made by the Creditor in a specific contract to be concluded between the parties, within the limits imposed in this Plan.

## **12. COMMON PROVISIONS ON PAYMENT OF CREDITORS**

**12.1. Form of Payment.** The amounts owed to Creditors under this RP will be wire transferred to each creditor's bank account to be individually provided by the Creditors or upon payment of a slip issued in accordance with this RP.

**12.1.1.** The documents related to the actual transfer of funds will supply proof of payment of the respective amounts actually paid by the Debtors, and will therefore grant the Debtors full and irrevocable release with respect to the amounts then paid.

**12.1.2.** Payments which are not made because of Creditors' failure to provide a bank

account or have not issued the ticket, as the case may be, will not be considered a breach of this RP. No interest or late charges will apply in case payments are not made because of Creditors' failure to provide a bank account.

**12.1.3.** All amounts owed hereunder will be payable on the 15th (fifteenth) day of the month they are due or, in case the 15th (fifteenth) day of the month is not a Business Day, they will be payable on the subsequent Business Day.

**12.2. Payment Flow Percentages.** In the event a Creditor's disagreement or objection is ruled on by the court after RP Confirmation and such ruling changes the percentage owed to a given Creditor, such disagreement or objection will only impact this RP from the date said decision becomes final and unappealable. Also, any and all payments made before based on the former percentages will remain valid and intact.

**12.3. Amounts.** The amounts considered for the payment of the Claims are those included in the List of Creditors and its subsequent amendments stemming from agreements between the parties or court decisions, which will become payable as novated by this RP.

**12.3.1.** In order to make the payments viable, as well as to cut costs with bank transfer fees and expedite administrative procedures, the Debtors will make all payments owed hereunder once the minimum amount of BRL 500.00 (five hundred reais) per Creditor, in keeping with each Creditor's balance and according to the manner, deadline, and addition of payment charges related to each class of Creditors, until the Claims are respectively paid in full. In case at each one of the payment installments the amounts assessed are below the minimum amount set in this RP, the Debtors will pay the Creditor as soon as the minimum amount of BRL 500.00 (five hundred reais) described herein is reached.

**12.3.2.** In case the amount of the respective Claim is below the minimum amount for the payment installments as provided for in this RP with respect to the List of Creditors, the respective payment will be made up to the limit of the amount owed according to the List of Creditors in order to achieve the actual release of the respective Claims.

**12.4. Allocation of Payments between the Principal Amount and Charges.** All payments hereunder are to be first allocated to pay the amount of the charges on the Claims and, after that and as provided for herein, the principal amount.

**12.5. Offsetting.** The Debtors may obtain release from any Claims or Creditors, as applicable and at the Debtors' discretion, by offsetting (i) credits of any kind the Debtors may have against the Creditors; and (ii) credits owed by the Creditors, as applicable and as modified by this RP, duly identified in the Debtors' financial statements and/or occasionally provisioned as a result of lawsuits, including as identified in the Trustee's

Monthly Reports. In this case, the offsetting will extinguish both liabilities up to the limit of the amount actually offset. The failure to conduct the offsets provided for herein may not be construed as a waiver or discharge by the Debtors of any credits they may hold against such Creditors.

**12.5.1. Offsetting for fiduciary creditors.** The Debtors' creditors that had received a fiduciary assignment of credit rights to secure the actual payment of their claims may use their secured claims to offset the amounts they have received as a result of said fiduciary security. In case the fiduciary security funds are not sufficient to cover the full payment of their claim, the remainder will be paid as provided for in this RP.

**12.6. Claims in Foreign Currency.** For voting purposes, claims in foreign currency which are yet to be converted into Brazilian currency will be converted into said national currency according to the foreign exchange sale rate published by the Brazilian Central Bank on the eve of the GMC on the bank's internet page on exchange rates (<http://www.bcb.gov.br/?txcambio>), "Cotações e Boletins" (rates and bulletins) menu, "Cotações de fechamento de todas as moedas em uma data" (closing rates of all currencies on a date) option.

**12.7. Payments by Co-Debtors.** If there are third parties contractually co-obligated for the payment of the Credit other than the Debtors, the Creditors may demand the receipt of their credits against such co-obligated third parties, even if they are under Court-Supervised Reorganization. However, in this case, the result of the sum of the installments received in compliance with this RP, with other payments made by potential co-obligors, may not exceed the amount of the Credit. That is, once the obligation is fulfilled, as originally provided for in the respective instruments, nothing else may be required, either of the Debtors or the co-obliged. Even if, with the approval of this RP, the Debtors account for the new debt, the Creditors may pursue the receipt of the full amount of the Credits as originally contracted, through payments of co-obliged third parties, being prohibited that the sum of the amounts due exceeds the value of the credit as originally contracted.

**12.8. Release.** The payments and distributions made as provided for herein will entail the full and irrevocable release of all Claims novated hereunder, regardless of their kind, exclusively and solely against the Debtors, including interest, adjustment for inflation, charges, pecuniary penalties, and damages, when applicable. Upon release, the Creditors will be deemed to have been fully paid off, discharged and/or waived any and all Claims, and such Creditors will no longer be able to pursue such Claims against the Debtors.

**12.9. Distribution of dividends.** Until the Credits are fully settled, the Debtors may not make distributions of any amounts as dividends, interest on equity, capital reduction, repurchase, redemption or amortization of shares or quotas, or otherwise, to their shareholders, including relatives, straight or collateral up to the 6th degree, inbred or

similar or any related parties to its shareholders, as understood under the terms of article 1097 et seq. of the Civil Code and also Article 243 et seq. of Law No. 6404/1976, as amended, and any third party and new investor or acquirer of equity interest in any of the Debtors shall make an express statement, under penalty of law, that they are independent from any of the parties identified above, so that they do not fit into such a restriction provided for in this RP.

## **PART V – POST-CONFIRMATION**

### **13. RP EFFECTS**

**13.1. Binding RP.** This RP's provisions are binding upon the Debtors and the Debtors' Creditors, their respective assigns and successors, from RP Confirmation.

**13.2. Conflict with Contractual Provisions.** In the event of conflicts between the provisions in this RP and those contained in agreements signed with any Creditors, with respect to any of the Debtors' obligations to give, do or not do, the provisions contained in this RP will prevail.

**13.3. Dismissal of Lawsuits.** Except with respect to Creditors expressly noting the applicability of this Section 13.3. until the date of the RP Confirmation, from the RP Confirmation, all executions related to the Credits then underway against the Debtors shall be extinguished due to the novation.

**13.4. Lawsuits.** Save for Creditors that expressly object to the applicability of this Section 13.4. until the RP Confirmation in order to allow this court-supervised reorganization filed by the Debtors to be successful, except as otherwise provided for herein the Creditors, with respect to credits subject to judicial reorganization, the following may not, from the RP Confirmation, as the case may be: (i) file or pursue any action or lawsuit of any kind related to any Claims against the Debtors; (ii) enforce any court ruling, court decision, or arbitration decision against the Debtors related to any Claims; (iii) levy on any of the Debtors' property to satisfy their Claims; (iv) create, perfect, or enforce any security interest over the Debtors' assets and rights to ensure the payment of their Claims; unless expressly authorized in this RP; (v) pursue any offsetting rights against any credits owed to the Debtors using the Creditors' Claims; and (vi) file or pursue any action or lawsuit of any kind related to any Claims, except against the co-obliged.

### **14. BREACH OF THIS RP**

**14.1. RP Breach Event.** This RP can only be considered breached, under any circumstances, during the period provided for in Article 61 of the LRF.

## **PART VI – COMMON PROVISIONS**

## **15. GENERAL PROVISIONS**

**15.1. Annexes** All Annexes to this RP are incorporated hereto and are an integral part hereof. In case of any discrepancies between this RP and any of the Annexes, this RP will prevail.

**15.2. Severability of Provisions.** In the event any of the provisions hereof, for any reason, is considered to be not valid, illegal or unenforceable in any way in any jurisdiction, such lack of validity, illegality or unenforceability will not impact any other provisions of this RP, which will remain in full force and effect.

**15.3. End of the Court-Supervised Reorganization.** The court-supervised reorganization may end at any time after RP Confirmation at the Debtors' request as long as (i) such ending is approved by the majority of Creditors attending the GMC, according to Article 42 of the LRF; and (ii) all liabilities under this RP payable by the date of such termination GMC have been met in the form of a procedural legal transaction under Article 190 and following of the Brazilian Civil Procedural Code.

**15.4. Communications.** All notices, requirements, requests, and other communications to and from the Debtors as required or allowed under this RP must be made in writing and will be considered delivered when sent via registered mail against receipt or by courier, and actually handed over.

## **16. ASSIGNMENTS**

**16.1. Credit Assignment.** Creditors may assign their Claims to other Creditors or third parties, and such assignment will be valid as long as (i) the Debtors and the Reorganization Court are notified, and (ii) the assigns receive and confirm the receipt of a copy of this RP, thereby acknowledging the assigned claim is subject to the provisions hereof upon RP Confirmation.

## **17. LAW AND JURISDICTION**

**17.1. Applicable Law.** The rights, duties, and liabilities arising out of this RP will be governed, construed, and performed according to the laws in effect in the Federative Republic of Brazil, even though there may be Claims originating under laws of other jurisdictions. Additionally, no private international law regulations or principles will apply hereto.

**17.2. Jurisdiction** Any and all controversies or disputes arising out of or related to this RP will be settled by the Reorganization Court.

Novo Hamburgo, September 26, 2019.

**FXX ADMINISTRAÇÃO E PARTICIPAÇÕES S.A. - UNDER  
COURT-SUPERVISED REORGANIZATION**

**ARTECOLA PARTICIPAÇÕES S.A. - UNDER COURT-SUPERVISED  
REORGANIZATION**

**ARTECOLA QUÍMICA S.A. - UNDER COURT-SUPERVISED  
REORGANIZATION**

**ARTECOLA EXTRUSÃO LTDA. - UNDER COURT-SUPERVISED  
REORGANIZATION**

**ARTEFLEX MAXIMINAS EQUIPAMENTOS DE PROTEÇÃO INDIVIDUAL  
LTDA. - UNDER COURT-SUPERVISED REORGANIZATION**

**ARTECOLA NORDESTE S.A. – INDÚSTRIAS QUÍMICAS – UNDER  
COURT-SUPERVISED REORGANIZATION**

### ANNEX 5.3 – REAL ESTATE SUBJECT TO BE SOLD TO ACCELERATE THE PAYMENT OF EMPLOYEE CLAIMS

2.342	Planta Dias D'Avila - Loteamento Vila do Imbassay com área de 3.000 m²	8.579 m² - 1819,42 área construída - lote 5 e 6 da quadra 12 - loteamento vila do Imbassay	R\$	4.692.339,70
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## ANNEX 6.3 – REAL ESTATE ENCUMBERED WITH SECURITY INTEREST TO BE DISPOSED

1.1. Real estate mortgaged in favor of the Secured Creditor Banco Banrisul S.A. object of disposal provided for in the RP

94.702	Rua Curitibaanos, 133, Canudos. Novo Hamburgo - RS	Um terreno situado no bairro Canudos no município de Novo Hamburgo/RS	R\$ 17.500.000,00
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1.2. Real property encumbered to Pentágono Distribuidora de Títulos e Valores Mobiliários S.A., as the fiduciary agent for holders of the 1st public issuance of debentures of Artecologia Química S.A.

12.679	Rua Espírito Santo, bairro jardim Ruyce, Diadema	Um terreno situado no Bairro Jardim Ruyce município de São Paulo com área de 390,00 m <sup>2</sup>	R\$ 12.400.000,00
26.356	Rua Rio de Janeiro, bairro Piraporinha, Diadema	um terreno situado no Piraporinha município de São Paulo	
33.639	Rua Rio de Janeiro, bairro Piraporinha, Diadema	Um terreno situado no Bairro Jardim Ruyce município de São Paulo com área de 250,00 m <sup>2</sup>	
4.206	Rua Rubens Pedroso, 236, Diadema	Um terreno de 5.229,14m <sup>2</sup> de superfície e 1.882,50m <sup>2</sup> de área construída	

1.2.1. The Mortgaged Property in Favor of the Secured Creditor Pentágono S.A. Securities Distributor, described in this Annex 6.3, consists of four registrations, three of which are owned by the Debtors, and one of them owned by a third party, which has also been the subject of Claim granted to the respective Secured Creditor, so that it will also be the object of disposal of real estate or the payment provided for in this RP, according to conditions to be negotiated between the owner of said property and the respective Secured Creditor in a proper instrument.

**ANNEX 6.3.1 - EVALUATION PARAMETER OF PROPERTIES CHARGED  
WITH REAL GUARANTEE FOR PURPOSES OF PAYMENT.**

1.1.Real estate mortgaged in favor of the Secured Creditor Banco Banrisul S.A.

94.702	Rua Curitibaanos, 133, Canudos. Novo Hamburgo - RS	Um terreno situado no bairro Canudos no município de Novo Hamburgo/RS	R\$ 10.500.000,00
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1.2.Real property mortgaged to Pentágono Distribuidora de Títulos e Valores Mobiliários S.A., as the fiduciary agent for holders of the 1st public issuance of debentures of Arteccla Química S.A.

12.679	Rua Espirito Santo, bairro jardim Ruyce, Diadema	Um terreno situado no Bairro Jardim Ruyce município de São Paulo com área de 390,00 m²	R\$ 8.654.800,00
26.356	Rua Rio de janeiro, bairro Piraporinha, Diadema	um terreno situado no Piraporinha município de São Paulo	
33.639	Rua Rio de janeiro, bairro Piraporinha, Diadema	Um terreno situado no Bairro Jardim Ruyce município de São Paulo com área de 250,00 m²	
4.206	Rua Rubens Pedroso, 236, Diadema	Um terreno de 5.229,14m² de superfície e 1.882,50m² de área construída	