

**MERGER INCORPORATION AGREEMENT OF  
COMPANHIA DE LOCAÇÃO DAS AMÉRICAS'S SHARES INTO LOCALIZA RENT A  
CAR S.A.**

The directors and executive officers of the companies qualified below, as well as the respective companies qualified below:

**LOCALIZA RENT A CAR S.A.**, publicly-held company, headquartered in the City of Belo Horizonte, State of Minas Gerais, at Avenida Bernardo de Vasconcelos, 377, Cachoeirinha, ZIP CODE: 31150-000, enrolled with CNPJ under nº 16.670.085/0001-55, represented herein in the form of its bylaws ("Localiza"); and

**COMPANHIA DE LOCAÇÃO DAS AMÉRICAS**, publicly-held company, headquartered in the City of São Paulo, State of São Paulo, at Alameda Santos, 438, 7th floor, Cerqueira Cesar, enrolled with CNPJ under nº 10.215.988/0001-60, represented herein in the form of its bylaws ("Unidas");

Localiza and Unidas hereinafter referred to as, individually, "Party" or "Company" and, collectively, "Parties" or "Companies";

**WHEREAS:**

(i) Localiza and Unidas are publicly-held companies listed in the "Novo Mercado" segment of B3, mainly engaged in the (a) rental of national or imported vehicles with or without driver; and (b) management of fleet and investments in other companies in Brazil or overseas;

(ii) as of the date hereof, Localiza's voting capital is four billion reais (R\$4,000,000,000.00), divided into seven hundred and fifty-eight million, four hundred and sixty-six thousand, six hundred and seventy (758,466,670) registered common shares, with no par value;

(iii) as of the date hereof, Unidas' voting capital is three billion, one hundred and ninety-five million, seven hundred and eighty-nine thousand, nine hundred and eighty-four reais and eight cents (R\$3,195,789,984.08), divided into five hundred and eight million, seven hundred and twenty-nine thousand, four hundred and eleven (508,729,411) registered common shares, with no par value;

(iv) Localiza and Unidas, jointly with their respective founding shareholders, executed, on September 22, 2020, the Share Merger Incorporation Agreement, as amended ("Share Merger Incorporation Agreement"), which establishes the terms and conditions for the Incorporation of the Companies' combined businesses, through the merger of the Unidas' shares into Localiza, under the terms of articles 252, 224 and 225

of Law 6404/76 ("Brazilian Corporations Law"), in conformity with the provisions set forth in Instruction 565, of June 15, 2015, issued by the Brazilian Securities and Exchange Commission ("CVM"); and

(v) as of the date hereof, Localiza's and Unidas' Boards of Directors approved the signature by the Companies of this instrument, as well as the submission of the Share Merger to the Companies' shareholders attending to the respective Extraordinary Shareholders' Meetings, as set forth herein and in conformity with the other terms and conditions provided for in the Share Merger Incorporation Agreement,

RESOLVED the Parties to enter into this Merger Incorporation Agreement of Unidas' Shares into Localiza ("Merger Incorporation Agreement"), under the following terms and conditions:

## **1. Proposed Operation and Purpose**

1.1. Proposed Operation. Under the terms and conditions set forth in the Share Merger Incorporation Agreement and in this Merger Agreement (including the performance or waiver, however the case may be, of the Precedent Conditions to the completion of the Share Merger), the Companies' shareholders shall receive the proposed Companies' combined businesses, through the merger of the Unidas' shares into Localiza, under the terms of articles 252, 224 and 225 of the Brazilian Corporations Law ("Share Merger").

1.1.1. As a result of the Share Merger, on the Closing Date (as defined below), Localiza shall hold Unidas' total shares. In addition, as a contra entry to the Share Merger, the Unidas' shareholders shall receive the Localiza's shares, in accordance with the Share Exchange Ratio set forth in Clause 2.1 below. For the purposes of this Merger Agreement, Localiza, after completion of the Share Merger, shall be referred to as the "Merged Company". For purposes of clarification, the shares to be issued by the Merged Company on the Closing Date shall be entitled to the same rights of the other common shares previously issued by Localiza.

1.2. Purpose. The purpose of the Share Merger is to promote the Companies' auxiliary combined businesses to operate more efficiently in a highly dynamic and competitive changing business sector, with investments in innovation and diversification of the portfolio of products and services.

## **2. Calculation and Adjustments of the Share Exchange Ratio**

2.1. Share Exchange Ratio. Under the terms and conditions set forth in the Share Merger Incorporation Agreement and in this Merger Agreement (including the performance or waiver, however the case may be, of the Precedent Conditions to the

completion of the Share Merger), upon conclusion of the Share Merger, new common shares shall be issued by the Merged Company on behalf of the Unidas' shareholders, traded in the "Novo Mercado" segment of B3, in order to replace the shares issued by Unidas previously held by these shareholders. The Companies' directors and executive officers evaluated the Share Exchange Ratio of the shares and agreed that the Unidas' shareholders shall receive 0.44682380 new share issued by Localiza in order to replace one (1) common shares issued by Unidas and held by these shareholders on the Closing Date of the Share Merger ("Share Exchange Ratio").

2.2. Adjustment to the Share Exchange Ratio. Under the terms of Clause 2.1.2.3, of the Share Merger Incorporation Agreement, the Share Exchange Ratio shall be adjusted based on the following, without prejudice to the necessary obtaining of previous approval by the Parties: (x) declaration and/or payment of dividends, interest on capital and/or other proceeds payable to the shareholders, except for Dividends; (y) events referred to in Clause 4.1, "i" and "ii" of the Share Merger Incorporation Agreement that involve the shares and/or capital of Localiza, Unidas or Subsidiaries thereof, however the case may be. Upon occurrence of item (x) above or split, grouping or bonus of shares, the Share Exchange Ratio shall be adjusted in conformity with the criteria set forth in Annex 2.1.2.3 of the Share Merger Incorporation Agreement and attached hereto as **Annex 2.2**.

2.3. The Share Exchange Ratio already includes the economic impacts from the (i) distribution of Dividends, as set forth in Clause 2.1.3 of the Share Merger Incorporation Agreement; (ii) Financing, as set forth in Clause 2.1.4 of the Share Merger Incorporation Agreement; (iii) grant of stock option plans, deferred or restricted shares, stock options, matching and other equity instruments outstanding as of the date hereof, as referred to in the Companies' share-based compensation plans and the potential additional grants of Localiza and Unidas, under the terms of Clauses 2.1.2.2 and 2.1.7.3 of the Share Merger Incorporation Agreement; and (iv) operations described in Clause 4.1, item "v", of the Share Merger Incorporation Agreement, involving the payment in shares and provided that subject to an accumulated limit of 0.3% of the Localiza's or Unidas' shares, as applicable.

2.4. Additional Grants. Under the terms of Clause 2.1.2.2 of the Share Merger Agreement, if necessary, Localiza and Unidas shall be authorized to grant, in conformity with the current share-based compensation plans or the new plan that may be approved at the shareholders' agreement of the respective company, stock option plans, deferred or restricted shares, stock options, matching and other equity instruments to the Companies' executives and employees, limited to the (i) maximum additional dilution of four percent (4%) of Localiza's or Unidas' total number of shares, however the case may be, issued as of the date hereof, provided that such grants do not represent an adjustment to the Share Exchange Ratio.

2.5. Treatment of Share-based Compensation Instruments. As set forth in Clause 2.1.7.3 of the Share Merger Incorporation Agreement, all stock option plans, restricted shares and matching granted under the terms of the compensation, matching and share-based compensation programs and plans of Unidas, as described in Annex 2.1.7.3 of the Share Merger Incorporation Agreement, shall be duly cancelled, and the owners of the stock option plans, restricted shares or matching under these programs and plans shall receive, immediately after the completion of the Share Merger, stock option plans, deferred shares or matching under long-term share-based compensation programs and plans of Localiza, under terms and conditions that are economically equivalent to the respective stock option plans, restricted shares or matching in effect of Unidas, subject to the same Share Exchange Ratio; the compensation programs and plans (current or new) may be changed for purposes of advanced vesting in the event of dismissal or removal of the employees, as informed in writing by Unidas to Localiza, up to the limit of one million and eight hundred thousand (1,800,000) Unidas' shares (or equivalent Localiza's shares, taking into account the Share Exchange Ratio).

2.6. Fractions of Shares. The Parties agree that eventual fractions of shares issued by the Merged Company in the context of the Share Merger shall be grouped in integer numbers in order to be subsequently sold in the spot market administered by B3 after completion of the Share Merger, under the terms of the notice to the shareholders to be timely disclosed by the Merged Company's management. The proceeds from such sale shall be allocated, net of taxes, to the Unidas' former shareholders owning the respective fractions, proportionally to the interest held in each share sold.

2.7. Absence of an Appraisal Report of the Net Equity at Market Prices for purposes of Article 264 of the Brazilian Corporations Law. Considering that Localiza and Unidas do not have any control and common control relationship and that the exchange ratio was agreed between absolutely independent parties, the provisions set forth in article 264, of the Brazilian Corporations Law, shall not be applicable to the Share Merger.

### **3. Criteria for Evaluation of the Unidas' Shares**

3.1. Base Date. The base date used for purposes of the Share Merger shall be June 30, 2020 ("Base Date").

3.2. Evaluation Criteria. The Unidas' shares to be merged into Localiza shall be stated at economic value.

3.3. Appraiser. Localiza appointed Apsis - Consultoria Empresarial Ltda., company established in the City of Rio de Janeiro, State of Rio de Janeiro, at Rua do Passeio, 62, 6th floor, Centro, ZIP CODE: 20021-290, enrolled with CNPJ/ME under No. 27.281.922/0001-70, registered with the Regional Accounting Council of the State of Rio de Janeiro, under n°. 005112/O-9 ("Appraiser") to prepare the appraisal report of

the economic value of the Unidas' shares to be merged into Localiza on the Base Date, as attached to this Merger Agreement in the form of Annex 3.3 ("Appraisal Report"), which economic values shall be subject to the analysis and approval by the Companies' shareholders, under applicable law. In addition, the Appraiser was also appointed by Localiza and Unidas for purposes of preparation of the appraisal report of Unidas and Localiza under the discounted cash flow method and at the market value of the respective shares, in connection with the Share Exchange Ratio.

3.3.1. Ratification of the Engagement of the Appraiser. Under the terms of article 252, paragraph 1, of the Brazilian Corporations Law, the indication of the Appraiser shall be subject to the ratification of Localiza's Extraordinary Shareholders' Meeting.

3.3.2. Costs. Localiza and Unidas shall pay, proportionally to the Final Adjusted Equity Interest in the Merged Company, under the terms of the Share Merger Incorporation Agreement, the engagement costs of the Appraiser responsible for the preparation of the Appraisal Report.

3.3.3. Absence of Conflict of Interest of the Appraisal. The Appraiser declared (i) absence of any current or potential conflict of interest or common interest with the Companies' shareholders or with respect to the Share Merger; and (ii) that the shareholders or directors and executive officers of the Parties have not directed, limited, hampered or undertaken any acts that impacted or could have impacted the access, use or knowledge of information, properties, documents or work methodologies deemed relevant to the achievement of accurate conclusions. The Appraiser had been selected to perform the work described herein taking into account the comprehensive and recognized experience of the Appraiser in the preparation of reports and evaluations of this nature.

3.4. Attributed Value. Under the terms of the Unidas' Appraisal Report, the value attributed to the Unidas' shares to be merged into Localiza in connection with the Share Merger is R\$21.43 (twenty one *reais* and forty-three cents) per share.

3.5. Equity Changes. The equity changes recognized by Unidas between the Base Date and the effective date of the Share Merger shall be exclusively assumed by Unidas and recognized in Localiza by virtue of the adoption of the equity method of accounting.

3.6 Pro Forma Financial Information. Finally, as set forth in article 7 of CVM Instruction 565, of June 15, 2015, Localiza's management compiled and made available Localiza's pro forma consolidated financial information to illustrate the impact of the Merger of Shares, accompanied by the respective reasonable assurance of Deloitte Touche Tohmatsu Auditores.

#### 4. Capital Increase of the Merged Company

4.1. Capital Increase of the Merged Company. The Share Merger shall result in the issuance of the Localiza's shares at the total subscription price of ten billion, eight hundred and sixty-four million, one hundred and twelve thousand, four hundred and sixty-eight reais and seven cents (R\$ 10,864,112,468.07), corresponding to the economic value attributed to the Unidas' shares to be merged into Localiza, in conformity with the Appraisal Report. Out of the total, eight billion reais (R\$ 8,000,000,000.00) shall be allocated to the capital account, and the remaining balance, in the amount of two billion, eight hundred and sixty-four million, one hundred and twelve thousand four hundred and sixty-eight reais and seven cents (R\$ 2,864,112,468.07) shall be allocated to the Localiza's capital reserve. Accordingly, upon completion of the Share Merger, and subject to eventual adjustments to the Share Exchange Ratio, in conformity with Clause 2.2 above, the Merged Company's capital shall be increased by eight billion reais (R\$ 8,000,000,000.00), upon issuance of two hundred and twenty-six million, five hundred and fifty-two thousand and nine hundred and fifty-nine (226,552,959) new registered common shares, with no par value. Accordingly, the Merged Company's capital shall increase from four billion reais (R\$4,000,000,000.00), divided into seven hundred and fifty-eight million, four hundred and sixty-six thousand, seven hundred and seventy (758,466,670) common shares, to twelve billion reais (R\$ 12,000,000,000.00), divided into nine hundred and eighty-five million, nineteen thousand and six hundred and twenty-nine (985,019,629) common shares ("Capital Increase"). The Unidas' capital shall remain unchanged.

4.2. Shares Issued in the Capital Increase. The new common shares of the Merged Company issued in connection with the Capital Increase shall be attributed to the Unidas' shareholders in replacement for the shares issued by Unidas and owned by these shareholders, in conformity with the Share Exchange Ratio referred to in Clauses 2.1 and 2.2 above. The new shares shall grant to the holders the same rights granted by the other common shares issued by the Merged Company, including the full receipt of dividends, interest on capital and other proceeds, which may be declared by the Merged Company as from the date that the Share Merger has been concluded.

4.3. Amendment to the Bylaws. By virtue of the Capital Increase, *caput* of article 5, of Localiza's Bylaws, shall be amended to reflect the new capital value and the new number of shares, according to the following wording:

*"Article 5 – The Company's capital stock is twelve billion reais (R\$12,000,000,000.00), divided into nine hundred and eighty-five million, nineteen thousand and six hundred and twenty-nine (985,019,629) common shares, registered, book-entry shares, with no par value."*

4.3.1. The notarization of the amended wording of *caput* of article 5, of Localiza's Bylaws, shall be submitted to the first Shareholders' Meeting to be held after the completion of the Share Merger.

## **5. Distribution of Dividends of Unidas and Financing**

5.1. Dividends. In conformity with Clause 2.1.3 of the Share Merger Incorporation Agreement, and subject to the completion of the Share Merger, Unidas may distribute dividends to the shareholders in the total amount of up to four hundred and twenty-five million reais (R\$425,000,000.00) ("Dividends"), under the following conditions: (i) shall be subject to the completion of the Share Merger; (ii) shall be declared based on the equity interest of the Unidas' shareholders on the Closing Date, except if otherwise stated by the Companies' Boards of Directors; and (iii) shall be paid within ninety (90) consecutive days as from the completion of the Share Merger. In relation to the non-resident investors holding the Unidas' shares, subject to Withholding Income Tax ("IRRF") on the eventual capital gain, as set forth in article 21, paragraph 6, of Normative Instruction 1455/14, issued by the Brazilian Federal Revenue Service, with the wording given by Normative Instruction 1732/17, issued by the Brazilian Federal Revenue Service, the Companies reserve the right to: (a) withhold the IRRF on the eventual capital gain of the non-resident investor that has not provided, directly or through the custodian agents, through the date defined in the Notice to the Shareholders to be disclosed, the information on the average acquisition cost of the shares in order to confirm the absence of taxable capital gain or the respective Internal Revenue Collection Document (DARF) on the taxable capital gain, duly completed and paid, under applicable legislation; and (b) offset, under the Laws applicable to private credit compensation, the IRRF amount eventually paid by any of the Companies on behalf of the foreign non-resident investor against the Dividends entitled to the respective foreign non-resident investor, as well as other credits, including, but not limited to, any dividends, interest on capital and other proceeds that may be declared and/or paid by the Companies at any time, even before the Closing Date of the Share Merger. In the event Unidas, through the Closing Date (a) is not able, under the terms of applicable legislation, to declare the total Dividends; or (b) has not obtained the authorizations, waivers, permits and approvals from third parties deemed necessary for declaration and distribution of such Dividends, Localiza shall pay, on the Closing Date, to the Unidas' shareholders the amount equivalent to the difference between (i) the Dividends; and (ii) the Dividends effectively declared and paid to the Unidas' shareholders. Localiza shall perform this payment (to the Unidas' shareholders based on the same equity interest considered for purposes of the Share Merger, without any change of the Share Exchange Ratio. The Parties shall jointly agree, in good faith, the best structure to perform such payment.

5.2. Financing. In addition, in conformity Clause 2.1.4 of the Share Merger Incorporation Agreement, subject to the completion of the Share Merger, Localiza shall provide, for disbursement up to the 25<sup>th</sup> consecutive day of the month after the Closing

Date, to all holders of the Unidas' shares that may be interested and that are registered as Unidas' shareholders upon completion of the Share Merger, the credit facility for signature of a financing agreement with one or more Brazilian financial institutions ("Financing"). The credit facility of the Financing shall be equivalent to up twenty percent (20%) of the total value of the Localiza's shares attributed to the Unidas' shareholders on the Closing Date by virtue of the Share Merger, considering the average weighted price per volume, on the Closing Date (i.e., each Unida's shareholder shall be entitled, at the shareholder's exclusive discretion, to receive the credit facility of up to twenty percent (20%) of the total value of the Localiza's shares received by such shareholder on the Closing Date). The terms and conditions of the Financing, which shall be mandatorily collateralized by the conditional sale of the shares received in connection with the Merged Company, as well as the adherence and contracting procedures by the shareholders are described in Annex 2.1.4 of the Share Merger Incorporation Agreement. Each Unida's shareholder that has elected to enter into the Financing shall comply with the requisites relating to the personal file and opening of the accounts for purposes of concession of the Financing (including the documentation of the conditional sale of the shares provided as collateral before B3), under the terms of applicable legislation and as established by the respective financial institution. The Merged Company shall be exempt from any responsibility for any eventual prohibition or refusal by the financial institution to grant the financing to the respective Unidas' shareholder by virtue of personal file issues, insufficient collaterals or similar issues informed by the respective financial institution, at its exclusive discretion.

## **6. Corporate Approvals and Other Precedent Conditions to the Completion of the Share Merger**

6.1. Without prejudice to the provisions set forth in Clause 6.2 below, the completion of the Share Merger shall be subject to the following acts:

- (i) Unidas' Extraordinary Shareholders' Meeting to resolve on the following, among other matters: (a) approval of this Merger Agreement; (b) approval of the Share Merger, subject to the performance (or waiver, however the case may be) of the Precedent Conditions referred to in Chapter III of the Share Merger Incorporation Agreement, in conformity with article 125 of the Civil Code, under the terms and conditions provided for in the Merger Agreement; (c) authorization so that the Unidas' directors and executive officers undertake the necessary acts to complete the Share Merger, including the subscription of new shares to be issued by Localiza by virtue of the Share Merger; (d) distribution of Dividends; and (e) release from the obligation to perform, by Localiza, the public offer for acquisition of shares set forth in Article 43 of the Unidas' Bylaws; and



- (ii) Localiza's Extraordinary Shareholders' Meeting to resolve on the following, among other matters: (a) approval of this Merger Agreement; (b) ratification of the appointment and engagement of the Appraiser responsible for the preparation of the Appraisal Report; (c) approval of the Appraisal Report; (d) approval of the Share Merger, subject to the performance (or waiver, however the case may be) of the Precedent Conditions referred to in Chapter III of the Share Merger Incorporation Agreement, in conformity with article 125 of the Civil Code, under the terms and conditions provided for in the Merger Agreement; (e) approval of the increase of the capital to be subscribed and paid by the Unidas' directors and executive officers on behalf of the shareholders, upon amendment of Article 5 of the Localiza's Bylaws, subject to the performance (or waiver, however the case may be) of the Precedent Conditions referred to in Chapter III of the Share Merger Incorporation Agreement, in conformity with article 125 of the Civil Code, under the terms and conditions provided for in the Merger Agreement; and (f) authorization so that the Localiza's directors undertake the necessary acts for completion of the Share Merger.

6.1.1. In addition, the Share Merger shall be evaluated by the Unidas' Fiscal Council, under the terms of article 163, III, of the Brazilian Corporations Law.

6.2. As set forth in the Share Merger Incorporation Agreement, the completion of the Share Merger shall be subject to the performance (or waiver, however the case may be) of the Precedent Conditions below, under the terms of article 125 of the Civil Code (collectively, "Precedent Conditions"):

- (i) approval of the Share Merger by the Administrative Council of Economic Defense ("CADE"), to be valid and effective: (i) upon elapse of 15 days as from the publication of the decision of CADE's General Superintendency, without appeals filed by third parties or CADE's Board; (ii) in the event the Share Merger is analyzed by CADE's Board, upon publication of the minutes of the respective decision session in the Federal Official Gazette; or (iii) in the event CADE has imposed restrictions to the concession of the approval, the approval shall become effective solely after the elapse of the addition term established by CADE for performance/adoption of the remedies; and
- (ii) performance (or waiver, however the case may be) of the other Precedent Conditions set forth in Clauses 3.1, 3.2 and 3.3 of the Share Merger Incorporation Agreement.

6.3. Upon approval of the Share Merger at the Extraordinary Shareholders' Meetings of the Companies referred to in Clause 6.1 above, performance (or waiver, however the case may be) of the Precedent Conditions and termination of the period of thirty (30)

days for the exercise of the withdrawal right referred to in Clause 7.2, the completion of the Share Merger shall take place (a) in the first Business Day of the month immediately after the month of performance or waiver (however the case may be) of all Precedent Conditions; or (b) on another date as jointly agreed between the Parties ("Closing Date"), provided that:

- (i) the members of Unidas' Board of Directors shall meet, on the Closing Date, in order to (a) confirm the performance (or waiver, however the case may be) of the Precedent Conditions; and (b) define the Closing Date of the Share Merger, under the terms and conditions established in this Merger Agreement, among other matters that, by virtue of the relation and connection with the Share Merger, shall be resolved by the Board of Directors;
- (ii) the members of Localiza's Board of Directors shall meet, on the Closing Date, in order to (a) confirm the performance (or waiver, however the case may be) of the Precedent Conditions; (b) define the Closing Date of the Share Merger, under the terms and conditions established in this Merger Agreement; (c) define the effective date of the amendment to Article 5 of the Bylaws, among other matters that, by virtue of the relation and connection with the Share Merger, shall be resolved by the Board of Directors; and
- (iii) the Localiza's and Unidas' Managements shall jointly disclose the Material Fact with respect to the completion of the Share Merger, informing: (i) the Closing Date, which shall be the cutting date on which the shareholders that are the holders, on the closing of the auction, of the shares issued by Unidas shall receive 0.44682380 new share issued by Localiza in replacement for one (1) share issued by Unidas, based on the Share Exchange Ratio and subject to eventual adjustments to the terms of the Share Merger Incorporation Agreement and this Merger Incorporation Agreement; and (ii) the credit date of the new shares issued by Localiza on behalf of the Unidas' shareholders.

## **7. Withdrawal Right**

7.1. Absence of the Withdrawal Right of the Localiza's Shareholders. The Localiza's shareholders shall not be entitled to the withdrawal right by virtue of the Share Merger, taking into account that the Localiza's common shares are liquid and diluted in the market, as set forth in articles 252, paragraph 1, and 137, II, of the Brazilian Corporations Law.

7.2. Withdrawal Right of the Unidas' Shareholders. As set forth in articles 252, paragraph 2, and 137, paragraph 1, of the Brazilian Corporations Law, the withdrawal right shall be granted to the Unidas' shareholders that have not voted in favor of the

Share Merger, that have noted voted or that have not attended to the Extraordinary Shareholders' Meeting, and that have expressly informed the intention to exercise the withdrawal right, within thirty (30) days as from the publication of the minutes of the Extraordinary Shareholders' Meeting that approved the Share Merger. The withdrawal right, with the subsequent payment of the reimbursement, shall solely be ensured with respect to the shares issued by Unidas of which the shareholder was, as duly confirmed, the holder since the closing of the auction dated September 22, 2020 and which shares had been maintained by the shareholder, on a continuous basis, since the effective exercise date of the withdrawal right.

7.3. Value of the Reimbursement to the Unidas' Shareholders. The Unidas' dissenting shareholders shall be entitled to reimburse the shares, in the amount of seven reais and sixty-seven cents (R\$7.67) per share, corresponding to the net equity value of the Unidas' share as at December 31, 2019, according to the Unidas' financial statements approved at the Shareholders' Meeting held on June 12, 2020, without prejudice to the preparation of the special balance sheet, under the terms of applicable legislation.

7.4. Payment of Reimbursement. The payment of the reimbursement of the shares shall depend on the completion of the Share Merger, as set forth in article 230 of the Brazilian Corporations Law.

## **8. Break-Up Fee**

8.1. Break-Up Fee. In the event the Share Merger is not completed by virtue of the events set forth in Clauses 9.1 and 9.3 of the Share Merger Incorporation Agreement by virtue of default, negligence or any other willful act or omission, the defaulting party of the Share Merger shall pay to Localiza or Unidas, however the case may be, the break-up fee in the amount of five hundred million reais (R\$500,000,000.00), adjusted based on the CDI rate, from the signature date of the Share Merger Incorporation Agreement to the effective payment date, under the terms and conditions set forth in the Share Merger Incorporation Agreement.

## **9. Arbitration and Applicable Law**

9.1. Applicable law. This Merger Agreement shall be governed by and interpreted in accordance with the Laws of the Federative Republic of Brazil, without considering any election or principle of conflict of laws that may result from the application of the laws of any other jurisdiction.

9.2. Arbitration. Any and all claims or disputes claiming remedies arising from or related to this Merger Agreement (whether due to law or agreement), including any claim or dispute about its existence, validity, termination, performance or related to any violation (or alleged violation) of any provisions of this Merger Agreement, shall be

resolved by arbitration, under the terms of the Arbitration Regulation (“Regulation”) of the B3’s Market Arbitration Chamber (“Chamber”), which rules shall be deemed incorporated to this section, and any arbitration award rendered by the Arbitral Tribunal in accordance with the provisions below may be enforced in any court of competent jurisdiction, as per Section 9.2.6 below.

9.2.1. The seat of the arbitration shall be in the city of São Paulo, State of São Paulo, Brazil, wherein the arbitration award shall be given. The Parties agree that any meetings and hearings related to any arbitral proceeding may be held in the city of São Paulo/SP, or in the city of Belo Horizonte/MG, Brazil, or in any other city or country that may be most convenient for the Parties of arbitration and for the arbitrators. In the event of any conflict between the Regulation and the procedures established in this Section 9.2, this Section 9.2 shall prevail.

9.2.2. The Chamber shall be responsible for the administration and correct conduct of the arbitration proceedings. The arbitration shall be conducted by three arbitrators to be appointed according to the Regulation.

9.2.3. The arbitrators shall apply the applicable law to this Merger Agreement, as per Section 9.1 above, and shall not have the powers of *amiable compositeur* or decide based on equity (*ex aequo et bono*).

9.2.4. The Parties agree that the arbitrators to be appointed by each of them to the Arbitral Tribunal shall have, at least, 15 years of expertise and relevant experience, at least, in relation to corporate and contractual matters. The Parties also agree that the third arbitrator appointed jointly by the co-arbitrators appointed by the Parties, who shall act as president of the Arbitral Tribunal, (a) shall also have at least 15 years of expertise and experience, at least, in relation to corporate and contractual matters; (b) shall be qualified to practice the Law in Brazil and have relevant experience in sophisticated arbitration under the Brazilian law; and (c) shall not be a member of any of the law firms advising the Parties in the negotiation and preparation of this Merger Agreement.

9.2.5. The Arbitral Tribunal shall resolve all disagreements and disputes related to the matters submitted to arbitration, including those of an incidental, binding or interlocutory nature. The arbitration proceedings shall be conducted in English. However, any written evidence may be presented in Portuguese, together with an English translation, and any statement may be made in Portuguese, provided that such statement is made with simultaneous translation into English and its transcription, together with the translation into English, is subsequently presented to the Arbitral Tribunal and the counterparty. The arbitration award shall be final and binding on the Parties and their successors. To the extent that such right may be waived under the terms of the applicable law, the Parties irrevocably waive the right to file an appeal or

otherwise prevent, hinder or delay the execution of any arbitration award given in accordance with the provisions above.

9.2.6. Each Party reserves the right to seek the protection of state courts to (i) ensure the establishment of the arbitral proceeding; (ii) obtain preliminary injunctive remedies for the protection of rights, prior to the formation of the Arbitral Tribunal, provided that such act should not be deemed as a waiver by the Parties of the proceeding arbitral; (iii) seek any relief for specific enforcement prior to the formation of the Arbitral Tribunal, or file any enforcement measures, including, but not limited to, those provided for in articles 815 e seq. of the Brazilian Civil Procedure Code (Law No. 13,105/2015); and (iv) execute any arbitration award anywhere in the world. If any Party seeks any such court protection measures or injunction in Brazil, the Courts of the City of São Paulo, State of São Paulo, Brazil, shall have exclusive jurisdiction.

9.2.7. The arbitration award shall determine that the Party against which the award was given shall be responsible for the payment of all costs, including attorney's fees, costs and expenses related to arbitration. The arbitration award shall be promptly enforced by the Party against which it was rendered, free of any income tax, deduction or compensation. The arbitration proceedings, as well as documents and information submitted to the arbitration, shall be subject to secrecy and confidentiality, provided that a Party may disclose any of those arbitration proceedings, documents and information, if and to the extent that (a) such Party is required to do so under applicable law, regulation or rules of any government agency (including any recognized stock exchange); or (b) if such Party is required to do so in the scope of legal proceedings or due to a subpoena, decision, requirement, demand or official request issued by a court of competent jurisdiction or by any government agency (including any recognized stock exchange) addressed to such Party; and (insofar as it is reasonably possible in relation to the obligation of such Party to disclose and the nature of the proposed disclosure), such Party shall previously notify the other party or other parties of the arbitral proceeding in question, in writing, of the proposed disclosure and cooperate in good faith with respect to the timing, form and contents of the disclosure.

## **10. General Provisions**

10.1. Business day. For the purposes of this Merger Agreement, "business day" means any day of the week, except Saturdays, Sundays and days when banks are authorized to close in the city of São Paulo/SP or in the city of Belo Horizonte/MG.

10.2. Obligations of the Companies. The Companies and their respective management undertake to comply with all the terms provided for in this Merger Agreement, and their respective boards of executives officers are authorized to take any and all measures necessary for the Incorporation of the Share Merger.

10.3. Documents Available to the Shareholders. All documents mentioned in this Merger Agreement shall be available to their respective shareholders, in accordance with the applicable law and regulations, and may be consulted at the headquarters of the respective Companies. The documents shall also be available at the CVM websites ([www.cvm.gov.br](http://www.cvm.gov.br)), B3 ([www.b3.com.br](http://www.b3.com.br)) and at the respective Investor Relations websites of Localiza at (<http://ri.localiza.com.br/>) and Unidas at (<https://ri.unidas.com.br/>).

10.4. Amendments. This Merger Agreement may only be changed by means of a written instrument signed by the management of the Parties.

10.5. Registration of Unidas as Publicly Held Company and New Bylaws. After the Merger of Shares, Unidas' registration as a publicly-held company shall be maintained, however, a request for transformation to category B shall be made due to debt securities currently outstanding in the market and any others that may be issued in the future. However, the shares issued by Unidas shall consequently cease to be traded on B3. In addition, Unidas shall change its Bylaws to adopt a model of governance similar to that of Localiza Fleet S.A., a Localiza's subsidiary registered with the CVM under category B.

10.6. Absence of Succession. The Share Merger shall not result in the assumption by Localiza of any assets, rights, liabilities obligations or responsibilities of Unidas, which shall maintain its total corporate existence, with no succession.

10.7. Nullity and Effectiveness. The potential statement by any court of nullity or ineffectiveness of any of the covenants included herein shall not jeopardize the validity and effectiveness of the other covenants, which shall be fully complied with, and the Parties undertake to use their best efforts in order to validly adjust such covenant to obtain the same effects of the null or ineffective covenant.

10.8. Waiver. The absence or delay of any of the Parties for the exercise of any of their rights herein shall not be deemed as waiver or novation and shall not affect the subsequent exercise of such right. Any waiver shall take effect only if specifically made in writing.

10.9. Irrevocable and Unconditional Nature. This Merger Agreement is irrevocable and irreversible (unless amended or waived as provided for herein), and the obligations undertaken herein by the Parties shall also oblige their successors at any title.

10.10. Assignment. The assignment of any of the rights and obligation agreed upon herein is not permitted without the prior and express written consent of each of the Parties.

10.11. Electronic Signature. The Parties and the witnesses enter this Merger Incorporation Agreement by electronic means, through the use of a digital certificate made available by ICP-Brasil, such that their signatures by such means are binding, effective, and confer authenticity, integrity, and legal validity to this Merger Incorporation Agreement, making it an extrajudicially enforceable instrument for all purposes of law, under the terms of Article 10, paragraph 1, of Executive Order No. 2.200-2, of August 24, 2001.

IN WITNESS WHEREOF, the Parties execute this Merger Incorporation Agreement, at October 8, 2020, in three (3) counterparts, same in content and form and for a single purpose, with the two undersigned witnesses identified below.

Belo Horizonte, October 8, 2020

Signatures Page of the Merger Incorporation Agreement of Companhia de Locação das Américas's Shares into Localiza Rent A Car S.A. executed on October 8, 2020.

**LOCALIZA RENT A CAR S.A.**

\_\_\_\_\_  
By:

Position:

\_\_\_\_\_  
By:

Position:

**COMPANHIA DE LOCAÇÃO DAS AMÉRICAS**

\_\_\_\_\_  
By:

Position:

\_\_\_\_\_  
By:

Position:

**Witnesses:**

\_\_\_\_\_  
Name:

CPF:

\_\_\_\_\_  
Name:

CPF:



## Annex 2.2

### Exchange Ratio Adjustment Criteria

The Exchange Ratio shall be adjusted by the payments of dividends and interest on equity declared between the date of execution of the Share Merger Incorporation Agreement and the Closing Date, except for Dividends (as defined in the Share Merger Incorporation Agreement).

The "Localiza Share Price" for reference to the Exchange Ratio adjustment will be the average price, weighted by volume, of the RENT3 quotation on the date of execution of the Share Merger Incorporation Agreement.

The "Unidas Share Price" for reference to the adjustment of the Exchange Ratio will be the Localiza Share Price multiplied by the original Exchange Ratio.

The Localiza Share Price will be deducted from the gross amount of interest on equity or dividends per share declared by Localiza between the date of execution of the Share Merger Incorporation Agreement and the Closing Date, obtaining the "Adjusted Localiza Share Price".

The Unidas Share Price will be deducted from the gross amount of interest on equity or dividends per share declared by Unidas between the date of execution of the Share Merger Incorporation Agreement and the Closing Date, except for Dividends, obtaining the "Adjusted Unidas Share Price".

The new Exchange Ratio will then correspond to the Adjusted Unidas Share Price divided by the Adjusted Localiza Share Price.

In the case of grouping, splitting, and stock bonuses, the Exchange Ratio shall be adjusted to reflect such operation, in order to keep the Final Adjusted Participation unchanged.

\* \* \*

Annex 3.3

Appraisal Report