

TAUIL & CHEQUER ADVISES BNDES ON THE PRIVATIZATION OF CBTU

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Taulil & Chequer Advogados associated with Mayer Brown, in consortium with Ernst & Young, advised BNDES in the privatization process of Companhia Brasileira de Trens Urbanos (CBTU), associated with the concession of the public service of metro-rail transport of passengers in the Metropolitan Region of Belo Horizonte.

The auction was successfully held on December 22, 2022, with a premium of 33.9% over the minimum bid. The winner, through its subsidiary Companhia de Trens Urbanos de Minas Gerais (CBTU-MG), will be responsible for the management, operation, and maintenance of the metro-rail network. The total investment is estimated at R\$4 billion over the 30-year concession period.

The firm conducted legal due diligence in the six regional units of CBTU, as well as in its headquarters, covering corporate, regulatory, financial, real estate, labor, and tax aspects. It was also responsible for preparing a report with legal structures for the privatization of the state-owned company. Since CBTU is a federal state-owned company that operates a state service, it was necessary to perform a corporate restructuring and segregate the operations of the company's different regional units to make the privatization feasible. In Minas Gerais, the restructuring resulted in the creation of CBTU-MG, the future concessionaire, and of the Privatization Vehicle MG Investimentos S/A (VDMG), whose shares were the object of the auction.

The structuring of the partnership was conducted by the Federal Government and by the Government of Minas Gerais, with the BNDES as coordinator of the technical, economic, environmental and legal feasibility studies, which resulted in reports and drafts of the public notice and contracts. This entire set of documents was submitted for consultation and public hearing, in

order to publicize the project and gather suggestions from society, and after that, they were analyzed and approved by the TCU (Federal Audit Court).

The team that worked on the case was led by partners **Bruno Werneck** (pictured left), and **Bruno Salzano** (pictured right), and included the participation of associates Julio Barboza, Juliana Deguirmendjian, and Bernardo Castro, all from the Infrastructure area.