

# ADMINISTRATIVE SPECIFICATIONS FOR BIDDING (PCA)

## CHAPTER I. GENERAL PROVISIONS

### 1. PURPOSE OF THE TENDER

The Executive Branch calls for an international public tender to grant the concession for the private operation of games of chance in a Casino, subject to the construction, completion and operation of a luxury hotel, in the Department of Maldonado.

### 2. GEOGRAPHICAL LOCATION:

Bids received must refer exclusively to properties located within the following geographical limits:

- Point 1: Western end of the long branch (Brazo Largo) of Laguna Garzón
- Point 2: Southeastern end of Punta José Ignacio
- Point 3: Southern end of the road between Route No. 93 and Ensenada del Potrero on the coast
- Point 4: Intersection of Route No. 93 with the road to Ensenada del Potrero
- Point 5: Intersection of Route No. 9 with Route No. 93
- Point 6: Route No. 9, Paso de la Arena, sewage over Aº Anastasio

### 3. MINIMUM INVESTMENT REQUIRED

The total amount to be invested in the construction and furnishing of the luxury hotel must be equal to or greater than USD 160 000 000 (one hundred and sixty million USD), without considering the value of the land on which the investment is made.

### 4. FEE

In consideration of the granting above-mentioned, the bidder undertakes to pay, if awarded, an annual fee consisting of a percentage of the Casino's gross revenue subject to a minimum annual amount.

The percentage of the Casino's gross revenue earned during the respective year is set at 7.20 % from the first year of the concession (established in clause 6 of Chapter I herein) until 2026 inclusive and at 7.95 % from 2027 until the end of the concession, as summarized in Table No. 1 below.

In turn, the minimum annual amount to be paid is set at USD 7 800 000 (seven million eight hundred thousand USD) for the year 2020 and increases annually at a rate of USD 100 000 (one hundred thousand USD) until 2026 inclusive, as set forth in Table No. 1 below.

Finally, the minimum annual amount to be paid for the entire period between 2027 inclusive and the end of the concession shall be a single fixed annual amount to be proposed by the bidder as part of its Financial Bid (as established in clause 6 of Chapter II herein, ENVELOPE No. 2: "FINANCIAL BID", paragraph A), and must be equivalent to or greater than USD 8 400 000 (eight million four hundred thousand USD), as indicated in the Table below.

Table No. 1. FEE		
Year <sup>1</sup>	% of the Casino's gross revenue obtained during the respective year	Minimum annual fee in U.S. dollars (USD)
2020	7.20%	7 800 000
2021	7.20%	7 900 000
2022	7.20%	8 000 000
2023	7.20%	8 100 000
2024	7.20%	8 200 000
2025	7.20%	8 300 000
2026	7.20%	8 400 000
From 2027 until the end of the Casino concession:	7.95%	The amount to be offered by the successful bidder shall always be equivalent to or higher than USD 8 400 000.

<sup>1</sup> Note that the amount to be paid will depend on the year in which the concession operation activities begin. Therefore, it may happen that some of the amounts established in this Table will never be applied.

Gross revenue shall be understood as the difference between profits and losses from games of chance, after deducting promotional activities strictly linked to the act of gambling itself, before deducting expenses. "Promotional activities" are those practices carried out by the Casino to promote gambling, by virtue of which the Casino gives players or acknowledges certain values that enable them to participate in games, which although being recorded as income when used by the customers, do not mean that the Casino receives money. The following will be accepted as promotional activities for the purposes of the above-mentioned deductions from gross revenue: non-negotiable chips, match-play chips, happy chips, cash back promotions, tickets that have a value and have been delivered as part of a promotion, promotional tickets, promotional credits, reservation for progressives.

## **5. ELIGIBLE BIDDERS**

Bidders may be natural persons or legal entities, whether foreign or incorporated in the country, with a representative in the country, who or which, having acquired these administrative specifications, comply with the provisions set forth herein. Bids may be submitted by consortia whether formed or not, in which case they must be accompanied by a letter of intent bearing signatures certified by a notary public. The bidder must prove ownership, by registered means, of the land on which the construction of the real estate in question is planned to be carried out.

## **6. TERMS**

The concession for the exploitation of the games of chance in the Casino will be granted for a period of 20 years from the total completion of the works and the start of the Hotel and the Casino operations.

During the term of the contract, the use intended for the constructions built in compliance with the purpose of this tender shall not be changed.

## **Chapter II. PROCEDURE AND AWARD OF CONTRACT**

### **1. PURCHASE OF BIDDING DOCUMENTS**

Documents regarding this bidding process are available for consultation free of charge at [www.comprasestatales.gub.uy](http://www.comprasestatales.gub.uy) and may be purchased up to the working day preceding the date set for the opening of the bids at the price of USD 10 000 (ten thousand USD). For the acquisition of the bidding documents, evidence of the bank deposit or copy of the transfer receipt must be sent by e-mail to [tesoreria@mintur.gub.uy](mailto:tesoreria@mintur.gub.uy).

Once payment has been identified, the original sender will be contacted via e-mail, and from that moment on the purchaser can collect the document at the seat of the Ministry of Tourism (Administration Division, Rambla 25 de Agosto de 1825, without number, first floor), in the city of Montevideo.

In the event that the documents were purchased by one or any member of the bidder, said member must identify the others via email to the same email address, at least 72 hours prior to the opening of tenders. This change will not incur a fee.

### **2. INQUIRIES, CLARIFICATIONS AND AMENDMENTS TO THE BIDDING DOCUMENTS**

Any inquiry made by the interested parties shall be made in writing, in Spanish, as specified below and sent via email to [consultasalpliego@mintur.gub.uy](mailto:consultasalpliego@mintur.gub.uy), up to 15 days before the bid submission deadline. To this end, prospective bidders shall register a single email address which will be used to make inquiries.

Inquiries and clarifications should be sent in an editable format and should be grouped according to the following thematic areas:

- a. Thematic Area No. 1, Administrative and Legal Conditions
- b. Thematic Area No. 2, Economic and Financial Conditions

c. Thematic Area No. 3, Hotel

d. Thematic Area No. 4, Casino

Inquiries should be brief, clearly drafted and unambiguous, and should, where appropriate, quote the specific clause or wording of the contractual terms to which they refer.

Answers to such inquiries, without identifying their source, will be communicated to all purchasers of the bidding documents at their e-mail addresses and published on <http://www.comprasestatales.gub.uy/>, within the following five working days.

The Ministry of Tourism and the Ministry of Economy and Finance (hereinafter referred to as the Ministries) may, for whatever reason and before the ten-day deadline for submission of tenders, amend the contractual terms. Amendments due to changes or extensions of deadlines shall be notified and published in the manner provided for above.

Only amendments and communications published on <http://www.comprasestatales.gub.uy/> become fully effective for all subsequent purposes. It is the responsibility of the interested parties to access the answers and amendments by such means.

The Executive Branch (State) does not undertake any obligation or assume any liability whatsoever for this call for tenders, and may reject all proposals, render this call for tenders void, and cancel this procurement process at any stage prior to the awarding of the contract, without giving rise to any claim or compensation whatsoever from interested parties, bidders or third parties.

### **3. TERMS**

The terms referred to in the procurement process are calculated in calendar days, unless it is expressly mentioned that they shall be counted as working days. To this end, working days are understood as those days in which the offices of the Ministry of Tourism are open.

The terms shall run from the day following the date of notification or publication of the act concerned and shall expire on the last working minute of the office hours of the corresponding day. In the event that the term expired on a public holiday or a non-working day, it shall be extended until the next working day.

#### **4. NOTIFICATIONS**

Notifications and resolutions taken during the course of the procurement process shall be published on the State purchasing website (<http://www.comprasestatales.gub.uy/>). In case personal notification to the interested party is necessary, it shall be made to the e-mail address provided for such purposes and considered completed when available in the recipient's e-mail inbox.

Notifications that need to be accompanied by documents shall be sent via email and shall be entered into the notification records, granting a period of three working days, starting from the following day, to collect these documents.

The notification shall be deemed made at the time the interested party collects the corresponding copies, records or files, as the case may be, and said collection date shall be stated for the record.

After three working days from the day following the date on which the documents were reported to be available, notification shall be deemed made.

#### **5. PREPARATION OF BIDS**

##### **5.1. ONE BID PER BIDDER**

Each bidder may submit only one bid, either on their own or as part of a consortium, group or business association. If a bidder submits or takes part in more than one bid, all of them shall be disqualified.

## **5.2. COST OF BIDDING**

The bidder shall bear all the costs associated with the preparation and submission of the bid and, in no event, shall the bidder be entitled to financial compensation, except as provided for in Chapter II, Section 9.3.

## **5.3. PROVISION OF BID BOND**

The bidder must provide a bid bond in favor of the Ministries by means of one of the following instruments:

- a) A guarantee from a bank established in the Eastern Republic of Uruguay, or from a foreign bank with a branch or correspondent in Uruguay.
- b) An ordinary surety bond issued by an insurance institution authorized by the Superintendency of Financial Services of the Central Bank of Uruguay,
- c) The encumbrance of public debt securities in the Banco de la República Oriental del Uruguay, in USD, which shall be deposited in custody at the Banco de la República Oriental del Uruguay.

Security documents shall not contain clauses that condition them as to the amount or the purpose for which they are issued, and they shall expressly indicate the guaranteed contract or agreement.

Should the said bond not comply with the requirements of these specifications, the bid shall be rejected.

The bond may be furnished in more than one of the indicated options, provided that all of them are in the name of the bidder and are accepted by the Advisory Committee on Procurement [Comisión Asesora de Adjudicaciones] in compliance with the established requirements. The bid bond shall amount to the sum of USD 1 000 000 (one million USD).

The bid bond must have a minimum validity period of 120 days from the submission of

the bid.

The bid bond may be forfeited:

- i. If the bidder unreasonably withdraws its bid before the concession is awarded; the withdrawal is understood to be unreasonable when it occurs within deadlines and/or circumstances not provided for in this document.
- ii. If the successful bidder fails to comply in due time and form with the presentation of the performance bond, insurance or does not sign the contract.

Guarantees not withheld will be returned as a matter of course by authorized officials, at the request of the interested party, following a report by the Advisory Committee on Procurement.

Guarantees shall be returned directly to the Bank or Insurance Company that issued the document.

The bid bond will be returned to the successful bidder upon receipt of the performance bond.

#### **5.4. BID VALIDITY**

Bids shall be valid for 120 days from the day following the date of opening of Envelope No. 1. Should the Committee not render a decision within this period, the validity of the bid shall be automatically extended by 15 days, unless the bidder notifies that it wishes to withdraw within 5 days prior to the expiration date. In that case, the bid shall remain valid until the end of the period first specified, at the end of which the bid shall expire and the bid bond shall be returned without any right to compensation.

During the extension period bids are valid and therefore the bidder who wishes to withdraw its bid will forfeit its bid bond if it fails to comply in due time and form with the notice stating its intent.



## 5.5. SUBMISSION OF BIDS

- i. Bids must be submitted in person by the bidder or by a duly authorized representative at the place, on the date and at the time established in these specifications for the reception and opening of bids.
- ii. Bids shall contain on the outside of the envelopes, boxes or packages submitted, the cover page whose format and content is attached hereto as Annex 1.

Each envelope, box or package shall contain the following Envelopes:

- No. 1 "Bidder's Background and Comprehensive Proposal" and
- No. 2 "Financial Bid".

In the event that any of the envelopes are not closed and identified as provided above, the Ministries shall assume no responsibility for the misplacement, loss or premature or late opening of the bids.

- iii. The documents set out in these specifications shall be submitted as follows:
  - a) The original record and two copies, with all pages numbered. No handwritten document will be accepted, nor will any document that is incomplete, contains errors or amendments that do not enable a clear understanding of the conditions for evaluating the bid. In addition to submitting the information on paper, the original and two copies of the "Comprehensive Proposal" of Envelope No. 1 and Envelope No. 2 "Financial Bid" must be submitted electronically and in PDF format. In case of discrepancy between the data or information contained in the paper version and the electronic file, the one in the paper version shall prevail.
  - b) Signed by the bidder or accredited representative.
  - c) In Spanish. Public documents executed abroad must be accompanied by the Hague Apostille as established by Law No. 18836 of November 15, 2011 approving the Convention Abolishing the Requirement of Legalization for Foreign Public Documents signed in The Hague on 5 October 1961.

This shall not apply when the public documents have been executed in the territory of a State that has not signed and approved the above-mentioned Convention, in which case they must be legalized.

Bidders should acquaint themselves with the documentation of the call for tenders in order to know the details and circumstances that could affect their bid.

The submission of the bid means the unconditional acceptance by the bidder of the contractual terms, without any exceptions.

## **6. CONTENT OF THE BIDS**

### **ENVELOPE No. 1: "BIDDER'S BACKGROUND AND COMPREHENSIVE PROPOSAL"**

Envelope No. 1 shall contain the documents detailed below, which must be submitted in four different folders, duly identified:

#### Document 1: "Bidder identification and commitment".

- A. Bid bond, under the conditions set forth in clause 5.3. herein. Proposals not accompanied by this guarantee shall be rejected.
- B. "Commitment Letter" Sworn Statement: the content detailed in Annex 2 must be stated, signed by the accredited representatives of each of the parties constituting the bidder, and the signatures certified by a notary public.
- C. Notarial Certificate: a certificate containing the information of all the parties constituting the bidder or a certificate for each party must be furnished. The certificate or certificates must be issued no more than 30 days prior to the opening of bids.

In the case of natural persons, the certificate must include the identity card number, a registered address in Uruguay, telephone number, email address, and representation, if applicable.

In the case of legal entities, they must provide proof of their legal status, good standing and representation, indicating:

- i. Date of incorporation and amendments (all with the corresponding approvals, registrations and publications), purpose, capital and management, validity, control of compliance with Laws No. 18930 of July 17, 2012 and No. 19484 of January 5, 2017 regarding communication of shareholders and ultimate beneficial owners to the Central Bank of Uruguay. This must be evidenced by the presentation of a notarized copy of the corporate bylaws or articles of incorporation and their amendments, assignments of membership interest with the corresponding approvals, registrations, publications.
- ii. Registered address in Uruguay, for all purposes of this project, telephone number and email address.
- iii. Foreign legal entities with representation in the country through branches or permanent representation must submit proof of registration in Uruguay in accordance with the provisions of Law No. 16060 of September 4, 1989, its related, complementary and amending regulations.
- iv. Foreign legal entities without representation in the country must submit documents that prove their incorporation, validity and representation, in accordance with the legislation of the country of origin, and comply with the provisions of Law No. 16497 of June 15, 1994 and Decree No. 369/994 of August 22, 1994. Authorization from the pertaining bodies of the parent company to participate in this tender must be rendered or furnished in a separate document.
- v. If the company is an affiliate or subsidiary of any other.
- vi. Provide a list of the current members of the board of directors or managers containing their personal details (photocopy of their identity card, nationality, main occupation and actual address) and documents stating their term of office as well as the minutes of the shareholders' meeting in which they were elected and the record of appointment. Monitoring of compliance with section 86 of Law No. 16060 of September 4, 1989, as amended by section 13 of Law No. 17904 of October 7, 2005.
- vii. If the company has an internal control body or statutory auditors, a list of the current members of the oversight body containing information on their identity

- (photocopy of their identity card, nationality, main occupation and actual address) and documents stating their term in office as well as the minutes of the shareholders' meeting in which they were elected and the record of office.
- viii. In the case of companies that intend to form a consortium in addition to the requirements mentioned in this clause from paragraphs i) to vi) they must also furnish the respective letter of intent in which they shall state: company name, address, participating interest of each company, telephone number, email address, management, power of attorney, legal and technical representative, and declaration of joint and several liability of the parties that intend to form the consortium as well as indivisibility of obligations with notarized signatures.
- D. Representation of the bidder: in the event that the bidder acts through one or more representatives in the country, a power of attorney must be furnished in accordance with the prevailing notarial standards stating the full force and effect of the powers granted to the representatives. If they were granted abroad, they must be translated and certified by an Apostille. Such appointment may be included in the notarial certificate (paragraph C) or in a power of attorney that meets the mentioned requirements.
- E. "Eligibility" Sworn Statement: the content detailed in Annex 3 must be stated, signed by the accredited representatives of each of the parties constituting the bidder, and the signatures certified by a notary public.
- F. Complete information must be provided, and in a separate folder, which, in accordance with the instructions attached as Annex 4, is necessary to request the report from the National Secretariat for the Fight against Money Laundering and Terrorism Financing (SENACLAFT). This agency may request any additional documents or information it deems appropriate. The report of the said Secretariat without negative remarks shall be a necessary precondition for the award of the contract.

Document 2: "Financial background"

- I. Natural persons who are constituents of a bidder must submit a Personal Statement of Assets and Liabilities, which must be signed as a sworn statement

- and certified by a competent professional.
- II. Legal entities who are constituents of a bidder must submit complete financial statements accompanied by an external auditor's report for the last three fiscal years. External auditor's reports must be prepared in accordance with generally accepted auditing standards issued by the International Federation of Accountants (IFAC).
  - III. The financial statements must be presented in Uruguayan legal tender and also in the functional currency of the entity and must be signed by a legal representative of the company.
  - IV. The financial statements shall consist of a Statement of Financial Position, a Statement of Comprehensive Income, a Statement of Changes in Equity, a Statement of Cash Flows, Notes to the Financial Statements (including Notes on Property, Plant and Equipment).
  - V. For companies incorporated in the Eastern Republic of Uruguay, the financial statements must be prepared in accordance with appropriate accounting standards: Decree No. 124/011 of January 1, 2011 and Decree No. 292/014 of October 14, 2014 (issuers of publicly traded securities and other entities that apply it by choice), Decree No. 291/014 of October 14, 2014, Decree No. 538/009 of November 30, 2009 and Decree No. 408/016 of December 26, 2016, and relating thereto (other entities).
  - VI. For companies incorporated abroad, they shall be prepared in accordance with the legal or professional regulations, as appropriate, in force in the country where they are domiciled.
  - VII. The validity of the financial statements shall not exceed the time limit set for companies in their respective domiciles to comply with the tax liabilities resulting from the last year-end closing.
  - VIII. The financial statements must provide evidence that the bidder has sufficient financial resources to duly comply with the commitments it intends to undertake.
  - IX. In the event that the bidder is a consortium, the consortium partners must submit as financial background the information requested from natural

persons or legal entities, as appropriate, in accordance with items I to V above.

Document 3: "Experience of the Bidder"

1. Bidder's hospitality background

Hospitality management background shall be evidenced by furnishing reliable documentation containing: i) a list of the hotels managed or in whose management the bidder has participated; ii) start and end date, if applicable, of activity; iii) location of the establishment or establishments.

2. Background operating games of chance

Casino operation background shall be evidenced by furnishing reliable documentation containing:

I) A list of the casinos managed, indicating the following for each one: i) start date and, where appropriate, end date of management; ii) their location.

II) Documents that evidence the proper conduct of operations of games of chance.

III) Sworn Statemet regarding: (i) compliance with foreign tax liabilities; (ii) whether its operating permit has been revoked in any jurisdiction in the last 15 years, and if so, the reasons for such revocation.

Experience, both in the hotel industry and in the operation of games of chance, shall not be an eligibility requirement. However, it shall be taken into account for the purposes of clause 9.2 of chapter III hereof. It may be evidenced by any of the constituents of the bidder without distinction.

Document 4: Comprehensive Proposal

The Hotel and Casino must comply with the requirements and meet the specifications set out herein (Annex 5 and 6).

Those bids that do not meet these requirements and specifications will be disqualified.

The proposal shall include:

- i) Urban integration of the project.
- ii) Architectural proposal.
- iii) Proposal for the construction and facilities of the hotel and other services that the bidder intends to undertake and finance, accompanied by the respective preliminary project plans and their stage by stage development.
- iv) General schedule for the execution of works that shall include the date of commencement of the works, the date of commencement and completion of each stage and the date of full completion of the works.
- v) Employment in hotel and casino, indicating levels of remuneration and incentive policies.
- vi) Technical, commercial and tourism studies or surveys to support the investment.
- vii) Hotel occupancy plan and, in particular, strategy for attracting international tourism and positioning the hotel in the international hotel scene.
- viii) Plan for attracting players at an international level.
- ix) Support program for gamblers.
- x) Feasibility study or building permit filed with the Council of the Department of Maldonado. Absence of a decision by the Council concerning what has been requested does not result in any liability for the agencies involved in the bidding process. The approval of such inquiry or permit shall be a necessary precondition for the award of the contract.

## **ENVELOPE No. 2: "FINANCIAL BID"**

The financial bid must contain the following documents, duly identified:

- A. Financial bid – fee: The bidder must include in its bid the minimum annual fee that it undertakes to pay, in compliance with clause 4 of Chapter I. The amount must be expressed in USD.
- B. Details of the investment: The total investment budget must be stated in USD. It should be broken down in such a way as to display both the quantities and the corresponding unit prices broken down for each investment item (e.g.

construction of the luxury hotel, furnishing of the hotel, meeting and exhibition center, related services, if any, and furnishing, and casino and furnishing). Likewise, all information must include their respective sources of information, such as estimates requested from companies with experience in similar works. The investment shall not include the value of the property. The provisions of Chapter I, Clause 3 of this document shall be observed.

- C. Envisaged sources of financing: bidders must specify the sources of financing they plan to receive to meet the obligations arising from the contract, both from their own funds and from third parties. For these purposes the following information shall be provided:
- I. Amount of financial resources and, if applicable, investments in other significant instruments such as own resources, which would be injected as capital by each of the constituents of the bidder. The above must be supported by elements of the financial statements presented as Document 2: "Financial background". In the event that the bidder expects to receive capital contributions not reflected in the financial history, the source of the resources must be explained and their availability documented, including letters of commitment and the legal relationship between the source of these resources and the bidder. The above must cover 100 percent of the amount of the resources mentioned.
  - II. Characteristics of the various sources of third-party financing: currency, interest rate, amortization and grace period, maturities, commissions and other expenses, adding any data that in the opinion of the bidder is relevant. This should be supported by letters from financial institutions and/or institutional investors expressing interest in financing the project in case the bidder is awarded and expressing the amount and term of the credit they would be willing to grant. Such letters must cover 100 percent of the amount of the resources mentioned.
- D. Credit references: letters from financial institutions with which the constituents of the bidder have contracted credits in the past five years, expressing the



fulfillment of the obligations undertaken. Where appropriate, letters from institutional investors which are or have been holders of debt issued by the bidder, expressing the fulfillment of the obligations undertaken.

The Advisory Committee on Procurement shall recommend the rejection of the bid or bids that do not comply with the above paragraphs.

## **7. RECEPTION AND OPENING OF BIDS**

### Reception of Bids

Bids shall be received in public, at the place, date and time fixed in due course, and in the presence of the officials and notary public appointed, and of the bidders or representatives who wish to attend.

Any prospective bidder may request an extension of the opening of tenders at least 15 days before the date set for that purpose and must provide a security that a responsible bid will be submitted thereafter. Such extension may be granted for up to 30 days from the date already set. The amount of the security for this application shall be USD 100 000 (one hundred thousand USD) and may be provided by using the same instruments as those used for establishing a bid bond. The above-mentioned security shall remain the property of the Administration by operation of law and with no need for notice or any other formality, if a new date has been set for the opening of bids and the applicant has not submitted a complete and adequate proposal in accordance with the specifications herein. If the said bid is submitted, the security shall be returned after the opening of the bid.

The acting notary public shall verify that Envelopes No. 1 "Bidder's Background and Comprehensive Proposal" and No. 2 "Financial Bid" have been submitted for all bids and shall sign them.

### Opening of bids

In the reception session the attending notary public will open Envelope No. 1 "Bidder's Background and Comprehensive Proposal", and will only verify that Document 1 has been submitted including the information specified in this document. Having

confirmed this, particularly the submission of the bid bond, the envelopes will be delivered to the Advisory Committee on Procurement.

Once the reception and opening session has begun, no changes can be made to the bids. However, bidders may make the representations, clarifications or reservations they wish.

No submitted proposal may be rejected at the opening session without prejudice to its subsequent invalidation.

Only the contents of Document 1 of Envelope No.1 will be made available to the attending bidders upon request. The contents of said document may not be photocopied, photographed or reproduced in any form or by any means.

At the end of the session, a detailed record shall be drawn up and signed by the officials and the bidders who wish to do so, who shall be able to leave the statements they deem necessary on record regarding the reception and opening session.

The initial acceptance of a proposal shall not preclude rejection if the proposal is subsequently found to be defective in a way that violates legal or substantial requirements contained in these specifications.

## **8. ADVISORY COMMITTEE ON PROCUREMENT**

Tenders submitted will be examined by the Advisory Committee on Procurement, which will consist of a representative of the Executive Branch as well as a delegate of the Ministry of Tourism, the Ministry of Economy and Finance, the Office of Planning and Budget and the Council of Maldonado, who may request the advice it deems appropriate for the evaluation of tenders. Likewise, respective alternates will be appointed who will only act in the event of force majeure of the incumbents.

The Advisory Committee on Procurement may grant the bidders a maximum period of two working days to remedy defects, formal shortcomings or evident or minor errors provided that their subsequent correction does not affect the equal treatment of the bidders. This period may be extended for foreign suppliers and in this case applies to all bidders.

Additional information or clarifications may be requested in accordance with Section 66 paragraph a) of the TOCAF (Text on Accounting and Financial Administration). Amendments to the contents of the bid are not permitted under any circumstances.

The Advisory Committee on Procurement shall verify that bids are responsive to the technical and financial requirements and the purpose of the tender.

Bids that contain substantial deviations from the requirements set out in the tender documents will not be considered. A bid will be considered substantially responsive when it conforms to all the terms, conditions and specifications of the contractual terms, without significant deviations, reservations or omissions.

Failure to sign the bid, failure to provide a security, or any correction that changes the substance of the bid or improves or diminishes it shall not be considered a remediable error or omission.

The opinions of the Committee shall always be adopted by a simple majority vote of its members.

## **9. EVALUATION OF BIDS**

### **9.1. EVALUATION OF BIDDER'S BACKGROUND AND COMPREHENSIVE PROPOSAL**

The Advisory Committee on Procurement shall verify that the bidders have correctly provided the Bid Bond, that they have purchased these specifications for bidding, that they are registered in the RUPE displaying an "en ingreso" (entry in progress) or "activo" (active) status and that they have submitted all the requested information.

Likewise, it will examine the comprehensive proposal (Document 4) ensuring that the minimum requirements are met.

The Advisory Committee on Procurement shall issue its decision within a maximum period of 30 days from the day following the bid opening date. When the complexity and/or volume of the documentation so warrants, this period may be extended by giving notice to the bidders.

The Committee will prepare a report along with a list of bidders it considers qualified for the opening of "Envelope No. 2" and those it recommends rejecting. This report

shall contain arguments to substantiate eligibility.

The result of the prequalification will be made available for a period of five working days and within the five working days following the expiration of the previous period, the bidders may express in writing their views on the process carried out so far, as well as those related to the Committee's report.

Once the final five-day period has expired and the comments received have been analyzed, or if the interested parties state that they have no comments to make on the prequalification report, the Committee will submit the list of prequalified bidders for the approval of the Ministries.

Once the aforementioned list has been approved, the Committee will open Envelope No. 2.

Concomitantly, the information submitted in due time by the prequalified bidders will also be sent to SENACLAFT.

Bidders whose proposals have been rejected may collect the unopened envelopes and request the return of the bid bond.

## **9.2. OPENING AND EVALUATION OF FINANCIAL BID**

Envelopes No. 2 "Financial Bid" of the admitted bids will be opened at the place, on the date and at the time that shall be communicated to the bidders, in the presence of the designated officials, among whom there must be a notary public. Bidders or their representatives may be present if they so wish.

The acting notary public shall deliver the envelopes to the designated official, for subsequent delivery to the Advisory Committee on Procurement.

The Advisory Committee on Procurement shall recommend the rejection of the bid or bids that do not conform to the provisions of Chapter II, Clause 6, paragraphs A) to D) of Envelope No. 2 "Financial Bid".

With respect to paragraph A) of said clause, bidders shall include in the financial bid a single minimum annual fee in USD as indicated in Clause 4 of Chapter I "FEE".

A benefit of 5% (five percent) of the minimum annual fee proposed will be awarded to

each bid made when the bidder submits proof of its experience in the operation of games of chance, and a benefit of five percent on the minimum annual fee proposed when the bidder submits proof of its experience in the hotel industry.

In this way, the evaluation of the bids will be carried out based on a Notional Competitive Value (VFC), which is composed by the minimum annual fee proposed (CMAP) by each bidder inclusive of the corresponding benefits, as indicated in the following formula:

$$\text{VFC} = \text{CMAP} + 0.05 * \text{CMAP} * \text{C} + 0.05 * \text{CMAP} * \text{H}$$

Where:

VFC: Notional Competitive Value

CMAP: Minimum Annual Fee Proposed by the Bidder pursuant to Section 4 of Chapter I "FEE".

C: Variable that takes on the value of one (1) if the bidder has experience in the operation of games of chance and zero (0) if it does not.

H: Variable that takes on the value of one (1) if the bidder has experience in the hotel industry and zero (0) if it does not.

The VFC of the bidder proposing the private initiative shall be awarded a 5% (five percent) benefit in accordance with clause 9.3 of this document.

The successful bidder shall be the bidder whose VFC is higher.

If the developer's VFC, taking into account the benefit mentioned in clause 9.3., is not the highest, this may request that a bid improvement process be initiated within a period not exceeding the original time limit that would have been set for this competitive bidding process. The bid improvement will be carried out on the CMAP in the previous stage. The evaluation of new bids will follow the same procedure as outlined above, whereby the new VFC will be determined. The successful bidder shall be the bidder whose VFC is higher. Improved bids will only be based on the new CMAP; therefore, proof of experience in either the operation of games of chance or the hotel industry will not be considered at this stage, although the benefits resulting

from supporting documents submitted in the previous stage will be retained for calculating the VFC.

The bid improvement process will be carried out exclusively between the developer and the bidder or bidders who reach this phase with higher scores than the developer, excluding from the process those bidders which score below the developer.

In the event that there are any bids with the same VFC, rounded off without decimals, a draw will be held, which will be registered by public deed, on the date, at the place and time to be set by the Advisory Committee on Procurement, with the intervention of a notary public, who will prepare a detailed report on the matter.

### **9.3. BENEFITS OF THE BIDDER PROPOSING THE PRIVATE INITIATIVE**

Within the framework of the provisions of Law No. 17555 and its regulatory decrees, and having complied with the procedures established therein, by resolution dated June 3, 2019, the Executive Branch accepted the Private Initiative presented by Fosara S.A. for the execution of the tasks set forth herein.

In accordance with the provisions of Article 16 of Regulatory Decree No. 442/002 of September 28, 2002, the bidder proposing the private initiative will enjoy the following rights and preferences:

1. If the bidder participates in the competitive bidding process alone or as part of a consortium or company, the only compensation it shall be entitled to is five percent (5%) of the value offered.
2. If its bid, taking into account the above benefit, is not the highest, the developer may request that a bid improvement process be initiated within a period not exceeding the original time limit that would have been set for the envisaged competitive bidding process.
3. It shall not have to pay the purchase price of the bidding documents.

In accordance with Article 19 of Regulatory Decree No. 442/002 of September 28, 2002, if the developer decides not to take part in the competitive bidding process, the

only benefit it shall be entitled to is a one-off compensation of USD 1 535 167.56 (one million five hundred thirty-five thousand one hundred sixty-seven U.S. dollars and fifty-six cents). The compensation referred to above shall be paid by the successful bidder to Fosara S.A. as a prerequisite for signing the contract.

## **10. AWARD**

The Executive Branch will award the concession for the operation of the Casino, subject to the construction, completion and operation of the works related to the luxury hotel, as well as to others proposed by the bidder, and considered in the amount of the investment, which shall be notified to all bidders.

Once the term to request a review has expired without the act having been challenged or, if challenged, once the suspensive effect has been lifted, after having received a favorable final report from SENACLAFT, the concession agreement shall be signed within a maximum period of 60 days.

Non-attendance by the successful bidder to the signing of the contract on the date set will result in the loss of the bid bond, except in the case of a duly evidenced fortuitous event or force majeure. The Executive Branch shall thus be entitled to award the contract to the second highest bidder in order of precedence and if this is not possible or convenient, to cancel the bidding process without any liability whatsoever.

## **Chapter III. PRELIMINARY ACTIONS AND EXECUTION OF AGREEMENT**

### **1. PERFORMANCE BOND**

The bidder to whom the concession agreement is awarded must submit the performance bond within ten days of notification of the decision. If the successful bidder fails to provide said performance bond within the prescribed time limit, this shall be deemed a failure to comply with bidding requirements and the bid bond shall be enforced.

The amount of the bid bond shall be USD 7 500 000 (seven million five hundred thousand USD).

The bid bond shall be provided by means of one of the following instruments:

- a) A guarantee from a bank established in the Eastern Republic of Uruguay, or from a foreign bank with a branch or correspondent in Uruguay.
- b) An ordinary surety bond issued by an insurance institution authorized by the Superintendency of Financial Services of the Central Bank of Uruguay.
- c) The encumbrance of public debt securities in the Banco de la República Oriental del Uruguay, in USD, which shall be deposited in custody at the Banco de la República Oriental del Uruguay.

Security documents shall not contain clauses that condition them as to the amount or the purpose for which they are issued, and they shall expressly indicate the guaranteed contract.

The bond may be furnished in more than one of the indicated options, provided that all of them are in the name of the successful bidder and accepted by the Ministries.

In addition to the performance bond set out above, a special security must be provided to ensure payment of the annual fee, equivalent to five percent of the minimum annual fee. This security may be provided by means of any of the instruments mentioned above.

Securities must be valid throughout the term of the concession and until the definitive termination of all the obligations arising from the contract.

Upon verification of the cessation of activities or the suspension of the authorization to operate granted by the Central Bank of the financial intermediation and/or insurance companies issuing the security, the successful bidder or concession holder must replace said security within a set period of 30 calendar days and all rights entitled thereunder shall be suspended until this occurs. Non-compliance will result in the penalties provided for in these specifications or in the agreement to be signed.

The special security for the payment of the fee may be enforced if 30 calendar days have passed since the payment became due and the fee has not been paid. Once

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nonperformance has been confirmed, this information will be available to the concession holder for a maximum term of three working days, specifying the amount concerned, which will include the corresponding fine and interest. Once this period has elapsed and the discharges, if any, have been analyzed, a resolution will be issued regarding enforcement. The concession grantor shall be entitled to settle the fine based on the information available. In the absence of updated information, the grantor may refer to the average of the three immediately preceding payments. The concession holder must reestablish the security within 30 calendar days. Failure to fulfill this obligation will be considered a serious breach, which will enable the mechanism for termination of the contract. The repetition of three consecutive breaches will also enable the contract to be terminated.

## **2. OBLIGATIONS OF THE SUCCESSFUL BIDDER**

The property where the works referred to herein are to be carried out shall not be sold nor its purpose be changed during the entire term of the concession.

The prohibition set forth in the previous paragraph shall not apply if, together with the property, and with the prior authorization of the Executive Branch, the concession rights for the operation of the Casino are assigned.

In the case of companies, all the partners or directors, as the case may be, shall be jointly and severally liable for the fulfillment of each and every obligation undertaken by the company should it be awarded the contract.

The Casino license shall not be assigned, subcontracted, leased or subleased, except with the express prior consent of the administrative authority. Any outsourcing, subcontracting, commissioning or involvement in contravention of the foregoing prohibition shall render the concession holder and the third party jointly and severally liable for the obligations arising from the agreement, and/or result in the termination of the concession agreement at the discretion of the competent Ministries.

The concession holder shall not change its form of organization, merge nor be taken over by another company without the prior authorization of the competent Ministries.

The composition of the successful bidder, as well as the participating interest of each

## **ADMINISTRATIVE SPECIFICATIONS FOR BIDDING**

of the parties, must remain unchanged throughout the term of the concession, and changes may only be made with the prior authorization of the competent Ministries.

Without prejudice to those established in the agreement, the following obligations shall also apply to the successful bidder:

- a- To obtain all permits and authorizations required by departmental and environmental impact authorities prior to the start of the works.
- b- To fulfill in good faith the commitments and obligations arising from the concession agreement in accordance with the specifications and other constitutional, legal and regulatory provisions of the Eastern Republic of Uruguay.
- c- The successful bidder shall be responsible for financing the investments and for covering, on its own account, all expenses and disbursements to duly fulfill the obligations set out in this tender.
- d- To allow and facilitate monitoring and inspections by the competent State bodies.
- e- To complete the works as agreed in due time and proper form. The successful bidder must take the necessary measures to prevent damage during the execution of the works, to the people who work there, to third parties and to public or private property and assets. If such damage occurs, the successful bidder shall be liable to provide compensation for the damage attributed to it.
- f- To pay the price or fee agreed in due time and proper form.
- g- To maintain an excellent level in the provision of services, for which it will be obliged to carry out all maintenance, repair and improvement works of any nature required by the establishment, being also obliged to make the acquisitions, repairs and replacements of items of equipment, required for the proper functioning thereof throughout the term of the concession.
- h- The concession holder shall bear the costs of consumables arising from the operation of the concession and those necessary for the completion of the works.
- i- The concession holder must maintain the facilities, their surrounding spaces as well as the installed equipment and movable goods, in perfect conditions of preservation, hygiene and operation during the entire concession period.
- j- To fulfill its tax, labor and social security obligations, as well as to ensure the

#### ADMINISTRATIVE SPECIFICATIONS FOR BIDDING

payment of all consumption derived from its operation.

k- To keep the performance bond and the special security in full force during the whole period of the concession.

l- To pay salaries, wages, insurance, contributions and any other charge and obligation derived from the application of labor and social security laws, of all personnel involved in its operation.

m- To furnish and maintain with the same standard of excellence the premises intended for both the Hotel and the Casino.

n- To declare the Corporate Governance structure that it will adopt to direct, monitor and control the casino.

o- To assure that the regulation of the games of chance and the corresponding procedure manuals are in accordance with the internationally recognized standards in the matter, applied in the State of Nevada of the United States of North America, as well as those issued by the relevant regulatory body.

p- To adopt measures to correct the observations that arise from the audits carried out by the National Internal Audit Office itself, or through third parties.

q- To present the required approvals (GLI, BMM, others) that certify the suitability and quality of the slot machines and other equipment used for the development of games of chance in the Casino.

r- To provide the following during the entire period of the concession: education, training, coaching and updating on the various topics related to the operation, functioning, running and control of the Casino, at the request of the National Internal Audit Office, for personnel designated thereby. The costs related to this training will be borne by the Concession holder.

### **3. FEE PAYMENT METHOD**

The concession holder must deposit the fee in the account indicated by the Administration for this purpose.

The payment of the annual fee will be made in two semi-annual deposits. The first deposit will amount to 50% (fifty percent) of the minimum annual fee for the respective year, while the second deposit will be equal to the difference between the

annual fee and the advance payment made. The annual fee refers to the amount of the concession fee that shall be paid in the respective year, either the minimum fee or the percentage of the gross revenues of the Casino, as applicable in accordance with the provisions of clause 4 of Chapter I of this document.

Deposits must be made within 10 working days following the closing of each semester of the calendar year.

The first payment will be made upon total completion of the works and opening of the Hotel and Casino. The remaining payments shall be due within the same deadlines mentioned above.

In both the first and last calendar year of the concession, if the minimum annual fee is to be paid, it will be prorated according to the corresponding number of months in the concerned calendar year that has elapsed. That is, if the first payment is due as of July 1, 2021 and corresponds to the minimum annual fee of USD 7 900 000 (seven million nine hundred thousand USD), the first payment will amount to half of USD 7 900 000, given that the first six months of the year the Casino was not in operation.

Since the payment of the annual fee will be made in two semi-annual deposits, and the first one will amount to 50% (fifty percent) of the minimum annual fee for the respective year, said percentage of 50% will also be pro-rated, only for the first and/or last payment of the concession, according to the number of months in the concerned calendar year that have elapsed.

#### **4. FAILURE TO PERFORM**

Failure by the concession holder to meet any of the conditions and obligations contained in these specifications and in the agreement to be signed, or delayed in performance and/or repeated breaches will be sanctioned and may result in termination of the agreement.

Sanctions for non-performance and their scaling will be those arising from the concession agreement.

Default will take place by operation of law by the mere expiration of the terms, with

no need for judicial intervention or otherwise, and the bidders must establish a domicile for all legal and non-legal purposes in the Department of Montevideo.

The penalty for default will be charged against the performance bond. The application of penalties is without prejudice to the action that may be brought for damages, and to the actions established in the following sections.

The concession of the operation of games of chance in the Casino is subject to the express resolutive condition in case of failure to pay the fee provided for herein, in accordance with clause 1 of Chapter III.

Non-payment of the fee established in the bid and in the respective agreement will result in the collection of the agreed penalty plus damages, and/or the termination of the agreement, if applicable, with the right to enforce the conditions established in the previous section.

Likewise, failure to comply with any of the obligations arising from the concession agreement for the operation of the games of chance and related services of the Casino will result in forfeiture of the entire performance bond in favor of the State. The Ministry of Economy and Finance will be responsible for executing the relevant actions.

## **5. CONTRACT SUPERVISION**

The Ministry of Economy and Finance, through the National Internal Audit Office, shall carry out the duties of control and supervision of the operation of the Casino in each and every aspect of its activity. To this end, the National Internal Audit Office shall have unrestricted authority and may implement the means of control and advice with its officials or through temporary contracts with third parties, including officials of other State agencies under its supervision.

It may wield its control and supervisory powers, concomitantly or subsequently, in an unrestricted manner and in relation to all aspects related to the operation of the Casino.

The National Internal Audit Office will be in charge of approving the amendment to the regulations of the authorized games. The Audit Office may require any other specific

## **ADMINISTRATIVE SPECIFICATIONS FOR BIDDING**

registration needed to fulfill the control tasks, in addition to the books and records required by Law 16060, without hindering the normal operation of the company and its activities.

It shall also call for the submission of annual financial statements audited by an independent audit firm.

The concession holder must allow access to the facilities to the officials of the National Internal Audit Office, or to the persons hired or appointed by it (duly identified), whenever necessary, and make available and facilitate access to all documentation, procedures, records and operating and accounting systems for the fulfillment of its control duties.

The costs involved in hiring personnel and means to be used by the National Internal Audit Office in carrying out such control shall be borne by the concession holder.

In the performance of its supervisory duties and in the event of any kind of non-compliance related to the operation of the Casino, the National Internal Audit Office may apply administrative and financial penalties, in accordance with the provisions of the Internal Regulations on Sanctions.

## **6. GENERAL PROVISIONS**

The following elements will be part of the agreement to be signed:

- a- These specifications, its annexes and the related acts of administration.
- b- Inquiries and requests for clarification of the specifications;
- c- The bid submitted by the successful bidder, any improvements proposed and accepted in the course of the procurement process.
- d- The Resolution of the Executive Branch approving the award.

## **7. APPLICABLE REGULATIONS**

- A) These specifications and its annexes.
- B) Amendments hereto, notified by the Administration in due time and form.
- C) Notifications and clarifications made pursuant to these specifications.

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- D) The Text on Accounting and Financial Administration (TOCAF), approved by Decree No. 150/012 of May 11, 2012.
- E) Section 42 of Law No. 16736 of January 5, 1996 and its Regulatory Decree No. 395/998 of December 30, 1998.
- F) Decree No. 500/991 of September 27, 1991.
- G) Law No. 17060 of December 23, 1998.
- H) Law No. 16060 of September 4, 1989, as amended and supplemented.
- I) Section 13 of Law No. 17904 of October 7, 2005.
- J) Decree No. 475/005 of November 14, 2005.
- K) Acts No. 18098 of January 12, 2007 and No. 18099 of January 24, 2007.
- L) Decree No. 342/999 of October 26, 1999 as amended by Decree No. 20/002 of January 16, 2002.
- M) Law No. 19196 of March 25, 2014.
- N) Acts No. 14178 of March 28, 1974 and No. 16906 of January 7, 1998 and regulatory decrees.
- O) Law No. 17555, sections 19 and 20, of September 18, 2002, and Regulatory Decree No. 442/012.
- P) Decree Law No. 14335 section 20 of December 31, 2012.
- Q) Decree No. 588/975 of July 24, 1975.
- R) Laws, decrees and resolutions in force at the bid opening date.
- S) The Constitution of Uruguay.

**ANNEX 1**

**COVER PAGE TEMPLATE**

*Cover Page A*

*(Logo)*

*Name of the bidder*

*PUBLIC TENDER NO. ....*

*Casino concession contract conditional on the construction of a  
luxury hotel*

*Presentation of Bids*

*Contents:*

*Envelope No. 1: Bidder's Background and Comprehensive Proposal*

*Envelope No. 2: Financial Bid*



*Cover Page B*

*(Logo)*

*Name of the bidder*

*PUBLIC TENDER NO. ....*

*Casino concession contract conditional on the construction of a  
luxury hotel*

*ENVELOPE No. 1: Bidder's Background and Comprehensive  
Proposal*

*Cover Page C*

**(Logo)**

**Name of the bidder**

*PUBLIC TENDER NO. ....*

*Casino concession contract conditional on the construction of a  
luxury hotel*

*ENVELOPE No. 2: Financial Bid*

**ANNEX 2****SWORN STATEMENT: BIDDER COMMITMENT LETTER**

I/We, the undersigned, for and on behalf of the Bidder \_\_\_\_\_, hereby  
DECLARE UNDER OATH that:

- i. "The Bidder" is composed of the following natural persons or legal entities: *[to be determined]*, who are jointly and severally liable in respect of the Contracting Public Administrations for the obligations arising from this tender.
- ii. The participating interest of each of the parties is as follows: *[to be determined]*.
- iii. I/We appoint *[to be determined]* as my/our representative, who will be authorized to undertake obligations and carry out all procedures, formalities and petitions related to the tender, until it is awarded.
- iv. Any relevant notification shall be sent to the following e-mail address (to be determined), which shall remain current during the bidding process, unless it is modified under the authorization of the principals.

*[Signatures certified by Notary Public in Uruguay]*

### **ANNEX 3**

#### **SWORN STATEMENT: ELIGIBILITY REQUIREMENT**

I/We, the undersigned, for and on behalf of the Bidder \_\_\_\_\_, hereby DECLARE UNDER OATH that:

- a) The natural persons and/or legal entities constituents of the Bidder are not part of any other participating Bidder.
- b) I/We examined and unconditionally accepted these specifications and other background, documents and legal provisions associated with the bidding and awarding process, and expressly accepted the obligations arising from those specifications and the applicable regulations, having no objection to make whatsoever.
- c) The constituents of the Bidder meet all the conditions required to enter into agreements with the State.
- d) They unconditionally accept that by the mere fact of participating in this tender they are subject to the jurisdiction of the competent courts of the city of Montevideo, Eastern Republic of Uruguay, for any conflict that may arise regarding the interpretation, compliance or execution of this Agreement, expressly waiving any other jurisdiction they may come under.
- e) They are not on the World Bank listing of ineligible firms.
- f) The administration is expressly authorized and entitled—if it deems it convenient and appropriate and at its sole discretion—to make available for examination to Baluma SA all actions taken, prior to the final award, lifting for this purpose any reservation or confidentiality, taking into account that the State is bound by an exclusivity clause in favor of the said company.

ADMINISTRATIVE SPECIFICATIONS FOR BIDDING

*[Signatures certified by Notary Public in Uruguay]*

#### **ANNEX 4**

##### Instructions for SENACLAFT report application



#### INSTRUCTIONS

Information to be submitted for the preparation of the report by the National Secretariat for the Fight against Money Laundering and Terrorism Financing (SENACLAFT) in accordance with the provisions of Law No. 19172 of December 20, 2013 and Decrees No. 120/014 of May 6, 2014, 372/014 of December 16, 2014 and 46/015 of February 4, 2015.

Updated in December 2018

- i) IF THE BIDDER IS A NATURAL PERSON:
  - a) Photocopy of identity card or other document proving that the person is a foreign national.
  - b) Address, e-mail address, telephone number.
  - c) Certificate of police records issued by the Ministry of the Interior (when applying indicate that it is to be submitted to SENACLAFT). If the bidder resides or has

#### ADMINISTRATIVE SPECIFICATIONS FOR BIDDING

resided abroad in the last five years, equivalent documentation issued by the competent authorities.

- d) Sworn Statement with certified signatures of whoever is the ultimate beneficial owner of the investment.
  - e) Proof of the origin of the funds to be used in the project, indicating the paid-in capital and presenting, as appropriate, receipts for salaries or pensions, sworn tax return statements for the last three fiscal years, etc.
- ii) IF THE BIDDER IS A LEGAL ENTITY:
- a) With regard to the legal entity: corporate name, trade name if applicable, RUT number, address, e-mail address and telephone number.
  - b) With regard to partners of partnerships, directors, board members, general manager, main managers and beneficial owners of the investment:
    - Photocopy of identity card or other document proving that they are a foreign national, their address, email address and telephone number.
    - Certificate of police records issued by the Ministry of the Interior (when applying indicate that it is to be submitted to SENACLAFT). If the bidder resides or has resided abroad in the last five years, equivalent documentation issued by the competent authorities.
      - c) Notarized copy of the operating agreement or corporate bylaws and articles of incorporation and any amendments, publications and declaration with respect to Law No. 17904. If applicable, notarized copy of the minutes stating the appointment of directors and distribution of posts.
      - d) As appropriate:
        - Control of compliance with the provisions of Laws No. 18930 and No. 19484 and notarized copy of Form B filed with the Central Bank of Uruguay.
        - Provide a breakdown of the entity's shareholders by attaching a notarized copy of the book-entry of registered securities, showing the list of shareholders, or a sworn statement of the shareholders, with signatures certified by a notary, in the case of

bearer shares.

- e) In all cases, the chain of shareholders must be evidenced up to the ultimate beneficial owner, i.e. the natural person exercising control, under the terms of Section 15 (B) of Law No. 19574 of December 20, 2017.
- f) The ultimate beneficial owner must present a sworn statement, with signatures certified by a notary, acknowledging such capacity.
- g) Proof of the source of funds to be used in the project, indicating the capital paid in by each partner, shareholder or entity, submitting supporting documentation, for example: financial statements of the company for the last three closed fiscal years, duly signed and with the corresponding duty stamps, with a report from a Public Accountant (opinion of external auditors, limited review or compilation report) as the case may be according to the revenue of the entity.

In the case of entities that list their shares, partnership interests or other equity securities on national or international stock exchanges, the following information must be provided:

- Stock exchange on which it is listed
- Body that oversees the stock exchange activity
- Percentage of the paid up capital that is listed
- Indicate whether the shares or securities are immediately available for sale or acquisition in said market

Additional remarks

- SENACLAFT will not analyze proposals that do not submit all the documents and information stated in these instructions.
- SENACLAFT may request other documents or require clarifications as it sees fit.
- All documentation coming from abroad must be duly legalized or certified by an Apostille and translated, if applicable.

ADMINISTRATIVE SPECIFICATIONS FOR BIDDING

## **ANNEX 5**

For the purposes of this call for bids, a "luxury or high-end hotel" is defined as a hotel that renders high-quality services to satisfy the requirements and expectations of guests who seek "unforgettable experiences", created by facilities and staff with outstanding skills and professionalism.

In these hotels the areas of rest, overnight stay and their services stand out for their designs, materials and furniture of top quality and great comfort, with personalized attention 24 hours a day, with areas featuring swimming pools, gyms, wellness centers, restaurants with local and international cuisine, entertainment venues, specially designed green areas, meeting and exhibition centers capable of hosting regional and international events.

### **Eligibility requirements relating to the Hotel proposal**

#### **MINIMUM CONDITIONS AND PROGRAM TO BE OBSERVED BY THE HOTEL**

- The facilities of the entire hotel establishment will be built using top quality materials, both for finishes and fittings, in order to provide great comfort and a high degree of refinement.
- All items of decoration and furnishing, tableware, furniture, upholstery, etc. will stand out for their excellent design and quality.
- There shall be at least one covered main entrance for guests.
- Access halls, reception, etc., will offer first class services.
- Rooms will have a minimum area of 24 m<sup>2</sup> (excluding bathroom areas, wardrobes, corridors and halls), will be soundproofed and will feature wardrobes of at least 2 m. in length, telephone, minibar, television, radio, safety box, etc.
- Bathrooms will be at least 6 m<sup>2</sup>. Coverings, appliances, fittings and accessories will be of the highest quality.
- Suites will have everything specified in the previous points and will cover an area of at least 20 m<sup>2</sup>.
- There should be a smooth flow between the hotel and the meeting and exhibition center.
- Special consideration should be given to regulations regarding differently abled persons

#### **ADMINISTRATIVE SPECIFICATIONS FOR BIDDING**



for both rooms and public services.

- It shall include a shopping center with a minimum area of 1 000 m<sup>2</sup>.
- It must have general safety deposit boxes, medical facilities, two hairdressing salons (ladies and gentlemen).
- It must have a wellness center or spa with sauna, whirlpool bath, contrast shower, exercise equipment, gym, heated indoor pool and outdoor pool.
- High speed internet and Wi-Fi in common areas and rooms.

- **Rooms:**

double

minimum of 10% en suite

1 presidential suite

- **Public areas:**

Lobby/foyer

Cafeteria/Lobby bar - 150 people

Restaurants and shopping center

- **Administration:**

Reception

Offices

Administration

- **Recreation:**

Outdoor swimming pool, solarium, heated indoor swimming pool

Wellness center, spa

Sports courts and fields

Game room for children

Green areas

- **Parking:**

250 covered parking spots

100 open-air parking spots

- **Meeting and Exhibition Center:**

Auditorium  
Committee rooms  
Bar, cafeteria  
Convention Support Offices  
General Service  
Parking

## **ANNEX 6**

### **Eligibility requirements relating to the Casino proposal**

#### **MINIMUM CONDITIONS AND PROGRAM TO BE OBSERVED BY THE CASINO**

Minimum conditions:

- 1) The casino must be able to operate independently of the hotel even if the functional space connections between the two are easy and generous.
- 2) The casino must be operated by the successful bidder.
- 3) The furnishing, decoration and maintenance of the gaming premises shall also be the responsibility of the successful bidder.
- 4) The successful bidder must comply with the current specifications of the State Insurance Bank.
- 5) The vault must have the prior approval of the State Insurance Bank for its construction.

Program:

#### **Regarding authorized games**

The games that the casino will be able to offer will be those that are usual and customary in the Casinos of Uruguay. As an example, the following games may be offered:

#### **ADMINISTRATIVE SPECIFICATIONS FOR BIDDING**

Slot Machines  
French Roulette  
Baccarat  
French Blackjack  
Craps  
Horses  
Bingo  
Texas hold'em Poker  
Caribbean Poker  
Hand to Hand  
American Roulette  
Midi Baccarat  
American Blackjack  
Omaha Hi/Lo Poker  
Oasis Poker  
Draw Poker  
Let It Ride Poker  
Atlantic Poker  
South Poker

Games that require dexterity, i.e. those that test the players' manual dexterity, reflexes and ability to concentrate, will not be allowed.

The games must be played in person in the area defined for the Casino, and distance games, i.e. online, are not allowed.

#### **Regarding the Management and Control computer system**

The concession holder shall provide the technological solution needed for the management and control of the casino, including whatever is necessary to enable the National Internal Audit Office to gain access and control over it.

Background information must be provided for the solution, indicating its main functionalities and security and control features.

The concession holder must disclose in detail the casino rooms that use the proposed solution, along with the length of time the solution is to be used in each case.

The installation of the technological solution by the concession holder must be approved by the National Internal Audit Office.