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LEGAL ASPECTS

- *Proposed Olympic Games dates assured*
- *Governments united to provide legal framework*
- *Integrated structure for delivery incorporating all levels of Government*
- *Intellectual property rights fully protected*
- *All required declarations and guarantees*

LEGAL ASPECTS

INTRODUCTION

Brazil's existing legal framework is conducive to the successful staging of the Olympic and Paralympic Games, and will be amended or modified as necessary to accommodate any Games-specific requirements. Each of the three levels of Government is fully committed to upholding the provisions of the Olympic Charter and the Host City Contract, and all the necessary guarantees, declarations and covenants have been secured.

The Rio 2016 Olympic and Paralympic Games will be led by an Olympic Board structured to deliver total integration between the Rio 2016 and the Federal, State and City Governments, together with the Brazilian Olympic and Paralympic Committees.

The integrated Olympic structure for the 2016 Olympic Games also envisages the creation of a specific-purpose delivery authority, the Olympic Development Authority (ODA), and within the ODA framework, the Olympic Traffic and Transport Division (OTTD) and the Olympic Sustainability Division (OSD). These entities will be highly empowered to coordinate the efforts of all three levels of Government in delivering excellent services.

The importance of protecting Olympic intellectual property and associated words and marks is acknowledged and effected in Brazil through a number of existing laws.

4.1 FULFILMENT OF OBLIGATIONS

UNITED COMMITMENT FROM THREE LEVELS OF GOVERNMENT

The Federal Government of Brazil, the State of Rio de Janeiro and the City of Rio de Janeiro are united in their commitment to respect the provisions of the Olympic Charter and Host City Contract. All three levels of Government understand and agree that the commitments made within the Candidature File are binding and will take all necessary steps, including the enactment of legislation where required, to ensure all obligations are fulfilled completely.

Identical undertakings have been provided by the cities and states hosting Football. Also included in the Guarantees File are covenants from:

- The City and State of São Paulo
- The City of Belo Horizonte and the State of Minas Gerais
- The City of Salvador and the State of Bahia
- The Government of the Federal District (Brasília).

Refer to Section 4 of the Guarantees File.

4.2 CLEAR WINDOW FOR GAMES

PRIMACY OF THE GAMES GUARANTEED

Guarantees already in place provide an assurance that no other important national or international meetings or events will take place in or in the vicinity of Rio, or in the other competition sites during the period of the Games. This period of exclusivity will commence on 29 July 2016, one week before the Olympic Games Opening Ceremony, and will continue through to 25 September 2016, one week after the Paralympic Games Closing Ceremony.

The period of exclusivity for the cities hosting Football will commence one week before and will finish one week after the respective competitions.

Each of the authorities named in question 4.1 has provided a guarantee to this effect.

Refer to Section 4 of the Guarantees File.

4.3 NEW LEGISLATION

COMMITMENT TO LEGISLATIVE CHANGE

Brazil has a strong legislative framework to support the hosting of major events, and several of the new laws introduced in Brazil for the staging of the 2007 Pan American Games have direct application to the Olympic and Paralympic Games environment.

Supplementing this framework, should Rio be elected as Host City, coordinated and integrated legislation will be enacted by each level of Government to provide the necessary legal structure. Legislation has been drafted and will be introduced to the various legislative bodies to come into effect immediately after the election of Rio as Host City.

Olympic Acts

The Olympic Act will be enacted by each of the Federal, State and City Governments. Each statute will encompass in a single instrument the necessary legal provisions to ensure the requirements of the Games will be met, as outlined in detail in the Guarantees File and throughout the Candidature File.

These Acts will be progressively amended to ensure all ongoing obligations and responsibilities are captured as detailed planning results in the identification of additional legislative requirements.

In conjunction with the Olympic Acts, enabling legislation will be passed to create the primary Games-specific delivery entity – the Olympic Development Authority (ODA).



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Olympic Development Authority (ODA)

The ODA will have responsibility for coordinating the delivery of capital works projects and Government services required specifically for the 2016 Olympic and Paralympic Games. Among other functions, the ODA will be empowered:

- To purchase land required for the Olympic and Paralympic Games under compulsory order
- To design, procure and deliver major elements of Games infrastructure, including permanent competition and non-competition venues as well as transport infrastructure, working collaboratively with the relevant Federal, State and City authorities, as well as the Rio 2016 Organizing Committee, for each project
- To provide a formal means for whole of Government coordination with Rio 2016 in respect of the Olympic and Paralympic Games
- To ensure the alignment of event and legacy initiatives with Government's long-term event development and legacy strategies
- To deliver all public sector support for the Olympic and Paralympic Games by coordinating the three levels of Government as it relates to this purpose
- To oversee the workings of the related Games delivery bodies, the Olympic Traffic and Transport Division (OTTD) and the Olympic Sustainability Division (OSD) operating within the umbrella structure of the ODA.

The ODA concept builds on the model for cooperation between Government and the Organizing Committee successfully adopted during the 2007 Pan American Games. Importantly, Government has committed that the ODA will remain in place until 2020 to enable all legacy plans and commitments to be realized in full.

Olympic Traffic and Transport Division (OTTD)

The OTTD will be empowered to assume overall leadership for the delivery of traffic and public transport operations. In practical terms, the OTTD will be authorized:

- To coordinate the planning of each of the existing Rio public transport providers, cooperating fully with the Rio 2016 Transport function
- To lead the planning, and delivery of traffic management and public transport services for spectators and Games workforce
- To collaborate with Rio's public transport providers, operators and relevant authorities
- To take responsibility during operations for coordinating spectator and workforce transport systems, through a Traffic and Transport Coordination Center, in close coordination with the Rio 2016 Games Transport Operation Center (GTOC).

Further detail about the proposed operation of the OTTD can be found in Theme 15.



Olympic Sustainability Division (OSD)

The complex environment and sustainability projects essential for the Games require integrated leadership and management. Also operating within the ODA framework, the OSD will be the integrator of all public authorities involved in the delivery of the Rio 2016 environment projects. The OSD will have the following responsibilities:

- Policy, coordination, planning, delivery capability, research, measurement, accountability
- Providing whole of Government input into the development and oversight of Rio 2016's Sustainability Management Plan
- Identifying Games-related projects that align with the City of Rio's long-term plan
- Defining and monitoring environment and sustainability indicators and providing objective evidence that goals are met
- Coordinating stakeholder engagement
- Identifying, analyzing and prioritizing key issues and reporting on progress.

Further detail about the proposed operation of the OSD can be found in Theme 6.

No additional legislative change required

It is anticipated that all Games legislative requirements will be captured either by existing legislation or through the proposed Olympic Acts, including the following specific elements:

- Potential additional requirements to protect Olympic intellectual property (refer to 4.5 below)
- Financial underwriting, including the specific guarantee in respect of any economic shortfall (refer to Theme 7, questions 7.1, 7.2 and Theme 10, question 10.12.1)
- Customs and immigration formalities related to entry using the Olympic Identity and Accreditation Card (refer to Theme 5, questions 5.3, 5.4. and 5.7)
- Measures to prevent ambush marketing (refer to Theme 8, question 8.3.1).

In the event that any of these, or other, requirements is not adequately addressed by existing legislation or the proposed Olympic Acts, each level of Government has committed to enacting additional legislation to provide the necessary assurances. Similarly, as additional requirements are identified during the planning phase, amendments to existing legislation or new legislation will be effected.

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4.4 INTELLECTUAL PROPERTY PROTECTION

ALL MEASURES TAKEN TO PROTECT THE RIO 2016 MARK AND DOMAIN NAMES

All appropriate measures have been taken to protect the “Rio 2016” word mark within Brazil and to register valuable domain names. The “Rio 2016” trademark, along with two variations, has been successfully registered with the Brazilian Trademark Office. Applications for three other variations have also been made. The Brazilian Olympic Committee (BOC) has registered domain names for “Rio 2016” with the extensions “.com”, “.com.br”, “.org”, “.org.br” and “.esp.br”.

In addition, the proposed Federal Olympic Act ensures additional protection of the “Rio 2016” word mark as well as other Olympic trademarks, designations and symbols, enhancing the protection already afforded by existing legislation. Protection is also provided under the terms of the Master Guarantees signed by all levels of Government.

Refer to Section 4 of the Guarantees File.

4.5 OLYMPIC MARK PROTECTION

OLYMPIC MARKS PROTECTED IN THE NAME OF THE IOC

Rio 2016 recognizes the importance of protecting Olympic intellectual property and considers that the existing legislative framework is adequate. The Olympic brand is well protected by law in Brazil against counterfeit use of any symbols or other items which can be identified with the Games, and further protection will be afforded via the Olympic Acts.

The Olympic symbol, the terms “Olympic” and “Olympiad” and the Olympic motto, together with the related emblems,

logos, trademarks and other designations, are fully protected by existing Brazilian law.

General intellectual property protection is provided by the 1988 Federal Constitution and the following legislation:

- Decree 75.572 validating the Paris Convention for the Protection of Intellectual Property, 1975
This convention started the Industrial Property International System harmonizing different regulations and establishing the fundamental principals on the subject
- Decree 1.355 validating the International Agreements on Trade Related Aspects on Intellectual Property Rights (TRIPS), 1994
This treaty provides measures to reduce distortions and obstacles to international commerce considering the protection of intellectual property rights
- Industrial Property Law, 1996
This law provides regulation for the registration, use, exploitation and protection of industrial property, establishing control of marks and designations in Brazil
- Counterfeit Law, 2003
The Counterfeit Law provides measures to prohibit the importation and sale of counterfeit goods.

Additional legislation specifically protects the Olympic symbols:

- Pelé Law, 1998
In addition to addressing other regulations related to sport and athletes, this law provides express protection to the terms “Olympic”, “Paralympic” and “Olympiad”, including variations of those terms. It grants the BOC and the Brazilian Paralympic Committee the use of Olympic and Paralympic designations
- Decree 90.129 validating the Nairobi Treaty, 1984
This decree validates and applies the Nairobi Treaty in the Brazilian territory, providing worldwide protection of the Olympic symbol and granting its exclusive use to the IOC.

General protection against ambush marketing is afforded through Industrial Property Law in Brazil:

- Article 124 prohibits companies that are not official sponsors, providers or supporters of the Olympic Games from registering any item, brand or symbol which could easily be confused with official partners and symbols
- Article 195 makes it illegal to divert clients from another entity in a fraudulent manner, for example through an association, such as with the Olympic Games, without official authorization.

In the event that additional protection is considered necessary, particularly given the likelihood of emerging technologies creating new intellectual property protection challenges, all levels of Government have committed to enact additional legislative protection as required.

Local law enforcement officers will vigorously enforce the brand protection measures, and additional officers will be assigned to properly control counterfeit goods. In conjunction with Rio 2016, Brand Protection Units will be established within the Federal, State and each relevant City Government to combat the distribution and sale of counterfeit goods in the lead up to and during the Games.

Refer to Section 4 of the Guarantees File.



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4.6 NO PRIOR AGREEMENTS

NO OBSTACLE TO FULFILLING HOST CITY CONTRACT

No agreement has been signed by the City of Rio, Rio 2016 or the BOC with effect after the date of the election of the Host City for the Olympic Games which could jeopardize, prevent or make impossible the fulfillment of any provision of the Host City Contract.

Sponsorship contracts currently in place between the BOC and marketing partners that expired on 31 December 2008 will be renewed in accordance with the principles and requirements of the Joint Marketing Program Agreement.

4.7 LEGAL ENTITY

APPROPRIATELY STRUCTURED LEGAL ENTITIES

4.7.1 EMPOWERED BID COMMITTEE

The Bid Committee of the City of Rio de Janeiro to Host the Olympic and Paralympic Games of 2016 (the Bid Committee) is a non-governmental, non-profit civil association. It is an independent and autonomous entity, registered in the Public Notary of Legal Entities in accordance with Brazilian law.

The Bid Committee is governed by an Executive Board comprising:

- The President of the Brazilian Olympic Committee (Chairman)
- The Minister of Sport representing the Federal Government
- The Governor of the State of Rio de Janeiro
- The Mayor of the City of Rio de Janeiro
- The Brazilian members of the International Olympic Committee
- The President of the Brazilian Paralympic Committee
- The Secretary General of the Bid Committee
- One representative of the General Assembly of the Brazilian Olympic Committee
- Two representatives of the Rio 2016 Business Council
- One representative of the Athletes Commission.

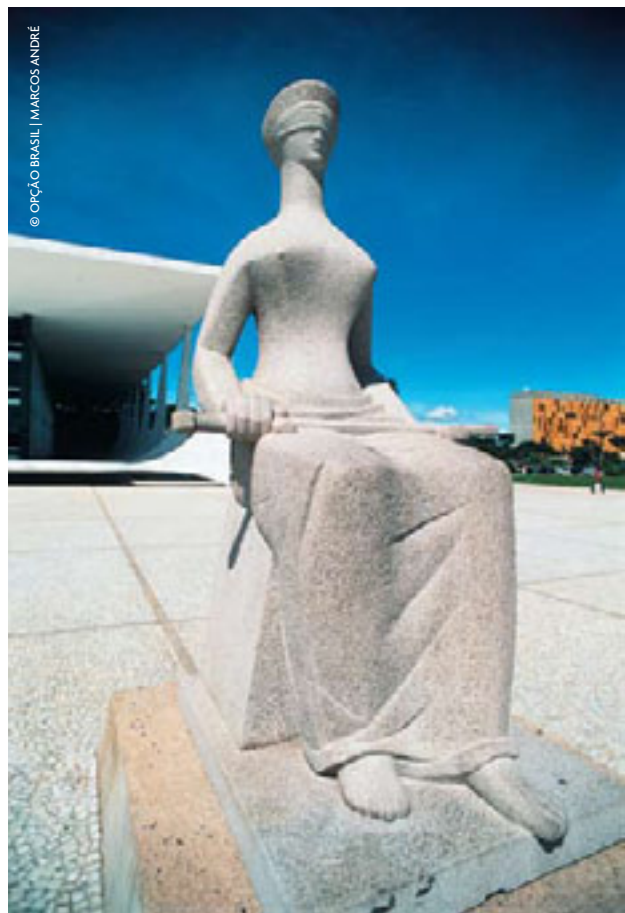
Stakeholder engagement with the Bid Committee is achieved through a series of Special Committees, comprising representatives of Government, non-government organizations, the community and Rio 2016. The Committees, which provide a forum for integrated Games and City planning, include:

- Government Coordination Committee
- Rio 2016 Business Council
- Rio 2016 Legacy Council
- Services Special Committees – Accommodation, Transport, Security, Medical Services, Immigration, Technology, Finance
- Infrastructure Special Committees – Venues, Legacy, Urban Legacy, Environment.

In addition, Working Groups are convened for special purpose areas including the Olympic and Paralympic Village and the Olympic Training Center. The organizational chart for the Rio 2016 Bid Committee is found on the inside back cover of Volume 1 of the Candidature File.w

As outlined in the guarantee documents, the President of the Bid Committee is empowered to sign contracts and other documents on behalf of the Bid. The Host City Contract will be signed jointly by the President of Brazil, the Governor of the State of Rio de Janeiro, the Mayor of the City of Rio de Janeiro, and the President of the Brazilian Olympic Committee, subject to IOC agreement.

Refer to Section 4 of the Guarantees File.



4.7.2 STAKEHOLDER-INTEGRATED ORGANIZING COMMITTEE STRUCTURE

The Organizing Committee of the City of Rio de Janeiro to Host the Olympic and Paralympic Games of 2016 will be the legal entity responsible for planning and staging the 2016 Olympic and Paralympic Games.

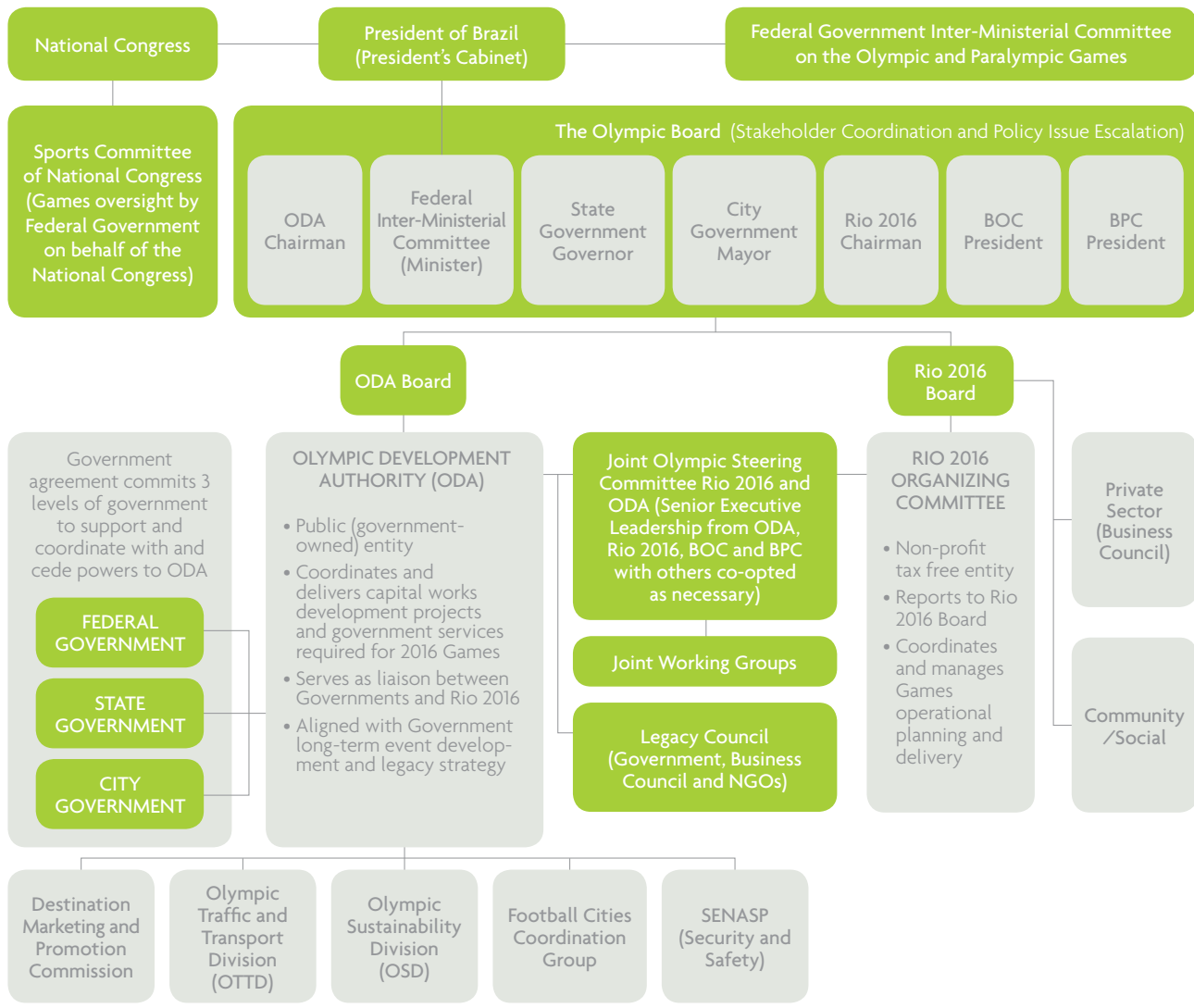
Similar to the Bid Committee, the form of the legal entity will be a non-governmental, non-profit civil association and will be registered in the Public Notary of Legal Entities, in accordance with Brazilian law.

Key stakeholder relationships are comprehensively described in Theme 3. The proposed organization structure below depicts the relationships between the Organizing Committee and the following entities most critical to the successful delivery of the Games:

- The three levels of Government in Brazil
- The Brazilian Olympic and Paralympic Committees
- The Olympic Board, comprising the Chairman of the Federal Inter-Ministerial Committee, the Chairman of the ODA, the Governor of the State of Rio de Janeiro, the Mayor of the City of Rio de Janeiro, the Chairman of the Rio 2016 Organizing Committee, and the Presidents of the Brazilian Olympic and Paralympic Committees
- The key statutory delivery entity - ODA, as well as OTTD and OSD

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RIO 2016 OLYMPIC AND PARALYMPIC GAMES GOVERNANCE



- The National Public Security Secretariat (SENASP), on behalf of the Federal Ministry of Justice, responsible for leading a single integrated security force, combining the relevant security agencies of each level of Government under a single and unified command structure
- The Rio 2016 Legacy Council, an independent body comprising Government, the Business Council, the Brazilian Olympic Committee and NGO/community groups, responsible for oversight of the legacy aspects of the entire Olympic project and ensuring that benefits are derived from the Games
- The private sector, through the Business Council and community and social groups.

Bid to Organizing Committee Transition

To ensure Rio takes advantage of the full seven year planning period prior to the Games, a transition plan has been developed for immediate implementation. This plan considers the transition from Bid Organization to Organizing Committee and defines:

- Initial structure and staffing requirements, including retention of key Bid personnel
- Administrative and office arrangements
- Financial requirements
- High level program and reporting requirements
- Likely IOC/IPC requirements
- Organizational establishment.

All steps have been taken to ensure that the Rio 2016 Organizing Committee will be established well within six months of election.

4.8 OFFICIAL LANGUAGE

OFFICIAL LANGUAGE OF CANDIDATURE

The official language of the Rio Candidature is English.