

GENERAL RULE FOR BIDS

APPROVED BY THE ADMINISTRATION COMMITTEE

Resolution N° RCA 033/12 of 10/26/12

CHAPTER I

GENERAL PROVISIONS

SECTION I

PURPOSE AND SCOPE

Art. 1° The presented precept/Standard establishes general rules for bidding, contracting works and services; purchases and leases, transfer of titles, as well as for the conclusion of agreements and other forms of allocation of resources and goods of Itaipu, in observance of the acts and norms constituted by the entity.

SECTION II

PRINCIPLES AND PRECEPTS

Art. 2° The basic principles governing the processes and procedures within this Standard are disciplined equality, legality, morality, probity, impersonality, reasonableness and proportionality, economy, competitiveness, celerity, advertising, of defense and of the adversarial, administrative efficiency, as well as principles that are related to them and, for procurement, will prevail, moreover, the principles of attachment to the bid announcement and of objective judgment .

Single paragraph All works, services, purchases, sales and leases, contracted by Itaipu, saved in exceptional cases through these norms provided, will be preceded by tender, intended to select the most advantageous tender for the Authority and the promotion of sustainable development, respecting the basic principles set out in this article ..

Art. 3° All procedures regulated by this standard that import expenditures may only be initiated if the necessary resources have been provided in the Entity budget approved of by the corresponding or compromised in Purchase Requisition approved exercise

Art. 4° Each acquisition must be programmed in its entirety, provided the annual and total costs, as well as its completion or delivery, being forbidden to fractionate or subdivide the amount of contractual instruments or implementation of a project with the intention of circumventing the procedures set out in this Standard

Single paragraph In specific cases of supply when there are technical or administrative reasons, an acquisition in stages or parts is required, the justification must be approved by the competent authority .

Art. 5° To the extent possible under comparable conditions, materials, equipment, components, goods, works and services in Brazil and Paraguay will have preference for purchases and hiring over third countries, provided that they meet the specifications, terms and conditions established by Itaipu, in accordance with the regulated specific instruction procedure.

§ 1° Itaipu will use, insofar as possible, in an equitable way, materials, equipment, components, goods and services in Brazil and Paraguay, encouraging the participation of small, medium and micro enterprises as disciplined in the specific instruction procedure

§ 2° The specifications for the procurement of goods, services and works contracts, may be awarded preferentially to those whose criteria is directed to environmental sustainability and promotion of social and sustainable regional development and standardization , as disciplined in the specific instruction procedure.

§ 3° purchases and hiring of services may be processed through registration pricing system, as defined in specific Instruction Procedure.

Art. 6°. May not participate in bidding, enter into agreements or contracts with the Itaipu:

I - Individuals or companies under the regime of civil breach or insolvency, or judicial or extrajudicial persons;

II - Prevented before the Itaipu individuals or entities, ANDE or Eletrobras, or restricted in other agencies or public authorities in Brazil or Paraguay, as defined in specific Instruction procedure;

III - Individuals or entities declared ineligible, as defined in Instruction specific procedure ;

IV - legal entities in which directors, officers, Itaipu employees, as assigned or requested personnel are owners, partners or exercising management functions, excluding nonprofit entities;

V - Individuals or companies that have or will get advantages or privileged information that could harm the fairness and equality of the hiring process, demonstrated through concrete reason measured in own internal process.

Single paragraph. Be deemed to have had privileged inside information, among others, for purposes of this Article, those obtained from any institutional instance of Itaipu and relating to strategic aspects of contracting it, not disclosed to other interested parties to create competitive benefits that dictate them

CHAPTER II

TRANSFER AND ASSIGNMENT OF USE

Art. 7° Goods that Itaipu no longer deems useful may be sold by auction, by authorization of the Board of Directors , with the prior opinion of Eletrobras and ANDE .

Single paragraph. Once completed the divestiture process as well as in cases of loss, theft or destruction of property, write-offs must be made .

Art. 8° Are considered inalienable essential parts of the premises used in the production of electricity, including immovable property in the areas of industrial safety and the Itaipu.

Art. 9° All rights, subject to sale or lease shall be previously evaluated by an Evaluation Committee to determine the minimum reference price, compatible with the market, in accordance with the Statement of specific procedure.

Art. 10. The assignment of the use of movable or immovable, owned by Itaipu, will be performed gratuitously or for consideration under the procedure..

SECTION I

MOVABLE Goods

Art. 11. The disposal of materials , furniture and equipment capital assets of Itaipu, deemed surplus or unserviceable, will be auctioned, according to the characteristics of the goods or lots.

Single paragraph. The bidding for the sale of goods shall be auctioned in the following cases:

I - Payment in kind;

II - Donation for social purposes or duly justified public interest, official institutions or nonprofit entities;

III - Exchange when there is preponderante interest that is clearly recognized by the Itaipu interest;

IV - Sale of materials and equipment to entities or agencies of Brazil and Paraguay that operate under state control, either directly or indirectl.

SECTION II

REAL ESTATE

Art. 12. The alienation of immovable property shall be made in the form of competition, except in the following cases:

I - payment in kind;

II - Donate to public entities or public administrations of Brazil or Paraguay;

III - Exchange for another property, designed to meet the needs of Itaipu, whose installation location and justify choice, compatible with the values of market prices as prior review.

CHAPTER III

ACQUISITIONS

Hiring services and procurement of goods and works will be preceded by bidding, except under the conditions and assumptions provided in the norms for cases of direct acquisition ..

SECTION I

TENDERS

Art. 14. Procurement will be carried out by one of the following schemes :

I - Global price;

II - Unit Price.

Art. 15. Bidding procedures are :

I - competition;

II - outlet prices;

III - price collection;

IV - auction;

V - Trade, and

VI - concourse.

Art. 16. Bids are classified as:

I - National: when only allowed the participation of Brazilian or Paraguayan, alone or intercropped individuals or entities;

II - binational: when only allowed the participation of Brazilian and Paraguayan separately or intercropped individuals or entities, and

III - International: when the participation of Brazilian, Paraguayan and/or foreign, or consortium isolated individuals or entities are allowed.

Single paragraph The criteria for selection of the vendor market will be defined in Instruction specific Procedure.

Art. 17. The types of procurement are:

I - By acquisition:

a) lowest price: when the selection criteria of Itaipu for the highest bidder is established and that the winning tenderer submits the lowest bid, in accordance with the provisions in the invitation ;

b) Technique and price: when the criteria of selection accepts the highest bidder that is established in Itaipu´s interest. This results from a combination of technical factors and business conditions , according to what is established in the invitation, and

c) the best technique : when the selection criteria for the highest bidder that is established by Itaipu results in the winning tender achieving the highest ranked technique, since the prices are within the limit fixed in the invitation.

II - Sale of assets :

a) the highest bidder: which is considered the winning tenderer who submits the highest value for the good offered.

Single paragraph The criteria for choice of mode and type of bidding will be established in the specific instruction procedure within the limits approved by the Board of Directors.

SECTION II

DIRECT PURCHASE

WAIVER OR waiver of bidding

Art. 18. Acquisitions for which the bid is dispensable or unenforceable, shall be made by direct acquisition, by previous legal opinion favorable as limits of competence established by the Board of Directors.

Art. 19. Needless to bid in the following cases:

I - purchases of small value, Thus considered those whose value does not exceed the limit established by the Board of Directors in a regulated manner in specific Instruction Procedure;

II - when performed taking prices, concourse, or trading for the second time, collecting price, do not present any tenderer and the bid cannot be repeated without loss to Itaipu, maintained in this case the established preconditions;

III - characterized as the emergence and urgency resulting from unforeseeable events where there is no time to make a bid and that:

Can cause serious damage to the activities of generation and transmission of electricity from Itaipu, or

a) Endanger persons, property or facilities, or

b) Impair safety and hygiene;

IV - in the case of hiring for the expansion and/or upgrading of existing permanent installations that require, for technical reasons, an integrated transaction;

V - in the case of lease or acquisition of property for the service of Itaipu, whose need for installation or location justifies its choice, being compatible with their market value, according to prior review;;

VI - in the event of war, serious disturbances of order or calamity;;

VII - the hiring pool to support people with disabilities, non-profit and recognized capacity to supply goods or services, provided that the contracted price is consistent with the market ;

VIII - To hiring remainder of the work, service or supply as a result of termination, provided that respected the sort order of the corresponding bid, maintained, preferably, prices and other conditions of the terminated contractual instrument;

IX - When presenting proposals inconsistent with the prices prevailing in the market and requested new proposals if the situation persists, there will be a direct purchase of goods, works and services, for an amount not higher than the market prices

Art. 20. It is unenforceable bidding when there is a demonstrated impossibility of competition, in particular in the following cases :

- I - when the goods to be procured are owned by whoever has the patent or exclusivity of representation;
- II - in the case of specialized technical services provided by professionals or companies have recognized expertise ;
- III - the case of equipment, spare parts and/or services for facilities for the production of electricity, should acquire from the same manufacturers or exclusive suppliers

Art. 21. The procedures for direct purchase will be regulated through specific instruction procedure .

SECTION III

REGISTER

Art. 22. Itaipu keep an updated register of all individuals or legal entities, depending on the nature of the legal relationship with Itaipu, regulated through the specific Instruction Procedure.

SECTION IV

BIDDING PROCESS

Art. 23. The steps for bidding respect the following order:

- I - Preparing the bid announcement (invitation letter, Add, contract basis and conditions);
- II - Disclosure of the bidding documents or submission of a letter of invitation;
- III - Receipt of the proposal and qualification documentation, when required;
- IV - Analysis of proposals and presentation of verbal or electronic bids, if applicable;
- V - Classification or declassification of tenders;
- VI - Qualification or disqualification of bidders;
- VII - Declaration of the winning bidder and award;
- VIII - Approval .

Single paragraph In duly justified cases, the eligibility of tenderers may be held and subsequently, the opening and ranking of tenderers according to the instruction procedure.

Art. 24. The forms and conditions of the bidding process will be regulated through the specific instruction procedure.

Art. 25. The notification of bidding will be done through adds published in journals and electronic resources available, as well as other additional means of dissemination, which will be regulated through specific instruction procedure.

Art. 26. Public sessions of bids shall be made in person or by electronic means, which will register the minutes.
Art. 27. The Itaipu reserves the right to revoke or rescind justifiably, in whole or in part, their bids, at any stage of the process.

Art. 28. Approved by the contracting authority , the Itaipu may issue a letter of intent, signed jointly by General Managers, formalizing the commitment of the parties, until the signing of the contractual instrument, as regulated in the specific Instruction Procedure.

SECTION V

ANALYSIS OF PROPOSALS AND QUALIFICATION DOCUMENTATION

Art. 29. The proposals and qualification documents will be analyzed by observing the following :

I - checking the proposals and their compliance with the provisions in the invitation and compatibility with market prices for their classification or declassification ;

II - verification of qualification documentation and compliance with the established precepts or standards in the call for qualification or disqualification of bidders.

Single paragraph. The procedures and deadlines will be regulated in specific Instruction Procedure.

Art. 30. The Itaipu may, at any stage of the bidding process , promote steps to clarify or supplement information or to remedy failures of formal documentation.

Art. 31. The commission bidding and negotiation decide on bids processed in competition terms and outlet prices on the trial and ranking of proposals , on the eligibility of bidders and declare the winner of the bid ..

§ 1º The competent authority of the Itaipu ratify the outcome of the bidding process, authorizing it to the convening of the bidder awarded the contract for signature instrument.

§ 2º The Executive Board may, at any time in its sole discretion, call back, partially or totally , the decision on any stage of the bidding. In this case, the committee will function as an organ of review and recommendation , assuming request for reconsideration to the Board against its decision.

Art. 32. The commission bidding and negotiation may be permanent or special , shall be constituted by the Executive Board

§ 1º The committee will require according to the established norms an equal number of members of each nationality, representatives of the Directors Financial, Legal and requestor.

§ 2º The committee will include members and their alternate members, with mandatory renewal of its members.

§ 3º The committee may request the work of professionals with recognized expertise in support of their activities.

§ 4º The provisions of this Article shall be regulated in the specific Instruction Procedure.

Art. 33. The analysis of proposals and qualification documents, in trading mode, will be held by the auctioneer, accompanied by a support team, whose duties are defined in the Statement of specific procedure.

SECTION VI

RESOURCES

Art. 34. Resources may be brought against

- a) The classification or declassification proposals, qualification or disqualification of the bidder, and declaration of the winner of the bidding;
- b) The revocation or cancellation of the bid;
- c) The refusal of registration or cadastral amendment;
- d) The application for registration and contractual penalties.
- e) the implementation of registration and contractual penalties.

§ 1° The administrative remedy provided in paragraph "a" of this article shall have suspensive effect, and we should give knowledge to other bidders, who may present counterarguments . The competent authority may grant suspensive effect to other resources.

§ 2° deadlines, forms, and local authorities responsible for deciding on appeals shall be regulated in the specific Instruction Procedure.

§ 3° The appeal may involve modification or cancellation of previous decisions , subject to those acts which have not been affected by the resource.

§ 4° As provided in the invitation, the appeal referred to in paragraph "a " of this article can be lodged in only one opportunity against the classification or declassification of proposals, qualification or disqualification of the bidder as well as against the declaration of the winning bid.

CHAPTER IV

LEGAL INSTRUMENTS

SECTION I

PRELIMINARY PROVISIONS

Art. 35. Are legal instruments used by the Itaipu: contractual agreements and covenants.

§ 1° The following are terms of contractual arrangements: Contract Authorization Service (AS), Purchase Order (OC), Order Import (HI), Order Import Services (OISE); Minutes of Registration Prices ; Insurance Policy; among others.

§ 2° are modes of Covenants: Covenant; Term Commitment; Cooperation Agreement, among others.

§ 3° Other specific legal instruments shall be approved by the Executive Board.

Art. 36. The legal instruments provided in this standard shall be governed by its terms, conditions and applicable laws and must establish clearly and precisely how to carry, rights, obligations and responsibilities of the parties.

Art. 37. It is forbidden to any formal legal instrument of indeterminate duration.

SECTION II

INSTRUMENTS OF CONTRACTUAL

Art. 38. Be formalized through contractual proceedings for terms and conditions for the supply of goods, provisions for services and the execution of works, sale, lease and other forms of destination of the use of goods.

Single paragraph. Additional provisions on contractual instruments shall be regulated in specific Instruction Procedure.

Art. 39. Contractual arrangements are simplified to Purchase Order (OC), the Authorization Service (AS), the Order Import (HI) and the Order of Import Services (OISE).

Single paragraph. The use of simplified contractual arrangements will be defined based on the characteristics of the contract, as set out in the specific Instruction Procedure.

Art. 40. Clauses are essential in any contractual instrument, establishing:

I - the object and its characteristic features;

II - the enforcement regime or form of the provision;

III - the price with their economic base and the terms of payment;

IV - the term and its initial term ;

V - the cases of termination and its effects ;

VI - the responsibilities of the parties ;

VII - discipline to subcontract part of the work, service or supply;

VIII - the penalties applicable to the contractor;

IX - the obligation of the contractor is to maintain, during execution of the contractual instrument, all the enabling conditions required in the bidding, consistent with the obligations assumed ;

X - the form of the appointment of representatives of the parties to manage the execution of the contractual instrument;

XI - clause by which the contractor is obliged to accept, in the same original contractual terms , additions or deletions that may be in the works, services or purchases by up to 25 % (twenty five percent) of the initial value of the contractual instrument, as[that provided in the invitation;

XII - the jurisdiction to settle any disputes arising from the contractual instrument .

Single paragraph. Other clauses are regulated in specific Instruction Procedure .

Art. 41. The Itaipu monitor the execution of the contractual instrument , to ensure that the goods , works or services provided correspond faithfully as agreed. Such review shall help to minimize the c the reduction or withdrawal of the responsibilities of the contractor.

Art. 42. The presentation of guarantees in the procurement of goods , works and services will be regulated in specific Instruction Procedure .

Art. 43. Without prejudice to any other legal or contractual guarantees, the contractor will repair, fix , remove, reconstruct or replace, without cost to the Itaipu, in whole or in part, the object of the contractual instrument that are found with defects or inaccuracies resulting from the implementation employees or materials until the receiving end of the contractual object.

Single paragraph If the contractor does not fulfill the obligation mentioned in this article in the established term, once notified in writing , the Itaipu may authorize others to run it , charging the contractor the corresponding burden .

Art. 44. The contractor shall be responsible for damage they cause to the Itaipu or third parties arising from their negligence or willful misconduct, be exempted from this liability, even if enforcement of the contractual instrument is verified by Itaipu.

Art. 45. Labor, social security, tax, payroll taxes and sales expenses resulting from the implementation of the contractual instrument will be the responsibility of the contractor.

Art. 46. Every contract amendment, duly justified, should be performed by the Amendment, shall contain the discharge clause granted by the contracted period of the contractual instrument passed and approved by the competent authority.

Single paragraph Whatever Contractual changes or Modification: initial object; fundamental conditions, value, or period, which exceeds the limits set out in the specific Instruction Procedure, involving new hire.

Art. 47. Changing the value of the contractual instrument, for duly justified reasons, observe the limit of 25 % (twenty five percent) of its initial value, in accordance with the specific regulated instruction.

Single paragraph The contractor is required to maintain the same conditions and prices in the changes made within the limits laid down in this article, except when it is not possible to fractionate the object.

Art. 48. The contractor is required to Maintain the same conditions and prices in the changes made Within the limits laid down in this article, except When it is not possible to fractionate the object

I - change the design or specifications made by Itaipu;

II - occurrence of unusual or unforeseeable fact that substantially alters the conditions for the application of contractual instrument;

III - interrupting the execution of the contractual instrument or decrease the pace of work order and in Itaipu´s interest;

IV - increase or decrease the quantities originally stipulated in the contractual instrument ;

V - impediment to enforcement of the contractual instrument by act or fact not attributable to the contractor , recognized by Itaipu ;

VI - omission or delay to carry out attributable action toward Itaipu, which leads directly halting or delaying the implementation of the contractual instrument..

Art. 49. Contractual arrangements may be terminated unilaterally in the following cases:

I - breach of a clause;

II - undue delay in execution of work, service or supply of goods;

III - stoppage of work, service or supply, without cause and without prior notice to the Itaipu;

IV - subcontracting, assignment or transfer of all or part of the contracted and association contracted with third parties to carry out the object, when performed at odds with the predictions of the contractual instrument;

V - repetition of failures in implementing the contractual instrument

VI - when the contractor enters into bankruptcy proceedings, civil insolvency, judicial or extrajudicial;

VII - extinction of the legal person or death of the contractor;

VIII - social change, merger, separation, merger or change in the purpose or structure of the entity that jeopardizes the execution of contractual instrument;

IX - suspension of the contractual instrument, by written order from Itaipu, for a period exceeding sixty (60) days, except in case of public calamity, serious disruption of internal order or war;

X - suspension of the contractual instrument, by written order from Itaipu, for a period exceeding sixty (60) days, except in the case of public calamity, serious disruption of internal order or war;

XI - breach by the contractor of its obligations relating to the payment of taxes, labor and social security obligations.

Single paragraph The Itaipu may, in the case of bankruptcy, judicial or extrajudicial recovery contractor, maintain contractual instrument, and may take through negotiation control certain activities of essential services.

Art. 50. The termination of the contractual instrument may be administrative or judicial.

Art. 51. The Itaipu apply the following penalties, which may be cumulative, and respect the principles of broad defense and contradictory:

a) a written warning

b) Fine

c) Termination of contract;

- d) implementation of the guarantee, and
- e) suspension from participation in tenders and contracts with the Itaipu.

Single paragraph Penalties will be applied as defined in the specific Instruction Procedure.

SECTION III

OF AGREEMENTS

Art. 52. The agreements may be concluded with public or private nonprofit development programmes , projects and activities of common interest in issues related to power, culture, education, environment , public safety , health, technology, organizational development , and other entities linked to the strategic objectives of Itaipu .

Exceptionally may be concluded agreements with private for-profit entities , with the prior approval of the Board of Directors or the Executive Board of Itaipu , as the limits of competence of the entity , and where the following conditions are met:

- a) interests Itaipu and compatible with its mission;
- b) the object of the agreement is not intended profit.

§ 2º The agreements must be preceded by a selection as disciplined procedures in the specific rules of Itaipu .

Art. 53. Clauses are needed throughout the agreement establishing:

- I - the object;
- II - how to perform;
- III - the financial resources of the parties;
- IV - the obligation of accountability;
- V - the term and its corresponding starting date;
- VI - the cases of termination and its effects;
- VII - the responsibilities of the parties;
- VIII - the appointment of officers of the parties for the execution of the agreement;
- IX - the criteria for amendment of the agreement;
- X - the jurisdiction to settle any disputes arising from the agreement.

Single paragraph Other specific provisions and requirements of the work plan will be regulated in specific Instruction Procedure..

CHAPTER V

FINAL PROVISIONS

Art. 54. The limits of values and competence to implement the procedures laid down in the norms and precepts, shall be determined by the Board.

Art. 55. Cases not covered in these norms/standards shall be submitted by the Executive Board to the Board of Directors.

Art. 56. Definitions of terms used in this standard are listed in Glossary - Single Attachment, for all purposes, integrates this document.

APPENDIX ONE - GLOSSARY PORTUGUESE

DEFINITIONS

For the purposes of the General Standard Bidding (NGL), Instructions Procedure (IP) and Service Instructions (SI) are considered:

COOPERATION AGREEMENT Type covenant technical - scientific nature by which establish obligations between the parties , without transfer of financial resources.

CONTRACT RIDER: Legal instrument used to formalize changes in contractual instruments.

DISPOSAL All domain transfer goods are made from Itaipu to third parties:

INSURANCE POLICY: formal legal instrument establishing the insurance policies, including rules of the relationship between the insured and the insurer.

ELECTRONIC APPROVAL: Mechanism of approval of documents by electronic means.

AREA MANAGER: Organizational unit of Itaipu responsible for managing the legal instrument .

AREA APPLICANT Each of the organizational structure of Itaipu, the object sought in a legal instrument. .
AUTHORIZATION OF SERVICE: Simplified contract Instrument used to purchase services that may be accompanied by materials and equipment that are essential to the performance of the required services, provided that no dividend establish complex relationships .

ELECTRONIC SIGNATURE: to identify a signer through the access log and approval mechanism .

MINUTES OF RECORD PRICES It is a contractual instrument where record prices, suppliers and conditions to be applied.

NOTICE : Adds of Itaipu published in print and /or electronic, for disclosure of their bids.

ECONOMIC BASE :: Date indicated in the Commercial Proposal.

COMPLETE REGISTRATION: Registration of individuals or entities that contains the documents evidencing the legal capacity, fiscal, and technical skills and economic and financial qualification and that allows participation in bidding in all modalities provided they fulfill the other conditions of the bid .

SIMPLIFIED REGISTER : Registration of individuals or entities that contains only the documentation of its legal capacity, tax compliance and technical skills, and allows participation in the bidding procedure for collection of Price and Trading equivalent to the Price Collection value and still in the Covenants and Direct Acquisitions.

NOTEBOOK OF BASES AND CONDITIONS : integral Document calling instrument by which Itaipu fixes the bases and conditions for the preparation and submission of bids in auctions

INVITATION LETTER: Summoning Instrument of auctions conducted by the Itaipu , which contains information and instructions and the necessary conditions for the preparation of tenders applied to the modality Price Collection.

LETTER OF INTENT: Document signed by the Chief Executive Officers, issued in exceptional circumstances, after the award of the object of bidding or approval of the direct acquisition by the competent authority to proceed with the internal procedures until the signing of the contractual instrument .

CCM - COMMERCIAL GRADE MATERIAL numeric or alphanumeric grading used by the Register of Providers of Itaipu to encode, individually or in groups, materials correlating them with a kind of registered supply.

CCS - CLASS COMMERCIAL SERVICE : numeric or alphanumeric grading used by the Register of Providers of Itaipu to encode, individually or in groups, services correlating them with a kind of registered supply.

COMMERCIAL GRADE MATERIAL (CCM) numeric or alphanumeric grading used by the Supplier Registration with Itaipu to encode, individually or in groups, materials correlating them with a kind of supply registered.
CLASS COMMERCIAL SERVICE (CCS) : numeric or alphanumeric grading used by the Supplier Registration with Itaipu to encode, individually or in groups, services correlating to them with a kind of registered supply.

CEF - FINANCIAL AND ECONOMIC CONDITIONS: A document that establishes the criteria for pricing and its economic data base, payment terms and price adjustment, financial guarantees, penalties and the value of the fines.

MANAGEMENT COMMITTEE BINACIONAL : Equally integrated groups of employees of both banks, constituted by the Executive Board, if applicable, to perform the management of a Covenant.

ASSIGNMENT OF USE: Temporary third parties onerous or gratuitous assignment, the use of a good or legal rights.

COLLECTION PRICES : Bidding modality performed by direct invitation to suppliers registered on the relevant object of bidding branch.

EVALUATION COMMITTEE : That formed for the purpose of making a preliminary assessment of the assets of the entity , for the purpose of Sale or Lease.

COMMISSION BIDDING AND NEGOTIATION: That constituted for the specific purpose of judging the Bids and sockets Price and participate in the processes of Direct Acquisition with values equivalent to those mentioned modalities.

COMPETITION : Bidding modality disclosed by publishing a notice in which it admits the participation of any applicant who meets the qualification requirements required in the Tender Bases and Conditions .

NOTICE : Bidding modality disclosed by publishing an add in which it admits the participation of any interested party for the election of technical, scientific or artistic work, through the introduction of prizes or compensation to the winners, based on criteria established in the invitation.

ECONOMIC AND FINANCIAL CONDITIONS (CEF) : A document that establishes the criteria for pricing and cost its data base, payment terms and price adjustment, financial guarantees, penalties and the value of the fines.

CONTRACTOR: Individual or corporation signing a contractual instrument with Itaipu.

AGREEMENT A formal legal document signed between Itaipu and physical or legal person to establish rights and obligations complex, as directed by Legal Area or when its value exceeds the limit set by the Board of Directors for the outlet Prices.

MEMBERSHIP AGREEMENT: formal legal instrument by which one party provides the other goods or services, with the acceptance of certain conditions laid down by one of them, according to the nature of the supply.

LEASE AGREEMENT: Formal legal instrument by which one party (lessor) undertakes to grant the use and enjoyment of property to another (lessee), being obliged to pay this price in the payment in cash.

AGREEMENT: Legal instrument signed between Itaipu and legal entity that is engaged in the execution of programmes, projects or nonprofit initiatives and mutual interest of parties, under mutual cooperation, with or without transfer of financial resources. Comprises, among others, the following legal instruments: Covenants, Terms of Engagement, Cooperation Agreements and Protocols of Intent.

DMS - MANEGAMENT SYSTEM DOCUMENT Document Management System . It is used for classification and storage of electronic attachments in the system.

DOCUMENT MANAGMENT SYSTEM (DMS) Document Management System . It is used for classification and storage of electronic attachments in the system .

TEAM SUPPORT AUCTIONEERS:: Group of employees specially designated, responsible for the work to support the auctioneer.

TECHNICAL SPECIFICATION

Technical information, containing detailed description of the characteristics of the goods, works or services to be contracted by Itaipu.

FINANCIAL INSTRUMENT CONTRACT : Professional with specific expertise and profile compatible with the hired object, designated by the Director of the Management Area or by whom it delegates.

SUPPLIER: Individual or corporation that provides goods and/or materials, provides services or performs works.

ANY SUPPLIER: Supplier establishing an eventual payment relationship with the Itaipu without its purchase order.

MANAGER OF CONTRACTUAL INSTRUMENT: Employee of Itaipu who will be responsible for monitoring the compliance with the terms and conditions of the contractual instrument, formally designated.

MANAGER OF CONTRACTOR OR convening: Person designated in writing by the contractor or by convening as their representative and responsible for managing the legal instrument.

GROUP BUYING: Corresponds to (s) member (s) responsible for processing purchases to bidding or direct purchase.

GOODS GROUP Meets CCM and CCS .

PROOF OF BIDDER: Statement of legal capacity, technical, economic, financial and tax compliance, which qualifies the bidder in tenders of Itaipu.

APPROVAL OF Brands: Selection of brands for pre-registration of products that meet the technical specifications set by Itaipu, respecting the provisions of Article 4 and its paragraph 1 of the General Standard Bidding Process- NGL.

INSTRUCTION OF PROCEDURE (IP) A document that aims to regulate procedures for compliance with this standard, approved by the Executive Board.

SERVICE INSTRUCTION (SI) A document that specifically regulates a Statement of Procedure (IP).

CONTRACTUAL INSTRUMENT Wills Agreement, signed between Itaipu and contracted to create reciprocal rights and obligations. Comprises, among others, the following: Contract, Purchase Order, Service Authorization, Order Import and Import Order Service, Registration Prices and Insurance Policy.

INSTRUMENT OF MEETING: Document (Invitation Letter, Notice and Tender Conditions and bases) by which knowledge gives the bidding and its basis and conditions to stakeholders.

INSTRUMENT TO SUPPORT ENVIRONMENTAL OR SPONSORSHIP A legal instrument for support by Itaipu in socio-environmental or sponsorship activities.

LEGAL INSTRUMENT Formal document signed between Itaipu and the person or entity with established rights and obligations. Legal instruments are: - Contract - Authorization Services (AS) - Purchase Order (OC)-Order Import (HI) - Order Import Services (OISE) - Covenant; - Statement of Commitment; - Letter of Intent; - Term Support ; - Cooperation Agreement , and - Minutes of Registration Prices .IP -

INSTRUCTION OF PROCEDURE: Document which aims to regulate the procedures for compliance through established norms.

IS - SERVICE INSTRUCTION: Document that regulates procedures in a specific way (IP).

AUCTION: Bidding modality for the sale of goods that are no longer useful for the Itaipu.

LEASE: Onerous assignment, granted or received, of movable or immovable property, time-bound for its repayment.

SUBJECT: Description of property to be leased, purchased or sold, work or service to be contracted by Itaipu, and the purpose established for the agreements.

OC - ORDER: simplified contractual instrument used for purchase of goods, materials and equipment that may be accompanied by services that are part of the essential conditions of supply, provided that no dividend establish complex relationships.

ORDER (OC): simplified contractual instrument used for purchase of goods, materials and equipment that may be accompanied by services that are part of the essential conditions of supply, provided they do not establish complex relationships dividend.

HI - ORDER IMPORT: Simplified contract Instrument for procurement of goods and imported materials.

ORDER IMPORT (HI): Simplified contract Instrument for procurement of goods and imported materials.

OISE - ORDER of IMPORT SERVICES: Simplified contract Instrument for contracting services of third party countries.

ORDER of IMPORT SERVICES (OISE): Simplified contract Instrument for contracting services of third countries.

OIF - ORDER HOME DELIVERY: bound and restricted to a contractual instrument, issued by the competent authority or person to whom it delegates, to authorize the commencement of the Document object of the contractual instrument.

ORDER HOME DELIVERY (OIF): bound and restricted to a contractual instrument, issued by the competent authority or person to whom it delegates, to authorize the commencement of the Document object of the contractual instrument.

OIS - ORDER OF COMMENCEMENT OF SERVICES: bound and restricted to a contractual instrument, issued by the competent authority or person to whom it delegates, to authorize the commencement of the Document object of the contractual instrument.

ORDER HOME SERVICES (OIS) : Document restricted and bound to a contractual instrument , issued by the competent authority or person to whom it delegates, to authorize the commencement of the object of the contractual instrument.

BOARD OF PURCHASE: An organizational unit subordinate to the Purchasing Department.

WORK PLAN: Document integral part of the Agreement which specifies the object to be accomplished, the goals to be achieved, the deadlines for their implementation, the contributions to be paid, the cash disbursement schedule, criteria evaluation objectives, performance indicators, if applicable, and any other relevant information for better performance of the Agreement.

DURATION: Period during which force the legal instrument is in force, starting from the signature and ending with the completion of all contractual obligations of the parties.

PERIOD OF PERFORMANCE : Period during which the execution of all contracted activities.

GLOBAL PRICE: Regime of hiring used when the object and the total value can be defined with sufficient precision.

UNIT PRICE: hiring scheme used when the object by its characteristics, is subject to significant quantitative changes in the course of its execution.

TRADING: Type of bidding for procurement of goods, services and public works, allowing bidders in public session, reducing the value proposition via bidding.

Town Crier: Employee designated by CFOs, responsible for leading the proclamation.

Accountability: The obligation to present the Covenanted Itaipu, partial and final accounts of all expenses incurred in the execution of the Agreement.

Design: temporary endeavor undertaken to achieve a specific goal. Contains a set of elements necessary for the full and qualitative and quantitative definition of technical, administrative, economic and financial characteristics information..

THE PROTOCOL OF INTENTIONS: Legal instrument of character protocol where the parties affirm their will to perform in the future, a given project.

REGISTRATION: Registration of individuals or entities that gathers basic data, the assumptions used in instructions disciplined services.

RecQ - Purchase Requisition : Electronic Itaipu internal document, subject to the existence of budgetary resources approved in the Operating Plan and Annual Budget , by calling for the procurement of goods and procurement of works , services, leases, contractual changes that involve an increase of resources and execution of agreements.

Purchase Requisition (ReqC) : Electronic Itaipu internal document, subject to the existence of budgetary resources approved in the Operating Plan and Annual Budget, by calling for the procurement of goods and procurement of works, services, leases, contract changes involving increase of resources and execution of agreements.

REPORT OF SATISFACTORY CONCLUSION: Bilateral administrative instrument signed by the managers of both parties to formalize the completion of the Agreement, preceded by a Conclusive Technical Opinion approved by the Director of the Management Area on activities and compliance with the agreed targets, as well as approval of provision of Final Accounts.

SAP ERP: System integrated computerized business management ERP (Enterprise Resource Planning) , adopted by Itaipu to integrate and manage their financial processes.

CONTINUING NATURE OF SERVICES: Those for essential needs of Itaipu should not be interrupted.

SYSTEM LOG PRICES: Set of procedures performed for the formal registration of prices for goods and services for future hires.

COMPUTERIZED SYSTEM: Set of components interrelated for collection, retrieve, process, store and distribute information in order to facilitate planning, control, coordination, analysis and decision making in organizationans.

TERM OF COMMITMENT OF POSSIBLE AID: Term signed with public or private nonprofit entities to formalize financial contribution from Itaipu to meet exceptional situation, and any single character, to perform the actions of environmental character, social assistance, education and culture that fall within the scope of the guidelines for Environmental Responsibility of Itaipu, monitoring the spending limit defined.

STATEMENT OF COMMITMENT: Type of agreement for implementation of actions of interest Itaipu, characterized solely by their financial contribution.

PRICING: Bidding modality disclosed by publication of a notice in which it admits the participation of interested registered or who register before the submission of proposals, as set out in the Terms and Conditions of Bases.

TERM CLOSURE: Legal instrument issued to the formal closure of the Covenants in the case of : early termination, modification of the Work Plan for Managers report, or before the existing return of balance.

TERM SPONSORSHIP: A legal instrument executed to formalize any institutional sponsorship, characterized by financial contribution from Itaipu to perform artistic actions (entertainment), community, cultural, sporting, educational, recreational, religious, environmental and other activities to establish a positive association with the brand and Itaipu institutional image of the programs, projects, policies and actions of interest.

INITIAL VALUE UPDATED: initially agreed value, plus, if applicable, adjustment calculated based on contractually defined criteria.

WORK STATEMENT: Document prepared by the contractor and approved by Itaipu establishing the detail and form of execution of the Contract 's Technical Specifications.

WORKFLOW: Sequence of events/actions of an automatic process in information systems.

WORKPLACE: Inside a computerized system inbox.