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injunctions, debarment from government contracts, as well as other remedial measures. Additionally, under certain of our PPAs such violations entitle counterparties to terminate the agreement. We have established policies and procedures designed to assist us and our personnel in complying with applicable United States and non-U.S. laws and regulations; however, we cannot assure you that these policies and procedures will completely eliminate the risk of a violation of these legal requirements, and any such violation (inadvertent or otherwise) could have a material adverse effect on our business, financial condition and results of operations.

**Changes in local policies regarding high interest rates may affect the results of our operations.**

Our projects are located in countries, such as Brazil, that have traditionally adopted a monetary policy that maintains high interest rates in order to offset inflation. These monetary policies can inhibit economic growth and reduce industrial power consumption. As a result, future investments in power generation may be limited due to lower market prices for electricity than currently expected.

**We are subject to claims in the ordinary course of business.**

We are involved in various disputes, litigation and regulatory matters incidental to our business, including employment matters, commercial disputes, government contract compliance matters, disputes regarding environmental clean-up costs and other matters arising out of the normal course of our business. For example, we are currently in a dispute with Gujarat Urja Vikas Nigam Ltd., the offtaker for certain of our Indian projects, relating to a proposed reduction of tariffs under the relevant PPAs and a change in shareholder structure that occurred following the effective dates of the relevant PPAs. If we are unsuccessful, the relevant tariffs may be reduced or the PPA may be deemed void. For more information, see "Business—Legal proceedings." We intend to vigorously defend ourselves in such matters. From time to time, we are named as a defendant in cases as a result of our generation of electricity. While the impact of these disputes or litigation has historically been immaterial, there can be no assurance that the impact of pending or future claims will not be material to our business, financial condition or results of operations in the future.

**Under Brazilian law, we are strictly liable for any damages resulting from inadequate supply of electricity to distribution companies, and our contracted insurance policies may not fully cover such damages.**

Under Brazilian law, we are strictly liable for direct and indirect damages resulting from the inadequate supply of electricity to distribution companies, such as abrupt interruptions or disturbances arising from the generation, distribution or transmission systems. Accordingly, we may be held liable for such damages even if we were not at fault. As a result of the inherent uncertainty involved in these matters, we do not maintain any provisions in relation to potential damage, and these interruptions or disturbances may not be covered by our insurance policies or may exceed the coverage limits of such policies. Accordingly, if we are found liable of damages in a material amount, our financial condition and results of operations would be materially adversely affected to a greater degree than those claims where we have recorded reserve provisions.

**Risks related to our relationship with our Sponsor****Our Sponsor will be our controlling stockholder and will exercise substantial influence over us, and we are highly dependent on our Sponsor.**

Our Sponsor will beneficially own all of our outstanding Class B common stock upon completion of this offering. Each share of our outstanding Class B common stock will entitle our Sponsor to 100 votes on all matters presented to our stockholders generally. As a result of its ownership of our Class B common stock, our Sponsor will possess approximately 98.4% (or approximately 98.1% if the underwriters exercise in full their option to purchase additional shares of Class A common stock) of the combined voting power of our Class A common