PREAMBLE

International Statute on Systemic Governance, Biophysical Supremacy, and Binding Legal Automation (c-ΣCO Regime)

The c-ΣCO SYSTEMIC GOVERNANCE STATUTE hereby institutes a transnational legal regime founded upon predictive governance, the absolute primacy of biophysical boundaries, and binding legal automation, recognizing that the validity, efficacy, and continuity of any legal order are ontologically dependent upon the material conditions that sustain life, economic activity, and the functional integrity of the Earth System.

WHEREAS, classical legal models, predominantly grounded in retrospective causality and ex-post liability, have proven structurally insufficient to manage systemic risks, positive feedback loops, and ecological tipping points, the effects of which are cumulative, transboundary, and irreversible;

RECOGNIZING the emergence of Trajectory Illegality (Ilicitude de Trajetória), whereby formally lawful acts become legally inadmissible when their predictable technical continuation leads to the collapse of ecosystems, critical infrastructures, or the compromise of the global commons;

AFFIRMING that the economic value, validity, and enforceability of legal bonds are strictly subordinate to the preservation of the Safe Operating Space (SOS), the habitability of ecosystems, and the technical reversibility of risk trajectories;

ESTABLISHING the centrality of certified technical data, conferring sovereign legal primacy upon continuous sensory evidence and automated systemic monitoring mechanisms over subjective declarations, ex-post estimates, discretionary administrative authorizations, or legal constructions decoupled from physical reality;

INSTITUTING Ex-Ante Unenforceability, systemic perclusion, the conditioned immediate object, and functional conversion as sovereign legal instruments for the preventive protection of the system, applicable even to vested rights and formally perfected acts when such elements compromise biophysical stability, reversibility, or planetary security;

DECLARING the absolute precedence of physical time over legal-procedural time, and of biophysical limits over private autonomy, administrative discretion, or state sovereignty exercised in non-conformity with material reality;

THIS STATUTE SOLEMNLY AFFIRMS THAT:

I — No right subsists outside the biophysical conditions that render it possible;

II — No profit or economic advantage is legitimate when derived from systemic exhaustion or the irreversible consumption of natural capital;

III — The preservation of the functional integrity of the Earth System precedes any individual, corporate, or state interest.

By the authority of these imperatives, the c-ΣCO Systemic Governance Regime is hereby instituted, possessing immediate applicability and universal vocation, to govern contracts, assets, operations, and infrastructures whose execution interferes with critical boundaries, with the objective of preventing collapse, ensuring reversibility and regeneration, and subordinating the legal order to the material reality that sustains it.

EXPLANATORY MEMORANDUM

On the Transition from Retrospective Causality to the Systemic Predictive Nexus and Trajectory Protection

Contemporary legal systems have been, for the most part, structured upon models of retrospective liability in which normative intervention occurs only after the materialization of harm. While this architecture has proven functional for localized and reversible risks, it is structurally insufficient to address systemic, cumulative, and irreversible risks whose effects transcend contractual, sectoral, and territorial boundaries.

The interdependence between economic activities, critical infrastructures, and biophysical systems mandates that Law act upon risk trajectories rather than merely responding to consummated events, since, in systemic contexts, awaiting the occurrence of harm compromises the very possibility of reversal and hollows out the efficacy of legal protection based exclusively on posterior remediation.

In this context, this Statute recognizes the emergence of trajectory illegality, referred to as ilicitude de trajetória, understood as the situation in which formally lawful acts, when executed in an unconditioned or inertial manner, lead in a technically predictable way to the collapse of systems essential to habitability, economic stability, or institutional integrity. As a result, the classical distinction between lawfulness and unlawfulness proves insufficient and gives way to the criterion of systemic compatibility of the execution trajectory.

The c-ΣCO Regime promotes the replacement of retrospective causality with the systemic predictive nexus through which the validity, enforceability, and continuity of legal bonds are strictly conditioned upon the preservation of the Safe Operating Space and upon the technical reversibility of risk trajectories, as verified by objective, verifiable, and auditable technical data.

In order to operationalize this transition, the Statute establishes a set of structural legal mechanisms whose coordinated functions neutralize systemic risk at different stages of the legal relationship. Ex-ante unenforceability operates as a validity filter through which contractual or administrative claims that have become systemically unsustainable, despite formal perfection, are

deprived of executive force, thereby preventing judicial or regulatory authorities from compelling the performance of obligations that would deepen the risk of collapse.

Systemic perclusion functions as an immediate block on the continuation of formally lawful acts once they reach predefined technical danger thresholds, with the purpose of halting inertial trajectories before they advance toward biophysical irreversibility.

The conditioned immediate object links the very legal existence of the required performance to the maintenance of the integrity of the underlying asset, such that material instability affecting the life-support system triggers the automatic transformation of the contractual object, thereby prioritizing the safeguarding of the system over the original financial or economic delivery.

Enforcement linked to certified sensory data establishes a regime of legal automation grounded in verifiable biophysical reality, under which monitoring devices and certified technological systems are capable of activating safety protocols and suspending activities in real time, thus eliminating the temporal gap between physical danger and normative response.

These instruments are strictly preventive and conservatory in nature and are designed for the immediate containment of trajectories incompatible with systemic stability. They do not possess a punitive character but instead operate as imperatives directed toward the preservation of material public order and the continuity of the Earth System.

STRUCTURAL PRINCIPLES OF SYSTEMIC GOVERNANCE

Article 1 — Principle of Supremacy of the Safe Operating Space

The validity, enforceability, and continuity of any acts, contracts, or operations subject to the c-ΣCO regime are subordinated to the preservation of the Safe Operating Space (SOS), understood as the set of biophysical and systemic limits whose transgression compromises habitability, the integrity of life-support systems, or the reversibility of projected impacts. No legal effect may be recognized for acts or arrangements whose execution presupposes or entails the violation of such limits.

Article 2 — In Dubio Pro Systema Principle and Technical Thresholds

Where material technical uncertainty exists regarding risk trajectories, impact reversibility, or systemic integrity, legal decision-making shall prioritize the protection of the system.

> §1º The absence of absolute technical certainty shall not perclude the immediate suspension or modulation of operations. Preventive intervention shall prevail over the continuation of acts or operations capable of generating irreversible or uncontrollable harm.
>
> §2º The specific thresholds of statistical probability and technical evidence required to trigger mandatory preventive perclusion shall be established and periodically updated by the c-ΣCO Technical Standards Committee (or the designated specialized body), following consultation with Earth system scientists and systemic risk specialists.
>
> §3º In the absence of a specific threshold established for a given risk category, a high probability of systemic transgression — as certified by independent technical audit and based on the best available predictive science — shall be sufficient to mandate the immediate application of the protective measures set forth in this Statute.

Article 3 — Principle of P rimacy and Non-Disposability of Systemic Collapse Risk

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Under the c-ΣCO regime, the validity, efficacy, and enforceability of acts, contracts, decisions, and operations are determined in accordance with the primacy of physical time and biophysical reality over legal or procedural time, and with the non-disposable nature of systemic collapse risk, as follows:

> I — Precedence of Physical Time. Any administrative, judicial, or arbitral act, decision, suspension, or postponement that permits the continuation or consolidation of irreversible trajectories, the loss of systemic reversibility, or the aggravation of monitored risks during the pendency of proceedings shall be null and without legal effect within the c-ΣCO regime.
>
> II — Non-Disposability of Collapse Risk. The risk of systemic collapse, exhaustion of critical resources, or loss of habitability constitutes a non-disposable legal interest, and any waiver, settlement, authorization, consent, agreement, or administrative act that admits, tolerates, mitigates, or normalizes the transgression of monitored systemic limits shall be null and without legal effect, irrespective of party consent, contractual autonomy, regulatory approval, or asserted sovereign discretion.

Article 4 — Principle of Non-Disposability of Systemic Collapse Risk

Under the c-ΣCO regime, the risk of systemic collapse, the exhaustion of critical resources, and the loss of habitability constitute a non-disposable legal interest.

> I — Any waiver, settlement, consent, authorization, agreement, or administrative act that admits, tolerates, mitigates, or normalizes the transgression of monitored systemic limits is null and without legal effect.
>
> II — Such nullity applies irrespective of party consent, contractual autonomy, regulatory approval, or asserted sovereign discretion.

Article 5 — Principle of Ex-Ante Governance and Systemic Perclusion

Governance under the c-ΣCO regime operates primarily ex ante, acting upon

risk trajectories identified prior to the materialization of harm, and institutes Systemic Perclusion as an immediate legal impediment to the exercise of legal faculties, acts, contracts, or operations whenever the technical continuity of an asset, operation, or projected impact is incompatible with systemic stability, habitability, or reversibility.

§1º — Mandatory Preventive Perclusion and Sliding Scale of Risk. Preventive perclusion is mandatory and operates ex lege whenever the monitored technical trajectory reaches the probability thresholds defined in the following Sliding Scale of Risk:

I — Systemic-Existential Risk (10–20% Trigger). Applicable to trajectories involving ecological tipping points, Green Swan risks, or irreversible damage to vital ecosystem services, as identified under parameters recognized by the Bank for International Settlements and other bodies responsible for global systemic supervision.

II — Climate and Macro-Financial Risk (50% Trigger). Applicable to trajectories that threaten the stability of the Safe Operating Space or generate transboundary systemic effects, applying the preponderance of evidence standard reflected in the assessment frameworks of the Intergovernmental Panel on Climate Change.

III — Operational and Compliance Risk (80% Trigger). Applicable to impacts of low systemic complexity and full technical reversibility, where economic and operational stability may be preserved, in alignment with risk taxonomy and supervision standards recognized by the European Securities and Markets Authority.

§2º — Default Threshold. In the absence of a specific threshold definition issued by the Technical Standards Committee for a given risk category, a default probability threshold of fifty percent (50%) shall apply for purposes of suspension of enforceability and the incidence of systemic perclusion.

§3º — Probative Effect and Immediate Efficacy. The technical certification that a trajectory has reached the applicable critical probability threshold constitutes full and sufficient proof for the automatic suspension of the efficacy of any obligation, act, or operation. Such suspension shall not be subject to suspensive effect by administrative, judicial, or arbitral appeals.

§4º — Legal Nature of Preventive Perclusion. Preventive perclusion does not constitute a sanction, penalty, or finding of fault, but rather a functional legal adjustment to biophysical reality. Accordingly, it does not give rise to any right to compensation for lost expected gains, frustration of economic expectations, or alleged reliance interests, as the preservation of systemic integrity prevails over contractual advantage, private

autonomy, or projected economic benefit.

THE c-ΣCO SYSTEMIC GOVERNANCE REGIME

Sole Section — Structural Legal Elements and Operational Definitions

SUBSECTION I — THE c-ΣCO FUNCTION AS A SYSTEMIC PARADIGM

Article 6 — The c-ΣCO Systemic Paradigm and Functional Integrity

Under the c-ΣCO regime, the governance of contracts, assets, and operations is determined by their Functional Integrity within the Earth System, and legal validity is conditioned upon the continuous alignment between economic activity and the biophysical stability of the systems that sustain it.

- §1º Legal validity under the c-ΣCO regime constitutes a dynamic legal condition, subject to continuous verification of systemic compatibility, and not a static attribute derived solely from formal compliance at the time of formation.
- §2º All legal subjects subject to the c-ΣCO regime are bound by a systemic duty of care, requiring the proactive and continuous adjustment of acts, contracts, and operations to preserve the functional balance of the Safe Operating Space (SOS).

Article 7 — Rule of Systemic Compatibility

The c-ΣCO regime operates under the Rule of Systemic Compatibility, whereby

formal lawfulness, regulatory authorization, or administrative compliance is insufficient to ensure the subsistence or enforceability of legal acts.

• §1º Any act, contract, or operation that is formally compliant with applicable legal or regulatory requirements, but whose monitored technical trajectory is verified as incompatible with systemic stability, habitability, or reversibility, shall be deemed systemically non-compliant.

• §2º Systemic non-compliance authorizes, ex lege, the immediate application of Ex-Ante Unenforceability and Systemic Perclusion, irrespective of fault, intent, or the prior materialization of physical harm.

Article 8 — Conditional Subsistence of Legal Bonds

The subsistence, enforceability, and continuity of legal relationships subject to the c-ΣCO regime are strictly conditioned upon predictive technical verification of the following parameters:

• §1º Trajectory Stability, defined as the statistically validated probability that the asset, operation, or activity will remain within the thresholds of the Safe Operating Space (SOS).

• §2º Material Reversibility, defined as the continuous technical, operational, and financial capacity to fully reverse projected impacts within system-defined temporal limits.

• Sole Paragraph. The verified loss of material reversibility, or a trajectory deviation exceeding the probability thresholds established in Article 5, constitutes Systemic Default, ex lege, resulting in the immediate suspension of contractual rights, the subordination of performance obligations, and the priority of restorative and curatorial duties.

SUBSECTION II — CONDITIONED IMMEDIATE OBJECT

Article 9 — Conditioned Immediate Object

Under the c-ΣCO regime, the immediate object of any legal relationship is legally conditioned upon the preservation of biophysical stability. The performance of any obligation shall be valid and enforceable only for so long as the systemic conditions ensuring the preservation of habitability and the maintenance of the Safe Operating Space (SOS) are effectively verified.

- §1º — Relational and Non-Absolute Nature. The immediate object shall not constitute an absolute, autonomous, or unconditional right, but a functionally conditioned legal performance, inseparable from the biophysical and systemic context that sustains its execution.

- §2º — Continuous Systemic Compatibility. The existence, enforceability, and legal effects of any obligation subject to the c-ΣCO regime remain subject to continuous systemic compatibility. Where the monitored technical trajectory deviates from the thresholds of reversibility, habitability, or systemic safety, the immediate object shall be deemed juridically frustrated, ex lege.

- §3º — Automatic Functional Suspension. Upon objective technical certification of systemic instability, loss of reversibility, or incompatibility with the Safe Operating Space, the obligation shall be automatically suspended by operation of law, irrespective of default, notice, or prior judicial, administrative, or arbitral declaration. Such suspension constitutes a mandatory functional adjustment to biophysical reality and shall not be characterized as breach, delay, or non-performance.

- §4º — Limitation of Jurisdiction and Prohibition of Anti-Systemic Enforcement. The jurisdiction and competence of any judicial, administrative, or arbitral authority to compel the performance of obligations are strictly limited by the physical viability of the immediate object. Any act, decision, or measure that imposes the continuation of a technical trajectory that has reached the risk thresholds established in Article 5 is legally prohibited, due to the biophysical impossibility of the object.

    1. I — Any decision that disregards the automatic suspension provided for in §3º shall be deemed an ultra vires act, as it purports to exercise authority over an object whose material basis of validity has been extinguished by systemic reality.

    2. II — Such acts or measures are null and without legal effect, produce no coercive force, and do not generate any duty of compliance or liability for non-

execution on the part of the agents or parties to whom they are addressed.

• §5º — Material Public Order and Non-Opposability. The systemic conditioning of the immediate object constitutes a rule of material public order within the c-ΣCO regime and is non-derogable.

1. I — The preservation of habitability and of the Safe Operating Space (SOS) is a mandatory prerequisite for the validity and enforceability of any legal act, decision, or order, and shall prevail over res judicata, administrative discretion, or procedural finality that directly contravenes it.

2. II — Any decision, clause, agreement, or institutional arrangement that seeks to prioritize autonomy of will, formal legal certainty, or procedural stability over the material integrity of life-support systems is legally ineffective and non-opposable within the c-ΣCO regime.

Article 10 — Conditioned Existence of the Obligation

The legal obligation exists and produces effects only for so long as the technical trajectory of the operation remains compatible with systemic reversibility and the stability of the Safe Operating Space (SOS), as verified through continuous Systemic Proof.

• §1º — Dynamic and Conditional Existence. The existence and legal effectiveness of the obligation are indissociably linked to the ongoing verification of the biophysical and systemic conditions that sustain its performance, and do not subsist as static or autonomous legal entitlements.

• §2º — Presumption under Relevant Technical Uncertainty. Where relevant technical uncertainty prevents reliable classification of the risk trajectory—due to insufficient certified data, interruption of monitoring, absence of validated parameters, or conflicting technical evidence—the obligation shall be subject to a prudential presumption of systemic risk at the intermediate level, for purposes of enforceability.

• §3º — Prudential Default Threshold. For the purposes of §2º, a 50% (fifty percent) probability threshold shall apply as a default prudential index, triggering automatic suspension of enforceability, Safe Mode, or other containment measures provided for in this Statute, until sufficient Systemic Proof allows reclassification of the trajectory.

• §4º — Non-Sanctionary Nature. The suspension of enforceability resulting from the application of the prudential default threshold shall not constitute a sanction, penalty, or attribution of fault, but a mandatory functional adjustment to biophysical uncertainty, aimed exclusively at preventing irreversible systemic harm.

• §5º — Refutability by Systemic Proof. The prudential presumption established under this Article may be rebutted exclusively by certified Systemic Proof demonstrating, in an objective and auditable manner, that the probability of systemic incompatibility is inferior to the default threshold or that the trajectory falls within a different risk category defined in this Statute.

• §6º — Automatic Suspension upon Loss of Reversibility. Where objective technical evidence confirms loss of systemic reversibility or incompatibility with the Safe Operating Space, the obligation and its legal effects shall be automatically suspended ex lege, irrespective of notice or judicial, administrative, or arbitral intervention.

Article 11 — Prohibition of Enforceability Detached from Habitability

Enforceability of any obligation, prestation, or execution right detached from preservation of habitability of the affected system is prohibited, and acts imposing legal performance under irreversible systemic degradation scenarios are null.

SUBSECTION III — CONTINUOUS VALIDITY OF THE LEGAL RELATIONSHIP

Article 12 — Continuous Validity and Dynamic Verification

Under the c-ΣCO systemic governance regime, the validity of a legal bond

constitutes a continuous legal condition, subject to ongoing technical verification throughout its execution.

- §1º The validity of a legal bond does not terminate upon its formation, but persists as a permanent legal condition, requiring uninterrupted verification for the entire duration of its execution.
- §2º The maintenance of validity under this Article is strictly conditioned upon continuous and real-time technical validation of the monitored systemic conditions, in full compliance with the Systemic Proof Protocol and the risk tolerance thresholds established in this Statute.
- §3º Any technical non-conformity with the applicable risk parameters, or any interruption in the monitoring data flow, shall result in the immediate suspension of the legal effectiveness of the bond, until systemic integrity is restored and duly validated under the c-ΣCO regime.

Article 13 — On the Conditioned Persistence of Validity

The validity of the legal bond persists only for as long as the technical, biophysical, and operational conditions that ensure the compatibility of the performance with the Safe Operating Space (SOS) and the reversibility of the projected impacts are maintained, in accordance with the risk thresholds defined in Article 5.

Article 14 — On Automatic Lapse Due to Loss of Systemic Conditions

The verified loss of the systemic conditions necessary for the preservation of reversibility entails the automatic lapse of the validity of the legal bond (ipso jure), irrespective of notice, judicial, administrative, or arbitral declaration.

SUBSECTION IV — EX-ANTE UNENFORCEABILITY (IEX)

Article 15 — Ex-Ante Unenforceability (IEX) as an Autonomous Legal Category

Ex-Ante Unenforceability (IEX) constitutes an autonomous legal category, of material public order, by which the enforceability of obligations, execution rights, and the practice of operational acts are automatically suspended whenever predictive technical analysis indicates that the continuation of performance would lead to a trajectory incompatible with systemic reversibility or with the stability of the Safe Operating Space (SOS).

- §1º — Categorial Autonomy. Ex-Ante Unenforceability shall not be confused with, nor recharacterized as, default, non-performance, supervening impossibility, force majeure, fortuitous event, hardship, material adverse change, suspension for non-performance, or any other traditional category of the law of obligations.

- §2º — Technical Trigger and Preventive Nature. The incidence of IEX arises exclusively from objective technical evidence, produced in accordance with the Systemic Proof regime, demonstrating trajectory deviation, critical risk, or prospective loss of reversibility, irrespective of the occurrence of material harm or contractual breach.

- §3º — Automatic Legal Effects. Upon the incidence of IEX, the following effects shall operate ex lege:

    1. I — immediate suspension of the enforceability of the obligation and of any enforcement or coercive mechanism;

    2. II — prohibition of any act that aggravates, consolidates, or accelerates the incompatible trajectory;

    3. III — precedence of systemic containment, curatorship, or functional reconfiguration of the obligation, in accordance with the state identified by the State Machine.

- §4º — Non-Opposability of Formal Resistances. IEX produces legal effects independently of notice, interpellation, or judicial, administrative, or arbitral declaration.

Allegations based on vested rights, legitimate expectations, autonomy of will, formal legal certainty, or res judicata, when dissociated from the monitored technical reality, are non-opposable within the c-ΣCO regime.

• §5º — Distinction from Extinction of the Legal Bond. The incidence of Ex-Ante Unenforceability does not, by itself, extinguish the legal bond, but interrupts its enforceability, preserving it for potential modulation, functional novation, conversion into restoration or curatorial duties, or systemic termination, in accordance with the relevant provisions of this Statute.

• §6º — Imperative and Non-Derogable Character. Ex-Ante Unenforceability is imperative and non-derogable within the c-ΣCO regime. Any clause, agreement, guarantee, decision, or practice intended to exclude, delay, neutralize, or circumvent its incidence is null and without legal effect.

Article 16 — Automatic Lock Triggered by Irreversible Technical Trajectory

Ex-Ante Unenforceability (IEX) operates as an automatic legal circuit breaker, functioning as a mandatory mechanism of systemic containment, triggered exclusively by certified technical and sensory data produced in accordance with the Systemic Proof regime.

§1º The IEX shall apply whenever the identified technical trajectory, in a predictable and objectively demonstrable manner, leads to the violation of the risk thresholds established in this Statute, in particular those defined in Article 5, irrespective of the existence of present material harm.

§2º The activation of the automatic circuit breaker is independent of fault, intent, negligence, contractual breach, formal lawfulness, or any subjective assessment of conduct, and shall operate exclusively on the basis of the objective systemic criterion of the trajectory.

§3º Once triggered, the automatic circuit breaker percludes:

I — the continuation of performance;

II — the activation of enforcement, coercive, or acceleration mechanisms; and

III — the practice of any act that aggravates, consolidates, or accelerates the incompatible trajectory, until a technical re-evaluation is carried out in accordance with the terms of this Statute.

Article 17 — Substitution of Subjective Legal Cause by Objective Systemic Criterion

Under the c-ΣCO regime, IEX replaces inquiry into subjective legal causes with an objective systemic criterion, and technical evidence of risk trajectory prevails over intent, fault, good faith, or any volitional element of the agent.

Article 18 — Immediacy and Erga Omnes Opposability of Technical IEX

Ex-Ante Unenforceability produces immediate effects and is opposable erga omnes, not depending upon prior notice or judicial, administrative, or arbitral declaration, and remains effective while the technical conditions that triggered it persist.

Subsection V — Systemic Perclusion and Trajectory Perclusion

Article 19 — Systemic Perclusion

Systemic perclusion consists of legal blocking of formally lawful acts whose isolated or cumulative continuation contributes to construction of a technical trajectory incompatible with the Safe Operating Space or systemic reversibility.

Article 20 — Blocking of Lawful Acts through Collapse Trajectory Construction

Blocking, suspension, or definitive prohibition of lawful acts is legitimate where technical evidence demonstrates that their continued execution predictably leads to exhaustion of critical resources, loss of habitability, or systemic collapse, even absent formal unlawfulness or contractual breach.

Article 21 — Trajectory Perclusion

Trajectory perclusion prohibits continuation of projects, operations, or activities whose technical trajectory has already exceeded the compatibility threshold with systemic reversibility, regardless of belated corrective measures or subjective change of the executing agent.

Article 22 — Opposability of Perclusion to Successors and Substitutes

Systemic perclusion and trajectory perclusion are opposable to any new operator, manager, controller, acquirer, or successor, and are not neutralized by substitution of parties, corporate reorganization, or transfer of the asset or operation.

Subsection VI — Safe Operating Space as a Legal Limit

Article 23 — Safe Operating Space (SOS)

The Safe Operating Space (SOS) constitutes the legal-material limit within which contracts, assets, operations, and infrastructures may be validly executed, corresponding to the set of biophysical parameters whose violation compromises habitability and systemic reversibility.

Article 24 — Subordination of Price, Value, and Remuneration to Systemic Limits

Price, economic value, contractual remuneration, and any financial return metrics are legally subordinated to compatibility of the operation with the Safe Operating Space, and formation of value presuming or depending upon transgression of monitored planetary or local limits is prohibited.

Article 25 — Legal Nullity of Prices Formed Outside the Safe Operating Space

Prices, values, yields, or profits formed in violation of the Safe Operating Space are legally null and shall not produce obligational, indemnificatory, or compensatory effects, even if agreed between the parties or authorized by administrative norms incompatible with systemic limits.

Article 26 — Erga Omnes Unenforceability of Prices Null due to Systemic Violation

The nullity provided for in the preceding Article is opposable erga omnes and

cannot be set aside by allegations of good faith, economic-financial equilibrium, legitimate expectation, or vested right based on metrics detached from biophysical reality.

Subsection VII — Habitability Link

Article 27 — Habitability Link

Under the c-ΣCO systemic governance regime, the legal recognition, economic relevance, and enforceability of assets, contracts, and operations are inseparably linked to the preservation of the habitability of the ecosystems and life-support systems upon which they depend.

No asset, contractual position, or operational activity shall be treated as legally or economically autonomous from the material systems that sustain its functionality and continuity.

Article 28 — Dependence of Economic Value on Ecosystem Preservation

The formation, maintenance, recognition, and enforceability of the economic value of any asset subject to the c-ΣCO regime depend upon the continuous preservation of the ecosystem that sustains it.

Valuation methods, accounting treatments, pricing models, or risk metrics that disregard projected, detected, or verified systemic degradation, loss of habitability, or breach of Safe Operating Space thresholds shall be ineffective within the c-ΣCO regime for purposes of governance, supervision, enforcement,

or liability attribution.

Article 29 — Prohibition of Dissociation between Financial Assets and Life-Support Systems

Any legal, accounting, contractual, or structural dissociation between a financial asset and the life□support systems conferring its habitability is without effect under the c-ΣCO regime.

Instruments or arrangements designed to isolate economic returns, cash flows, or financial exposure from the underlying ecological, territorial, infrastructural, or systemic integrity upon which the asset depends shall produce no legal effects for purposes of valuation, enforceability, or regulatory recognition.

Article 30 — Non-Opposability of Incompatible Asset-Segregation Structures

Caput. Under the c-ΣCO regime, any asset-segregation, securitization, assignment, synthetic risk transfer, contractual loss allocation, or corporate structuring arrangement that has as its purpose or effect the severance of the habitability nexus shall be non-opposable and shall produce no legal effects for the purposes of habitability assessment, pre-threshold suspension triggers (IEX), D-MRV enforcement, supervision, or liability attribution.

In all cases, the indissociable unity between the asset, the correlated ecosystem, and its systemic trajectory shall prevail.

> I — Systemic Look-Through Rule. For purposes of the c-ΣCO regime, supervisory authorities and enforcement mechanisms shall apply a substance-over-form, systemic look-through, treating as legally relevant the material unity between:
>
> (a) the asset and its cash flows;

(b) the underlying ecosystem; and

(c) the aggregated environmental trajectory, regardless of any legal, financial, or contractual fragmentation of title, risk, guarantees, or payment priority.

II — Functional Ineffectiveness of Structural Shields. Instruments commonly used in structured finance — including SPVs, segregated accounts, fiduciary regimes, bankruptcy-remote vehicles, true-sale arrangements, and synthetic risk transfers — shall not exclude or limit:

(a) duties of pre-threshold design and governance;

(b) duties of disclosure, logging, auditability, and traceability;

(c) duties of restoration, curatorship, or systemic rebalancing following suspension; or

(d) liability arising from omission, abuse of purpose, or structural engineering intended to circumvent the habitability nexus.

III — Conditional Opposability. Asset segregation and securitization remain admissible under the c-ΣCO regime only where such structures:

(a) preserve full traceability of ownership, control, and risk allocation;

(b) maintain verifiable correspondence between financial performance and ecosystem integrity; and

(c) do not impair, delay, or render impracticable the material enforcement of preservation or restoration obligations.

Failure to meet these conditions results in non-opposability under this Article.

IV — Effects vis-à-vis Third Parties and Supervision. The non-opposability established herein shall apply, as appropriate, to investors, creditors, assignees, guarantors, vehicles, administrators, and related parties whenever a structure is used to frustrate, dilute, or conceal the material unity of the habitability nexus and its enforceability.

Subsection VIII — Conditioned and Regenerative Guarantees

Article 31 — Biophysical Conditioning of Guarantees

Under the c-ΣCO systemic governance regime, the existence, enforceability, and scope of any real, personal, functional, or hybrid guarantee are legally

conditioned upon:

(a) the continued biophysical viability and habitability of the underlying asset; and

(b) the strict operational alignment of the guaranteed activity with the applicable Safe Operating Space (SOS) and planetary boundaries.

Sole Paragraph. Guarantees under this regime are materially accessory to the ecological conditions that sustain the functional integrity of the underlying asset. Any contractual, financial, or structural arrangement intended to decouple financial exposure from ecological integrity is ineffective within the c-ΣCO regime.

Article 32 — Non-Opposability of Anti-Systemic Enforcement

The subsistence, enforceability, and opposability of collateral are conditioned upon the continuous preservation of the biophysical viability of the guaranteed asset.

Any attempt to enforce guarantees or collateral arrangements that facilitates, rewards, conceals, or presupposes the continuation of unviable, unsafe, or collapse-bound systemic trajectories shall be non-opposable to the c-ΣCO regime and shall produce no legal effects for purposes of supervision, enforcement, or liability attribution.

Article 33 — Automatic Conversion into Systemic Restoration Obligations

The occurrence of systemic collapse, loss of habitability, or biophysical

inviability of the underlying asset shall result, ex lege, in the automatic conversion of the guarantee into a Systemic Restoration Obligation, rather than its simple extinction.

§1º This conversion operates independently of:

(a) the existence or absence of financial default;

(b) any judicial, arbitral, or administrative declaration; or

(c) the invocation of force majeure, act of God, or analogous clauses intended to exclude or shift responsibility for systemic degradation.

§2º Upon conversion, the right to call upon the guarantee is transferred from the financial creditor to the Systemic Oversight Authority, or to an equivalent ecosystemic restoration fund designated under the c-ΣCO regime.

Article 34 — Absolute Priority of Restoration and Safe Decommissioning

All values, assets, proceeds, reserves, and economic advantages linked to the converted guarantee pursuant to Article 33 constitute segregated restoration assets and shall be exclusively and preferentially allocated to:

(a) immediate ecological restoration of the degraded asset;

(b) safe, non-toxic, and irreversible decommissioning of related infrastructure; and

(c) systemic compensation and remediation measures for affected local communities.

Sole Paragraph. The use of such assets for the satisfaction of secondary or residual financial claims, including unsecured debt, dividends, distributions, or interest, is strictly prohibited until full biophysical stabilization is formally certified under the c-ΣCO regime.

Subsection IX — Systemic Proof

Article 35 — Systemic Proof

Systemic Proof consists of objective technical evidence derived from certified sensorial data continuously monitored, capable of demonstrating the state, trajectory, and reversibility of impacts of contracts, assets, and operations subject to the c-ΣCO regime.

Article 36 — Centrality of Certified Sensory Data

Certified sensory data constitute the central evidentiary source under the c-ΣCO regime and shall be presumed true, intact, and sufficient for purposes of assessing systemic compliance, save upon conclusive technical proof of material failure of the measurement system.

Article 37 — Prevalence of Systemic Proof

Systemic Proof shall prevail over declaratory evidence, witness evidence, ex post expert evidence, economic estimates, or any other evidentiary means that do not continuously and objectively reflect the monitored technical and biophysical reality.

Article 38 — Erga Omnes Opposability and Immediate Effectiveness of Systemic Proof

Systemic Proof shall produce immediate effects and shall be opposable erga omnes, legitimizing activation of automatic locks, Ex-Ante Unenforceability (IEX), systemic perclusion, and conditional execution, independently of any judicial, administrative, or arbitral pronouncement.

Article 39 — Burden of Technical Challenge

The burden of challenging Systemic Proof shall fall entirely upon the party contesting it, and any allegation of technical error shall be demonstrated by specific material evidence, without suspension of systemic effects while verification is pending.

Subsection X — Curatorial Trigger

Article 40 — Curatorial Trigger

The Curatorial Trigger consists of the automatic legal mechanism that, upon technical evidence of trajectory deviation, critical risk, or loss of reversibility, immediately activates measures of correction, mitigation, restoration, or safe decommissioning.

Article 41 — Automatic Release of Funds for Correction and Restoration

Upon activation of the Curatorial Trigger, resources previously constituted under algorithmic custody or linked funds shall be released automatically and

directly for execution of technical correction and restoration measures, as validated by the Data Assessment Authority.

Article 42 — Priority of Correction over Ex Post Indemnification

Under the c-ΣCO regime, correction of the systemic trajectory and restoration of habitability shall have absolute priority over any form of ex post indemnification, and substitution of the curatorial response by financial compensations detached from reversibility is prohibited.

Article 43 — Unenforceability of Substitute Indemnification Solutions

Indemnification, compensatory, or insurance solutions intended to substitute, postpone, or avoid activation of the Curatorial Trigger shall produce no legal effects, and the duty of immediate technical intervention shall prevail.

Subsection XI — Safe Mode

Article 44 — Safe Mode

Safe Mode constitutes the legal state of systemic containment whereby execution of contracts, operations, or flows is temporarily suspended or reconfigured in order to preserve system integrity and prevent propagation of critical risks.

Article 45 — Coordinated Suspension to Prevent Systemic Cascades

Once Safe Mode is activated, suspension or modulation of execution shall occur in a coordinated manner among interdependent agents, contracts, and infrastructures, in order to prevent cascade effects that expand systemic risk beyond controllable limits.

Article 46 — Priority of System Preservation over Individual Performance

In Safe Mode, preservation of the system's stability, habitability, and reversibility shall prevail over individual performance targets, profit, operational efficiency, or isolated compliance with contractual obligations.

Article 47 — Unenforceability of Penalties for Suspension in Safe Mode

Suspension or modulation of obligations resulting from activation of Safe Mode shall not constitute default, delay, or contractual breach, and penalties, fines, or sanctions based solely on the interruption necessary for systemic protection shall be unenforceable.

Subsection XII — State Machine

Article 48 — State Machine

The State Machine consists of the legal-operational architecture that governs execution, suspension, modulation, and cessation of contracts, assets, and operations subject to the c-ΣCO regime, based on the objective evolution of the monitored systemic trajectory.

Article 49 — Progressive Phased Execution

Execution under the c-ΣCO regime shall occur through progressive phases corresponding to previously defined technical states, and automatic continuation of execution is prohibited once transition to alert, containment, or unenforceability states is identified.

Article 50 — Overcoming the Binary Logic of Execution or Rupture

The c-ΣCO regime overcomes the binary logic of full execution or contractual rupture, allowing modulation, suspension, functional novation, or progressive cessation of obligations according to the identified systemic state.

Article 51 — Legal Binding of State Transitions

Transitions among states of the State Machine shall produce automatic and binding legal effects, conditioning the validity, enforceability, and continuity of obligations, independently of the parties' manifestation of will.

Article 52 — Legal Irreversibility of Critical Transitions

Upon reaching critical states defined by the State Machine—especially those associated with loss of systemic reversibility—return to full execution by discretionary decision, private agreement, or administrative authorization detached from technical reality is prohibited.

CHAPTER I — Ex-Ante Systemic Design Duty

Article 53 — Core Obligation of Technical Architecture

The Ex-Ante Systemic Design Duty constitutes the core legal obligation under the c-ΣCO regime, requiring the prior, integrated, and verifiable conception of the technical architecture necessary for execution of contracts, assets, and operations compatible with the Safe Operating Space.

Article 54 — Mandatory Definition of Limits, Sensors, and Parameters

Systemic design shall define, prior to execution:

I — the relevant biophysical, operational, and systemic limits;

II — the sensors, metrics, and data sources necessary for continuous assessment of the trajectory;

III — the technical parameters governing state transitions, curatorial triggers, and conditions of unenforceability.

Article 55 — Prohibition of Execution without Validated Design

Execution of any obligation, execution right, or operation subject to the c-ΣCO regime is prohibited without prior validation of the systemic design by the Data Assessment Authority or equivalent technical body defined in this Statute.

Article 56 — Legal Ineffectiveness of Execution without Design

Execution carried out in the absence of validated systemic design is legally ineffective and shall not generate rights, legitimate expectations, indemnities, or compensations grounded in the irregular continuation of the operation.

Article 57 — Liability for Defective Design

Systemic design that proves incomplete, inadequate, obsolete, or technically insufficient to prevent trajectories incompatible with reversibility shall constitute defective design, giving rise to strict liability of the agent responsible for its conception, approval, or implementation.

Article 58 — Non-Delegability of Design Responsibility

Responsibility for systemic design is non-delegable and shall not be displaced by outsourcing, engagement of consultants, certifiers, or suppliers, nor by allegations of formal compliance detached from technical effectiveness.

CHAPTER II — Continuous Systemic Maintenance Duty

Article 59 — Continuous Systemic Maintenance Duty

The Continuous Systemic Maintenance Duty imposes the permanent obligation to preserve, throughout execution, the technical, financial, and operational conditions ensuring compatibility of the operation with the Safe Operating Space and systemic reversibility.

Article 60 — Maintenance of the Sensory System

The responsible agent shall ensure continuous maintenance of the sensory system, including calibration, redundancy, technological updating, and data integrity, so as to guarantee the reliability of Systemic Proof throughout the operation's life cycle.

Article 61 — Maintenance of Financial Reversibility Capacity

Financial capacity dedicated to reversibility, mitigation, and restoration shall be continuously maintained and replenished, and supplementary contributions shall be mandatory whenever the Data Assessment Authority identifies an increase in the projected cost of systemic reversal.

Article 62 — Maintenance of the Operational Trajectory

The responsible agent shall continuously adopt technical and operational measures to correct trajectory deviations before activation of critical states, and deliberate inertia or tolerance of predictable risk progression is prohibited.

Article 63 — Minimum Result Obligation in Systemic Maintenance

The Continuous Systemic Maintenance Duty constitutes a minimum result obligation, consisting in preserving compatibility of the operational trajectory with monitored systemic limits, and shall not be satisfied by mere formal procedural compliance.

Article 64 — Non-Delegability of the Maintenance Duty

The maintenance duty is non-delegable, and legal responsibility remains with the principal agent even where material performance of maintenance activities is assigned to third parties, suppliers, or specialized operators.

Article 65 — Characterization of Systemic Maintenance Failure

Deterioration of the sensory system, insufficiency of financial reversibility capacity, or progression of a trajectory incompatible with reversibility shall constitute systemic maintenance failure, legitimizing activation of containment measures, IEX, perclusion, or sanctions provided in this Statute.

CHAPTER III — Algorithmic Causation Nexus and Systemic Proof

Article 66 — Algorithmic Causation Nexus

The Algorithmic Causation Nexus consists of the ex ante legal identification of the relationship between execution of acts, contracts, or operations and their projected technical trajectories, based on analytical models, sensory data, and verifiable simulations.

Article 67 — Predictive Trajectory Nexus

Causation under the c-ΣCO regime is established predictively, considering the probability, direction, and irreversibility of the projected systemic trajectory, independently of present material damage.

Article 68 — Digital and Sensory Proof

Digital and sensory proof produced by certified continuous monitoring systems constitutes an appropriate evidentiary means to demonstrate the algorithmic causation nexus, the evolution of the technical trajectory, and compatibility of the operation with the Safe Operating Space.

Article 69 — Replacement of Declaratory Proof

Under the c-ΣCO regime, digital and sensory proof replaces declaratory, witness, or ex post expert proof for purposes of assessing systemic compliance, and objective technical evidence prevails over subjective narratives or subsequent reconstructions.

Article 70 — Presumption of Validity of Systemic Proof

Systemic Proof enjoys a presumption of validity, integrity, and fidelity, and may only be displaced by specific technical demonstration of material failure, data corruption, or proven defect of the measurement system.

Article 71 — Immutable Technical Record

Sensory data, analytical models, state transitions, and activations of systemic triggers shall be recorded in immutable and auditable technical infrastructure, ensuring traceability, transparency, and evidentiary integrity.

Article 72 — Opposability of the Technical Record

The immutable technical record shall produce full legal effects and shall be opposable erga omnes, binding agents, successors, administrative authorities, courts, and arbitral tribunals to the evidence recorded therein.

CHAPTER IV — Data Assessment Authority and Sensor Qualification

Article 73 — Legal Definition of the Data Assessment Authority

The Data Assessment Authority is the technical-legal entity responsible for collecting, validating, processing, and making available the sensory data underlying Systemic Proof, automatic triggers, and state transitions under the c-

ΣCO regime.

Article 74 — Binding Legal Function of the Assessment Authority

The Data Assessment Authority performs a binding legal function, and its technical validations are capable of producing automatic effects upon the validity, enforceability, and continuity of contracts, operations, and execution rights subject to the c-ΣCO regime.

Article 75 — Requirements of Integrity, Redundancy, and Auditability

The Data Assessment Authority shall cumulatively ensure:

I — data integrity, safeguarding against manipulation, suppression, or adulteration;

II — sufficient technical redundancy to prevent single-point measurement failures;

III — continuous auditability, enabling independent verification of the data chain and models used.

Article 76 — Technical Certification of the Authority and Sensors

The Data Assessment Authority and the sensors it employs shall be technically certified according to objective standards of reliability, precision, and interoperability, and use of non-certified systems for purposes of Systemic Proof is prohibited.

Article 77 — Functional Independence and Prohibition of Capture

The Data Assessment Authority shall operate with functional independence from monitored agents, and any form of economic, contractual, political, or operational capture compromising the impartiality of systemic assessment is prohibited.

Article 78 — Unenforceability of Clauses Limiting the Authority's Autonomy

Contractual, bylaw, or regulatory clauses restricting the Authority's technical autonomy, monitoring scope, or reporting capacity are unenforceable.

Article 79 — Technical Challenge Regime for Assessment

Challenges to technical assessment shall be submitted exclusively by objective technical means and limited to demonstration of material failure, hardware defect, proven software error, or data corruption.

Article 80 — Burden and Effects of Technical Challenge

The burden of technical challenge rests entirely with the party raising it, and does not suspend the effectiveness of automatic triggers, IEX, or state transitions while verification of the alleged failure is pending.

Article 81 — Validation of the Challenge by the Technical Curatorship Chamber

Any eventual validity of a technical challenge shall be validated by the Technical Curatorship Chamber or equivalent body defined in this Statute, and discretionary review of measurements by a non-technical authority is prohibited.

CHAPTER V — Alert Architecture, States, and Automatic Triggers

Article 82 — Alert Architecture and the Systemic State Machine

The Alert Architecture of the c-ΣCO regime integrates the Systemic State Machine responsible for continuously classifying the technical condition of the operation, binding legal execution to the objective evolution of the monitored trajectory.

Article 83 — Systemic States

The Systemic State Machine shall comprise, at minimum, the following legal-operational states:

I — Green State, characterized by full compatibility of the trajectory with the Safe Operating Space;

II — Yellow State, characterized by detection of initial deviations capable of correction;

III — Orange State, characterized by relevant risk of loss of reversibility, requiring containment and immediate curatorial measures;

IV — Red State, characterized by unenforceability of the trajectory, with broad suspension of execution and activation of safe decommissioning or restoration

measures.

Article 84 — Technical Criteria for State Transitions

State transitions shall be determined exclusively by objective technical criteria previously defined in the systemic design, based on certified sensory data, validated analytical models, and established risk parameters.

Article 85 — Automaticity and Binding Effect of State Transitions

State transitions shall produce automatic and binding legal effects upon the validity, enforceability, and continuity of obligations, independently of notice, manifestation of will by the parties, or any judicial, administrative, or arbitral pronouncement.

Article 86 — Technical Record of State Transitions and Alerts

Every state transition, alert issued, or trigger activation shall be recorded in immutable and auditable technical infrastructure, ensuring traceability, transparency, and integrity of systemic decisions.

Article 87 — Irreversibility of Decisions in Critical States

Upon reaching the Orange or Red States, the systemic decisions recorded shall become legally irreversible for as long as the technical conditions that caused

them persist, and their suspension or reversal by private agreement, administrative act, or non-technical decision is prohibited.

Article 88 — Prohibition of Automatic Continuity of Execution

Automatic continuation of execution of contracts or operations after transition to alert or containment states is prohibited, and agents shall immediately adopt the measures required by the identified systemic state.

CHAPTER VI — Conditional Execution Mechanisms

Article 89 — Execution Rights

Execution Rights consist of conditional legal permissions that authorize, on a progressive and revocable basis, the performance of acts, the enforceability of prestations, and the continuity of operations subject to the c-ΣCO regime.

Article 90 — Conditional Nature of Execution Rights

Execution Rights do not constitute vested rights nor autonomous legal expectations, and subsist only so long as the systemic, technical, and biophysical conditions that gave rise to them remain in place.

Article 91 — Enablement Conditioned upon Technical Validation

Enablement of Execution Rights depends on continuous technical validation by the Data Assessment Authority, based on Systemic Proof and compatibility of the operational trajectory with the Safe Operating Space.

Article 92 — Automatic Suspension of Enablement

Absence of technical validation, deterioration of the sensory system, or detection of relevant trajectory deviation shall result in automatic suspension of the enablement of Execution Rights, independently of notice or formal demand.

Article 93 — Anticipatory Unenforceability of Execution

Anticipatory Unenforceability applies where technical analysis indicates that continuation of execution will, predictably, lead to loss of systemic reversibility, immediately suspending the enforceability of any related acts or prestations.

Article 94 — Automatic Blocking of Harmful Lawful Acts

Automatic blocking of formally lawful acts is legitimate where technical evidence demonstrates that their performance contributes to construction of a trajectory incompatible with the Safe Operating Space, even absent contractual default or formal unlawfulness.

Article 95 — Opposability of Execution Blocking

Suspension, anticipatory unenforceability, or blocking of acts shall produce full legal effects and shall be opposable erga omnes, binding parties, successors, creditors, administrative authorities, and judicial or arbitral fora.

Article 96 — Unenforceability of Unrestricted Execution Clauses

Contractual clauses, guarantees, or acceleration mechanisms imposing unrestricted execution in conflict with identified systemic states are unenforceable, and conditional execution as provided in this Statute shall prevail.

CHAPTER VII — Mandatory Cooperation and Functional Novation

Article 97 — Automatic Duty of Cooperation (Join Duty)

The Automatic Duty of Cooperation (Join Duty) imposes upon all agents whose activities affect the same system, critical limit, or ecosystem an immediate legal obligation of technical and informational cooperation whenever a systemic risk trajectory is identified.

Article 98 — Activation of the Duty of Cooperation

The Automatic Duty of Cooperation is activated by objective technical evidence of relevant risk, transition to alert or containment states, or activation of the Curatorial Trigger, regardless of the existence of a direct contractual link

between the agents involved.

Article 99 — Conversion of Poles into System Curators

Once the Duty of Cooperation is activated, the parties cease acting exclusively as opposing poles of interest and assume, temporarily or permanently depending on the systemic state, the legal condition of System Curators, with a priority duty to preserve habitability and reversibility.

Article 100 — Functional Novation of the Legal Relationship

Transition to critical states of the State Machine produces functional novation of the legal relationship, replacing individual goals of profit, performance, or isolated execution with collective goals of containment, correction, restoration, or safe decommissioning.

Article 101 — Prevalence of Systemic Function over Original Obligations

During functional novation, the systemic function of the legal relationship shall prevail over originally agreed obligations, and prestations incompatible with preservation of the affected system shall be suspended or modulated.

Article 102 — Trajectory Perclusion under the Cooperation Regime

Mandatory cooperation does not authorize continuation of unviable trajectories, and trajectory perclusion remains applicable whenever loss of systemic reversibility is identified, even where there is consensus among the agents involved.

Article 103 — Erga Omnes Opposability of Cooperation and Functional Novation

The Automatic Duty of Cooperation, the conversion into System Curators, and functional novation shall produce legal effects opposable erga omnes, binding successors, acquirers, creditors, public authorities, and any third parties intervening in the affected system.

Article 104 — Unenforceability of Cooperation-Exclusion Clauses

Contractual, corporate, or regulatory clauses that exclude, limit, or postpone the Automatic Duty of Cooperation or functional novation once activated by systemic evidence are unenforceable.

CHAPTER VIII — State Machine, Temporality, and Continuous Validity

Article 105 — Binding Immediate Object

Decisions resulting from the State Machine shall have immediate binding legal force, integrating the immediate object of the legal relationship and

conditioning the validity, enforceability, and continuity of obligations upon the monitored technical reality.

Article 106 — Legal Validity Conditioned upon Time

The legal validity of obligations subject to the c-ΣCO regime shall be conditioned upon the physical time of the systemic trajectory, and must be continuously confirmed at each monitoring cycle, with any presumption of static validity throughout execution being prohibited.

Article 107 — Prevalence of Systemic Temporality

Systemic temporality as determined by the State Machine shall prevail over contractual deadlines, administrative milestones, or procedural schedules where such temporal frameworks would allow consolidation of trajectories incompatible with reversibility.

Article 108 — Prohibition of Judicial or Arbitral Suspension

Judicial, arbitral, or administrative suspension of the legal effects produced by the State Machine, by Ex-Ante Unenforceability, or by systemic triggers is prohibited, except for technical recognition of a proven failure of the Data Assessment Authority, without automatic suspensive effect.

Article 109 — Automatic Lapse of Legal Validity

Loss of the systemic conditions necessary for reversibility shall result in automatic lapse of the legal validity of the legal relationship, independently of formal declaration, judicial liquidation, or manifestation of will by the parties.

Article 110 — Unenforceability of Dissociated Temporal Allegations

Allegations based on vested rights, legitimate expectations, economic-financial equilibrium, or legal certainty are unenforceable where dissociated from systemic temporality and the technical trajectory as assessed.

Article 111 — Conditioned Continuity of Execution

Continuity of execution shall only be admissible while compatibility of the trajectory with the Safe Operating Space is confirmed in real time, and execution based on temporal presumptions disconnected from biophysical reality shall be null.

CHAPTER IX — Systemic Solvency and Reversibility Insolvency

Article 112 — Capacity for Full Financial Reversal

Execution of contracts, assets, or operations subject to the c-ΣCO regime depends on continuous maintenance of sufficient financial capacity to ensure full reversal of projected impacts, in accordance with the technical parameters defined in the validated systemic design.

Article 113 — Systemic Solvency

For purposes of the c-ΣCO regime, an agent shall be deemed systemically solvent where it demonstrates financial, technical, and operational capacity to immediately and fully fund the containment, mitigation, restoration, or decommissioning measures required by the monitored systemic trajectory.

Article 114 — Reversibility Insolvency

Systemic insolvency shall be deemed to exist where an agent, even if financially solvent under traditional criteria, is incapable of financing restoration or reversal of projected or verified systemic impacts.

Article 115 — Autonomy of Systemic Insolvency

Reversibility insolvency constitutes an autonomous legal category and is independent of the characterization of civil, corporate, or bankruptcy insolvency under ordinary legal regimes.

Article 116 — Absolute Priority of Restoration

Once systemic insolvency is verified, the agent's available resources, including guarantees, reserves, contributions, or linked financial flows, shall be absolutely prioritized for restoration, mitigation, or safe decommissioning of the affected system.

Article 117 — Subordination of Claims to Systemic Restoration

Claims of any nature shall be subordinated to the priority of systemic restoration, and satisfaction of obligations dissociated from reversibility is prohibited until full recomposition of the affected system is ensured.

Article 118 — Suspension of Competing External Enforcements

Upon verification of reversibility insolvency, competing judicial, arbitral, or administrative enforcement proceedings that would compromise resources allocated to systemic restoration shall be automatically suspended.

Article 119 — Unenforceability of Traditional Insolvency Regimes

Recovery, insolvency, or bankruptcy procedures that permit continuation of operations or liquidation of assets without prior and full recomposition of systemic reversibility are unenforceable vis-à-vis the c-ΣCO regime.

Article 120 — Mandatory Allocation of Assets to Reversal

In the event of systemic insolvency, the agent's assets may be compulsorily allocated, temporarily or definitively, to execution of restoration measures, pursuant to binding technical decision of the Data Assessment Authority or the Technical Curatorial Chamber.

CHAPTER X — Normative Hierarchy and Biophysical Supremacy

Article 121 — Prevalence of the c-ΣCO Statute

Within its scope of application, the Systemic Governance Statute c-ΣCO shall prevail over contractual, regulatory, or administrative norms that authorize or tolerate execution incompatible with the Safe Operating Space or systemic reversibility.

Article 122 — Subordination of Administrative Authorizations

Licenses, permits, authorizations, or administrative acts shall not produce valid legal effects where their execution entails violation of monitored biophysical limits, and shall be subordinated to technical evidence produced under the c-ΣCO regime.

Article 123 — Limits to State Discretion

State discretion is objectively limited by the parameters of the Safe Operating Space, and enactment of normative or administrative acts authorizing trajectories incompatible with habitability, systemic integrity, or reversibility is prohibited.

Article 124 — Prevalence of Biophysical Reality over Formal Legality

In the event of conflict between legal or administrative authorization and biophysical reality as assessed through Systemic Proof, the latter shall prevail for purposes of validity, enforceability, and continuity of legal execution.

Article 125 — Nullity of Acts Incompatible with the Safe Operating Space

Normative, administrative, contractual, or decisional acts that directly or indirectly permit transgression of the limits of the Safe Operating Space are void ab initio, producing no indemnificatory, compensatory, or legitimizing legal effects.

Article 126 — Unenforceability of Political or Emergency Authorizations

Authorizations grounded in political, economic, emergency, or strategic reasons that suspend, relativize, or bypass monitored biophysical limits are unenforceable under the c-ΣCO regime.

Article 127 — Binding Effect upon Authorities

Administrative, regulatory, and judicial authorities are bound by technical evidence produced under the c-ΣCO regime and shall refrain from determining or permitting execution incompatible with the Safe Operating Space.

CHAPTER XI — Integral Risk Liability Regime

Article 128 — Integral Risk Liability

Under the c-ΣCO systemic governance regime, legal liability arises from the integral risk associated with the technical trajectory of the operation, independently of fault, intent, formal unlawfulness, or occurrence of present material damage.

Article 129 — Objective and Joint Liability

Agents involved in the conception, financing, control, management, or execution of contracts, assets, or operations shall be objectively and jointly liable for systemic effects arising from trajectories incompatible with the Safe Operating Space.

Article 130 — Liability of Controllers and Managers

Controllers, directors, managers, and officers shall incur personal liability where, by act or omission, they contribute to maintenance of an unviable systemic trajectory, inertia in the face of technical alerts, or violation of systemic design and maintenance duties.

CHAPTER XI — Integral Risk Liability Regime (continued)

Article 131 — Automatic Piercing of the Corporate Veil

Identification of sensory fraud, data manipulation, circumvention of systemic triggers, or deliberate non-compliance with Ex-Ante Unenforceability shall result in automatic piercing of the corporate veil, authorizing direct enforcement against the personal assets of those responsible.

Article 132 — Autonomy of Systemic Piercing

The piercing of the corporate veil provided for in this Statute is independent of proof of abuse of legal personality under traditional regimes, being sufficient the technical evidence of relevant systemic violation or attempt to neutralize the c-ΣCO regime.

Article 133 — Network Liability

Integral risk liability shall extend to all agents who, possessing technical knowledge of the risk trajectory, have directly or indirectly contributed to its maintenance, financing, enablement, or concealment.

Article 134 — Co-Liability for Systemic Omission

Systemic co-liability is established where agents who have a technical, contractual, or functional duty to act fail to adopt measures capable of interrupting or correcting trajectories incompatible with reversibility.

Article 135 — Unenforceability of Conventional Liability

Limitations

Contractual, corporate, or insurance clauses that limit, exclude, or mitigate integral risk liability arising from systemic violation are unenforceable under the c-ΣCO regime.

Article 136 — Prevalence of Systemic Liability

Integral risk liability shall prevail over special liability limitation regimes, regulatory incentives, administrative authorizations, or asset segregation structures incompatible with preservation of the affected system.

CHAPTER XII — Systemic Sanctions Regime

Article 137 — Automatic Asset Affection (Systemic Slashing)

Violation of systemic limits, maintenance of trajectories incompatible with reversibility, or non□compliance with technical triggers shall result in automatic affection of assets, guarantees, or linked reserves, mandatorily allocating them to containment, restoration, or safe decommissioning of the affected system.

Article 138 — Curatorial Nature of Asset Affection

Automatic asset affection has a curatorial, preventive, and functional nature and does not constitute criminal sanction or confiscation, and shall not be used for revenue-raising, ex post compensation, or punitive purposes.

Article 139 — Predictive Trajectory Fine

A predictive trajectory fine shall apply where technical evidence demonstrates that the agent's execution will, predictably, lead to violation of the Safe Operating Space, independently of occurrence of present material damage.

Article 140 — Autonomy of the Predictive Fine

The predictive fine is autonomous and independent of application of other sanctions, characterization of formal unlawfulness, or assessment of fault, and shall be calculated based on projected systemic risk and incremental cost of reversibility.

Article 141 — Perclusion of Execution Rights

Serious breach of systemic design, maintenance, or cooperation duties shall result in definitive perclusion of Execution Rights, preventing the agent from conducting new operations or enforcing prestations within the affected system.

Article 142 — Exclusion of Habitability

Exclusion of habitability is the sanction by which projects, operations, or agents are permanently barred from operating within a given system, ecosystem, or territory where structural inviability of their trajectory is established.

Article 143 — Intergenerational Indemnification

In addition to operational sanctions, the agent shall be liable for intergenerational indemnification corresponding to the loss of future access to resources, ecosystem services, or systemic capacities irreversibly depleted or degraded.

Article 144 — Calculation of Intergenerational Indemnification

Intergenerational indemnification shall be calculated based on the systemic value of exhausted resources, the estimated time for natural or technical recovery, and the loss of future agency imposed upon subsequent generations.

Article 145 — Evidentiary Publicity and Public Registry

Sanctions imposed under this Statute, as well as records of systemic proof and critical state transitions, shall be entered into a public, immutable, and auditable database, producing effects of impediment and traceability.

Article 146 — Opposability of the Public Registry

The public registry of sanctions and systemic evidence shall be opposable erga omnes and shall constitute an automatic impediment to contracting, licensing, or financing of excluded agents, in accordance with the parameters defined in this Statute.

Article 147 — Unenforceability of Sanction Waivers or Settlements

Agreements, settlements, or waivers intended to exclude, mitigate, or postpone application of systemic sanctions provided for in this Chapter are unenforceable.

CHAPTER XIII — Limitations on Exemptions from Liability

Article 148 — Inapplicability of Force Majeure and Fortuitous Event in Systemic Context

Under the c-ΣCO systemic governance regime, events related to climate instability, resource depletion, environmental degradation, or breach of biophysical limits shall not constitute force majeure or fortuitous events, as they form part of the intrinsic risk set of the monitored activity.

Article 149 — Mandatory Internalization of Systemic Risks

The risks referred to in the preceding Article shall be mandatorily incorporated into systemic design, modeled within the algorithmic causality nexus, and fully provisioned within financial reversibility capacity, and their legal externalization is prohibited.

Article 150 — Act of Third Parties and Systemic Contribution Nexus

Intervention by third parties shall not exclude liability where a systemic contribution nexus exists among conducts, particularly in cases involving shared ecosystems, critical infrastructure, or common biophysical limits.

Article 151 — Co-Liability for Omission in Relation to Third-Party Acts

Co-liability is established where an agent who possesses technical capacity or functional duty fails to foresee, mitigate, or interrupt synergistic impacts caused by third parties within the same affected system.

Article 152 — Supremacy of Sensorial and Technical Evidence

Evidence produced through Systemic Proof and certified sensorial data shall prevail over unilateral declarations, ex post estimative reports, economic opinions, or narrative reconstructions of facts.

Article 153 — Unenforceability of Non-Technical Challenges

Challenges grounded in non-technical arguments, value judgments, or generic allegations of reasonableness or economic convenience shall neither suspend nor invalidate the legal effects derived from certified sensorial evidence.

Article 154 — Shielding against Political or Administrative Interference

Political acts, administrative decisions, legislative changes, or exceptional authorizations permitting transgression of the Safe Operating Space shall not constitute exemptions from liability nor preclude application of the mechanisms provided in this Statute.

Article 155 — Prevalence of Biophysical Reality over State Authorization

In the event of conflict between state authorization and biophysical reality as assessed through Systemic Proof, the latter shall prevail for purposes of liability, validity, and continuity of legal execution.

Article 156 — Limitation of Good Faith in Predictive Risks

Allegations of good faith, technical ignorance, or legitimate reliance are ineffective to exclude liability where the risk trajectory is objectively identified by certified sensorial data and duly recorded in the system.

Article 157 — Continuous Duty of Systemic Vigilance

The duty to monitor sensorial data, alerts, and state transitions is continuous and non-delegable, and invocation of good faith grounded in voluntary ignorance, inattention, or informational omission is not admissible.

Article 158 — Unenforceability of Conventional Exemptions

Contractual, corporate, or regulatory clauses that expand exemptions from liability in conflict with the principles of predictive governance and biophysical supremacy are unenforceable under the c[]ΣCO regime.

CHAPTER XIV — Systemic Risk Management Fund

Article 159 — Systemic Risk Management Fund

The Systemic Risk Management Fund is the financial instrument intended to ensure, in an immediate and binding manner, the resources necessary for containment, mitigation, restoration, or safe decommissioning of operations subject to the c-ΣCO regime.

Article 160 — Algorithmic Custody of Resources

Fund resources shall be maintained under algorithmic custody, within immutable and auditable technical infrastructure, and their release shall be conditioned exclusively upon systemic triggers validated by the Data Assessment Authority.

Article 161 — Tripartite Governance of the Fund

Governance of the Fund shall be exercised on a tripartite basis, comprising:

I — the Technical Instance, responsible for validation of triggers and release parameters;

II — representation of the Affected System, responsible for oversight of the

curatorial allocation of resources;

III — the Regulatory or Supervisory Instance, responsible for formal compliance and integrity auditing.

Article 162 — Purpose-Bound Allocation of the Fund

Fund resources are purpose-bound and exclusively allocated to execution of technical measures of correction, restoration, mitigation, or safe decommissioning, and their use for ex post indemnification or compensatory purposes dissociated from reversibility is prohibited.

Article 163 — Autonomous Execution of Expenditures

Upon verification of an Orange State, Red State, or activation of the Curatorial Trigger, execution of Fund expenditures shall occur autonomously, directly, and automatically, without need for authorization by the responsible agent or judicial order.

Article 164 — Suspension of Human Management in Critical States

In critical states of the State Machine, human management of the Fund shall be automatically suspended, and algorithmic execution bound to predefined technical parameters shall prevail.

Article 165 — Prohibition of Misuse of Funds

Any attempt to use Fund resources for payment of labor, tax, financial, or civil obligations not directly linked to restoration or containment of the systemic trajectory is null and void.

Article 166 — Unenforceability of Claims against the Fund

Fund resources shall not be subject to attachment, seizure, set-off, or enforcement by creditors, remaining fully allocated to the curatorial purpose defined in this Statute.

Article 167 — Traceability and Transparency of Fund Operations

All Fund transactions shall be recorded in immutable technical infrastructure, ensuring traceability, transparency, and public auditability of release and allocation decisions.

CHAPTER XV — Initial Contribution and Entry Condition into the c-ΣCO Regime

Article 168 — Mandatory Initial Reserve

Adherence to the c-ΣCO systemic governance regime depends upon prior constitution of a Mandatory Initial Reserve sufficient to fully cover projected costs of containment, mitigation, restoration, or safe decommissioning of the operation, as defined in the validated systemic design.

Article 169 — Composition and Liquidity of the Initial Reserve

The Mandatory Initial Reserve shall consist of financial resources or highly liquid assets immediately mobilizable, including direct allocation to the Systemic Risk Management Fund or equivalent algorithmic custody provided for in this Statute.

Article 170 — Dynamic Updating of the Initial Reserve

The Initial Reserve shall be periodically recalculated based on evolution of the systemic trajectory, and the agent shall make supplementary contributions whenever the Data Assessment Authority identifies an increase in projected reversibility costs.

Article 171 — Prohibition of Operation without Reversibility Capital

Initiation or continuation of any operation subject to the c-ΣCO regime without full constitution and maintenance of the Mandatory Initial Reserve is prohibited, and execution performed in its absence or insufficiency is legally ineffective.

Article 172 — Entry Condition into the c-ΣCO Regime

Valid constitution of the Initial Reserve constitutes an essential condition for entry into the c-ΣCO regime, and formal submission unaccompanied by the

corresponding financial reversibility backing shall produce no legal effects.

Article 173 — Condition for Release of Execution Rights

Initial release and continued maintenance of Execution Rights depend upon continuous demonstration of sufficiency of the Initial Reserve and its compatibility with the technical parameters defined in the systemic design.

Article 174 — Preferential Allocation of the Initial Reserve

Resources comprising the Initial Reserve are preferentially allocated to the curatorial purpose and shall not be subject to set-off, attachment, or enforcement for obligations dissociated from systemic reversibility.

Article 175 — Unenforceability of Insufficient Substitute Guarantees

Contractual, insurance, or financial guarantees that fail to ensure immediate liquidity and material sufficiency for full reversal of projected impacts are unenforceable, and the requirement of effectively mobilizable capital shall prevail.

Article 176 — Systemic Function of Restoration Providers

Restoration providers are technical entities essential to c-ΣCO systemic

governance, entrusted with direct execution of containment, mitigation, restoration, or safe decommissioning measures when triggers provided for in this Statute are activated.

Article 177 — Mandatory Certification and Prior Approval

Only providers previously certified as to technical capacity, operational integrity, and compatibility with the Data Assessment Authority may act as restoration providers, and they must be pre-approved during the systemic design phase of the contract.

Article 178 — Legal Binding of Providers to the c-ΣCO Regime

Prior approval entails automatic and full adherence of the provider to the c-ΣCO regime, subjecting it to predictive governance rules, Systemic Proof, the State Machine, and sanctions provided for in this Statute.

Article 179 — Faithful Curatorship of the Systemic Trajectory

The restoration provider assumes the legal position of Faithful Curator of the Trajectory, and shall orient its conduct primarily toward preservation or restoration of systemic habitability, even to the detriment of its own economic interests or those of the contracting party.

Article 180 — Guarantee of Technical Result

Payment to the restoration provider shall be conditioned upon objective validation of technical results through Systemic Proof, and remuneration based solely on formal execution or documentary compliance is prohibited.

Article 181 — Algorithmic Subordination of Execution

The provider shall be subject to algorithmic subordination, accepting that service orders, schedules, scopes, and priorities may be automatically adjusted by the Data Assessment Authority in response to evolution of the systemic trajectory.

Article 182 — Direct and Autonomous Execution

Upon activation of the Curatorial Trigger or verification of an Orange or Red State, execution of restoration services shall occur directly and autonomously, with immediate release of resources from the Systemic Risk Management Fund, independently of authorization by the responsible agent.

Article 183 — Joint Liability of the Provider

The provider shall be jointly liable for damages arising from insufficient, delayed, fraudulent, or technically inadequate performance where its conduct compromises reversibility or restoration of the affected system.

Article 184 — Substitution of the Provider

Substitution of a pre-approved provider may be immediately determined by the Technical Curatorial Chamber in cases of:

I — subsequent technical incapacity;

II — breach of integrity or indications of collusion;

III — operational insolvency compromising execution of restoration.

Article 185 — Mandatory Contingency List

The systemic design shall provide for a contingency list containing at least three alternative providers previously certified, capable of immediately assuming execution in the event of provider substitution.

Article 186 — Emergency Intervention

In the absence of an available pre-approved provider, the Technical Curatorial Chamber may designate an emergency provider, whose engagement shall be mandatory, with costs debited directly from the Systemic Risk Management Fund.

Article 187 — Affection of Provider Guarantees

Where the provider holds guarantees or reserves linked to the system, such guarantees or reserves may be automatically affected to ensure continuity of restoration, pursuant to the systemic asset affection regime.

Article 188 — Mandatory Order of Systemic Activation

Execution of contracts, assets, or operations subject to the c-ΣCO regime shall comply with a mandatory order of systemic activation, and inversion, suppression, or anticipation of technical or legal phases is prohibited.

Article 189 — Minimum Initialization Stages

Valid system initialization requires, cumulatively:

I — validation of the ex ante systemic design;

II — constitution and verification of the Mandatory Initial Reserve;

III — certification of the Data Assessment Authority;

IV — conditional enablement of Execution Rights;

V — initial registration of the Viability Baseline.

Article 190 — Binding Technical–Legal Sequencing

Each execution stage is legally conditioned upon technical validation of the immediately preceding stage, and acts performed outside the technical–legal sequence defined in this Statute are null.

Article 191 — Prohibition of Parallel or Fragmented Execution

Parallel, fragmented, or dissociated execution of obligations, financial flows, or technical operations that circumvent the State Machine, Execution Rights, or systemic triggers is prohibited.

Article 192 — Ineffectiveness of Misaligned External Acts

Contractual, administrative, or operational acts performed outside the Technical Execution Chain are legally ineffective vis-à-vis the c-ΣCO regime and produce no validating, consolidating, or prescriptive effects.

Article 193 — Mandatory Technical Record (Systemic Logs)

All relevant events within the Technical Execution Chain shall be recorded in immutable technical logs, ensuring full traceability of decisions, state transitions, executions, and interventions.

Article 194 — Permanent Auditability

Technical records of the system shall remain permanently auditable by the Data Assessment Authority, the Technical Curatorial Chamber, and competent supervisory bodies, and suppression, alteration, or concealment thereof is prohibited.

Article 195 — Secure Termination of Execution

Termination of contracts or operations subject to the c-ΣCO regime shall only produce legal effects upon technical validation of secure termination, confirming systemic stability or restoration of the Viability Baseline.

Article 196 — Prohibition of Fictitious or Formal Termination

Merely formal termination that does not correspond to effective stabilization or restoration of the affected system is null, and obligations shall subsist while unreversed impacts persist.

Article 197 — Liability for Disruption of the Execution Chain

Deliberate or negligent disruption of the Technical Execution Chain gives rise to objective and joint liability, without prejudice to application of systemic sanctions provided in this Statute.

Article 198 — Application to Ongoing Contracts

Contracts, assets, or operations in progress may be submitted to the c-ΣCO regime through express party adhesion or by subsequent incorporation clause, producing prospective effects as of validation of the systemic design.

Article 199 — Prohibition of Material Retroactivity

Subsequent submission to the c-ΣCO regime shall not entail sanctioning retroactivity or reopening of extinguished obligations, without prejudice to immediate application of predictive governance mechanisms to future trajectories.

Article 200 — Voluntary Adhesion (Opt-In)

Adhesion to the c-ΣCO regime may occur through voluntary party manifestation, contractual incorporation, statutory adhesion, or regulatory submission, provided that the design, solvency, and monitoring requirements set forth in this Statute are observed.

Article 201 — Full Binding Effect after Opt-In

Once adhesion is effected, the c-ΣCO regime becomes fully binding, and subsequent allegations of ignorance, normative incompatibility, or change of will by the parties are unenforceable.

Article 202 — Compatibility with Arbitration and Courts

The c-ΣCO regime is compatible with arbitration, state jurisdiction, and hybrid dispute resolution mechanisms, without prejudice to immediate application of technical triggers, the State Machine, and systemic asset affection measures.

Article 203 — Technical Autonomy vis-à-vis Litigation

Initiation of arbitration, judicial action, or administrative proceeding does not suspend, limit, or invalidate automatic legal effects arising from Systemic Proof, Ex-Ante Unenforceability, or the Curatorial Trigger.

Article 204 — Compatibility with Insolvency Regimes

In cases of insolvency, recovery, or bankruptcy of the agent, obligations of containment, restoration, or safe decommissioning shall prevail, maintaining affection of assets linked to systemic reversibility.

Article 205 — Systemic Priority in Collective Proceedings

Resources affected to the Systemic Risk Management Fund and to Reversibility Reserves shall not integrate the common insolvency estate and shall have absolute priority for purposes of stabilization of the affected system.

Article 206 — Transnational Recognition of the c-ΣCO Regime

The c-ΣCO regime may be recognized and applied transnationally as a contractual clause, regulatory standard, binding soft law, or Model Law, regardless of forum, applicable law, or parties' domicile.

Article 207 — Normative and Technical Interoperability

The c-ΣCO regime admits interoperability with equivalent legal, regulatory, technical, or algorithmic systems, provided that supremacy of Systemic Proof, predictive governance, and biophysical limits is ensured.

Article 208 — Systemic Safeguard Clause

In the event of normative, interpretive, or operational conflict, the solution that best preserves reversibility, habitability, and integrity of the affected system shall prevail, in accordance with the structural principles of this Statute.

Article 209 — Model Law and Normative Standard Nature

This Statute constitutes an international Model Law of systemic governance and may be adopted, incorporated, or referenced as a legal, regulatory, contractual, or institutional standard, in whole or in part, pursuant to the applicable legal order.

Article 210 — Supplementary and Interpretive Application

In the absence of specific rules, this Statute may be used as a supplementary, interpretive, or integrative source for resolution of disputes involving predictive governance, systemic risks, legal automation, and biophysical limits.

Article 211 — Systemic Integrity Clause

Invalidity or inapplicability of a specific provision shall not compromise validity, effectiveness, or applicability of the remaining provisions, and interpretation preserving systemic coherence and purpose shall prevail.

Article 212 — Prohibition of Waiver of Structural Principles

Waiver, derogation, or mitigation of the structural principles of c-ΣCO systemic governance through private agreement, administrative act, or judicial decision dissociated from assessed biophysical reality is prohibited.

Article 213 — Finalistic and Evolutive Interpretation

This Statute shall be interpreted in a finalistic, systemic, and evolutive manner, accompanying scientific, technical, and technological advancement, provided that principles of predictive governance and biophysical supremacy are preserved.

Article 214 — Entry into Force

This Statute shall enter into force on the date of its formal adoption by the entity, contract, institution, or regime that incorporates it, producing legal effects as of validation of the corresponding systemic design.

Article 215 — Nature, Status, and Binding Force of the Threshold Function Protocol

The Threshold Function Protocol (TFP v1.1) is hereby established as a binding technical-prudential instrument and constitutes an integral and normative component of the c-ECO Systemic Governance Statute.

§1° The TFP shall be construed, for all legal purposes, as prudential execution infrastructure, governing the non-discretionary conditions of lawful economic and contractual execution in the presence of systemic, cumulative, and

potentially irreversible risk.

§2º The TFP does not constitute:
I — a sanctioning or punitive regime;
II — a substantive environmental or social norm;
III — a licensing, permitting, or administrative authorization framework;
IV — an ex post liability, remediation, or compensation mechanism.

§3º The TFP governs exclusively the ex ante legal, financial, and contractual response to the measurable approach toward pre-existing material thresholds, without defining, creating, modifying, selecting, or negotiating such thresholds.

§4º For interpretive and enforcement purposes, the TFP shall be treated as prudential market infrastructure, functionally analogous to capital and liquidity buffers, early-intervention or resolution triggers, and automatic execution-conditioning mechanisms recognized in financial, insolvency, and supervisory law, without altering their legal nature or importing external regulatory regimes.

§5º The TFP shall produce binding legal, financial, and contractual effects ex lege and ex ante upon incorporation by reference into any contract, license, concession, institutional arrangement, financing instrument, or governance regime adopting the c-ECO framework, without the need for further regulatory act, administrative approval, or judicial validation.

§6º The TFP is self-executing upon incorporation and shall not depend on subsequent regulation, discretionary act, interpretive guidance, or implementing measure for the activation of its classifications, triggers, or effects. Failure to adopt implementing measures or internal procedures shall not suspend, delay, or neutralize the operation of the TFP.

§7º The TFP shall operate exclusively ex ante, conditioning the continuing legal

feasibility of execution during periods in which reversibility, mitigation, or safe reconfiguration remains materially possible, and shall not attach legal consequences to past conduct.

§8° In case of interpretive doubt, the TFP shall be interpreted in accordance with its prudential, ex ante, and non-sanctioning nature, with priority given to the preservation of systemic reversibility and the prevention of irreversible harm, strategic delay, forum shopping, or circumvention.

§9° The TFP constitutes a structural condition of lawful execution for all instruments incorporating the c-ECO framework, and economic or contractual activity may subsist only insofar as its conditions remain satisfied.

Article 216 — Purpose and Functional Scope

The purpose of the Threshold Function Protocol (TFP) is to define, calibrate, and operationalize objective trigger conditions for systemic governance responses in contexts involving cumulative, non-linear, or potentially irreversible risk.

§1° The TFP governs exclusively the ex ante legal, financial, and contractual response to the measurable approach toward pre-existing material limits, including biophysical, financial, institutional, or infrastructural thresholds.

§2° The TFP shall operate solely on the basis of certified data and forward-looking risk trajectories, and shall not assess fault, intent, compliance history, or past conduct.

§3° The application of the TFP shall be cumulative and complementary, and shall not replace, waive, derogate from, or suspend compliance with any pre-

existing regulatory, environmental, administrative, contractual, or supervisory obligation.

§4° The TFP does not create new substantive duties of environmental protection, social conduct, or regulatory compliance, and shall not be construed as a licensing, permitting, or approval mechanism.

§5° The TFP conditions exclusively the continuing legal feasibility of execution, defining the prudential circumstances under which economic and contractual activity may subsist in light of systemic risk trajectories.

§6° The operation of the TFP shall not be construed as interference with contractual autonomy, but as an ex ante condition voluntarily incorporated to preserve systemic reversibility, asset integrity, and legal feasibility of execution.

Article 217 — Trigger Function

The activation of systemic governance mechanisms under the Threshold Function Protocol (TFP) shall be governed by the following Trigger Function:

$\Gamma = f(P, \Delta V, \sigma, Lr)$

§1° For the purposes of this Protocol, the variables of the Trigger Function shall be defined as follows:
I — Position (P): the current distance of an asset, operation, or system from the applicable Safe Operating Space (SOS) limit;
II — Velocity (ΔV): the temporal rate and direction of deterioration or improvement of the monitored parameter;
III — Uncertainty (σ): the statistical confidence interval associated with the sensors, models, or measurement methodologies employed;

IV — Reversibility Liquidity (Lr): the ratio between immediately mobilizable resources and the projected technical cost of containment, mitigation, restoration, or safe decommissioning.

§2° The Trigger Function shall be applied in an automatic, continuous, and non-discretionary manner, exclusively on the basis of certified data, without normative interpretation or case-by-case judgment.

§3° The output of the Trigger Function (Γ) shall constitute a normalized prudential score, expressed on a scale from 0 to 100, monotonic in relation to systemic risk, and calculated through sector-specific normalization of the variables P, ΔV, σ, and Lr, in accordance with parameters defined in the applicable Technical Annex.

§4° No variable or score shall, in isolation, authorize legal or financial effects. Prudential classification shall be systemic and integrated, resulting exclusively from the combined application of the Trigger Function.

§5° Statistical uncertainty (σ) shall operate as a conservative prudential factor, reducing the score Γ whenever signal reliability is insufficient to guarantee reversibility, and shall never expand operational margins or delay trigger activation.

§6° The burden of precision, data adequacy, and evidentiary reliability shall rest with the risk operator, asset holder, or executing entity.

Article 218 — Prudential Asymmetry Principle

The calibration and application of the Trigger Function under the Threshold Function Protocol (TFP) shall observe the Prudential Asymmetry Principle.

§1° For the purposes of this Protocol, errors resulting from early or conservative trigger activation shall be deemed economically reversible.

§2° Errors resulting from delay, omission, under-activation, or inertia in the presence of measurable systemic risk shall be deemed biophysically irreversible.

§3° Statistical uncertainty (σ) shall operate as a protective and anticipatory prudential factor, automatically reducing permissible operational margins whenever signal reliability is insufficient to guarantee reversibility.

§4° Uncertainty shall never justify the expansion of execution rights, the postponement of trigger activation, or the relaxation of prudential constraints.

§5° For prudential purposes, uncertainty (σ) shall be interpreted conservatively and, unless demonstrated otherwise through certified data of equal or greater reliability, shall be treated as equivalent to a minimum three-standard-deviation safety factor (3σ).

§6° Insufficient statistical precision shall automatically result in prudential reclassification to the Amber Band or Red Band, as applicable, without discretionary assessment.

§7° The burden of precision, evidentiary adequacy, and risk measurement reliability shall rest exclusively with the operator, asset holder, or executing entity.

§8° The Prudential Asymmetry Principle shall prevail over any interpretive approach that seeks to balance reversible economic inconvenience against irreversible systemic harm.

Article 219 — Prudential Risk Bands

Results of the Trigger Function ($\Gamma \in [0,100]$) shall be classified into prudential risk bands producing automatic ex ante contractual and financial effects, without discretionary determination.

§1° The prudential bands shall be as follows:
I — Green Band (80–100): nominal operation;
II — Amber Band (60–79): heightened vigilance, with mandatory monthly technical audit, reinforced reporting obligations, and enhanced guarantees, as further specified in the applicable Technical Annex;
III — Red Band (40–59): Safe Mode, including automatic execution reconfiguration and retention measures;
IV — Black Band (<40): Restoration First, including activation of External Intervention (IEX).

§2° Entry into a prudential band shall produce automatic effects exclusively within the scope of this Protocol and the applicable Technical Annex, and shall not depend on any administrative, regulatory, judicial, or discretionary act.

§3° The effects associated with each prudential band shall be those previously agreed and specified in the applicable Technical Annex (Trigger Catalogue). No prudential classification shall create new obligations; it shall activate pre-contracted effects.

§4° The Red Band (Safe Mode) shall not constitute default, breach, termination event, or credit impairment. Safe Mode constitutes a prudential reconfiguration of execution aimed at preserving the asset, the contract, and systemic reversibility.

§5° Any contractual provision providing for default, acceleration, termination,

cross-default, or enforcement solely by reason of entry into Safe Mode shall be deemed inapplicable to the extent it conflicts with the operation of this Protocol.

§6° The Black Band (Restoration First) shall imply the automatic activation of IEX and the conversion of guarantees strictly to the extent necessary to achieve certified systemic stabilization, as further defined in Article 220 and the applicable Technical Annex.

Article 220 — Proportionality of External Intervention

The activation of External Intervention (IEX) under the Black Band shall be governed by the principle of proportionality.

§1° External Intervention shall be strictly limited to the measures technically necessary to achieve certified systemic stabilization and prevent irreversible harm.

§2° The conversion, allocation, or activation of guarantees under IEX shall occur solely to the extent required to restore reversibility capacity, and shall not constitute confiscation, punitive deprivation, or expropriation.

§3° External Intervention shall be temporary, conditional, and continuously reviewable, and shall cease automatically upon verified re-entry into a higher prudential band, in accordance with this Protocol.

Article 221 — Functional Governance and Separation of Powers

The application of the Threshold Function Protocol (TFP) shall observe strict

functional separation of powers, ensuring independence, integrity, and non-discretionary operation across all prudential functions.

§1° Data Custodians shall be responsible exclusively for data collection, integrity, traceability, certification, and continuity, and shall be expressly prohibited from normative, interpretive, or decisional functions.

§2° The Calibration Council shall be competent solely to define sectoral parameters, weights, scales, bands, and methodological updates applicable to the Trigger Function, without authority to deliberate on, modify, or intervene in individual assets, projects, or contracts.

§3° The Arbitral Interface shall be strictly limited to the technical verification of certified material error, fraud, or sensor or methodological failure, and shall not review ecological, economic, political, or strategic merit.

Article 222 — Limited Arbitral Review and Immunity to Forum Shopping

Any arbitral or technical review under the Threshold Function Protocol (TFP) shall be strictly limited in scope and shall not suspend, delay, or neutralize the prudential effects produced by this Protocol.

§1° Review shall be admissible exclusively for the purpose of verifying certified material error, fraud, or demonstrable sensor or methodological failure affecting the application of the Trigger Function.

§2° Review of ecological, economic, political, strategic, or policy merit is expressly prohibited, as is any reassessment of prudential calibration, risk bands, or systemic classifications.

§3º The initiation of arbitral or judicial proceedings shall not produce automatic suspensive effect over prudential classifications, trigger activation, or execution reconfiguration measures.

§4º No interim relief, injunction, stay, or provisional measure shall be granted for the purpose of postponing or circumventing the operation of the TFP, except in cases of certified material error as defined in §1º.

§5º This Article shall be interpreted so as to prevent forum shopping, strategic delay, or procedural abuse in the face of measurable systemic risk.

Article 223 — Automation and Ex Ante Operation

The Threshold Function Protocol (TFP) shall operate as ex ante prudential infrastructure, producing objective and non-discretionary classifications that condition the continuing legal feasibility of economic and contractual execution in the presence of systemic risk trajectories.

§1º The TFP does not intervene in market operations or allocate policy merit; it conditions execution through automatic, continuous, and certified-data-based application of the Trigger Function and the prudential bands.

§2º The TFP may be implemented through automated systems, provided that all outputs remain fully auditable, traceable, and reproducible from certified data and approved methodologies.

§3º Any integration with algorithmic or artificial intelligence systems shall be limited to monitoring, detection, forecasting, anomaly identification, and alerting functions, and shall not confer autonomous decisional authority over

prudential classifications or contractual effects.

§4º Automated operation shall preserve, at all times:
I — auditability and explainability of outputs;
II — traceability and integrity of data lineage;
III — reversibility safeguards and conservative fallback in case of certified system failure;
IV — human supervisory capacity to verify integrity, detect failure, and initiate corrective procedures without suspensive effect.

Article 224 — Forms of Incorporation, Continuous Monitoring, and c-ECO Seal

The Threshold Function Protocol (TFP) may be incorporated and operated through distinct legal and institutional forms, without affecting its prudential nature or non-discretionary operation.

§1º Incorporation of the TFP may occur through:
I — contractual clauses or execution conditions;
II — institutional or organizational licenses;
III — formal adherence regimes associated with systemic governance frameworks.

§2º Incorporation under this Article shall enable continuous prudential monitoring of the relevant assets, operations, or contractual relationships, including automated data collection and analysis, in accordance with this Protocol and the applicable Technical Annex.

§3º Continuous monitoring may be supported by algorithmic or artificial intelligence systems, provided that such systems operate exclusively as technical

instruments for detection, measurement, forecasting, and alerting, without autonomous decisional authority.

§4º The c-ECO Seal constitutes a prudential signaling mechanism indicating valid incorporation of the TFP and ongoing compliance with its monitoring requirements. The Seal does not constitute regulatory certification, licensing approval, or endorsement by any public authority.

§5º The presence, suspension, or withdrawal of the c-ECO Seal shall not create new legal obligations, modify contractual duties, or substitute regulatory compliance, and shall reflect exclusively the prudential status derived from the operation of the TFP.

§6º Licenses, adherence regimes, or institutional authorizations associated with incorporation of the TFP and the c-ECO Seal shall be granted for a fixed term of one year, subject to renewal upon verification of continued compliance with the requirements of this Protocol.

§7º In the event of force majeure, accidents, natural disasters, or externally caused disruptions affecting compliance with monitoring or operational requirements, the license or c-ECO Seal shall not be automatically suspended or revoked, provided that the operator or licensed entity:
I — promptly notifies the competent monitoring or licensing body of the occurrence;
II — discloses, in good faith, the nature, scope, and estimated systemic impact of the event;
III — immediately adopts reasonable mitigation and corrective measures aimed at preserving systemic reversibility;
IV — preserves data integrity and maintains full cooperation with monitoring and audit processes;
V — complies with the provisional conditions and remediation timelines defined

in the applicable Technical Annex.

§8º The incorporation, operation, and continuous monitoring of the TFP under this Article shall be carried out in accordance with the applicable Technical Annexes and Operational Manuals, which are hereby recognized as binding technical instruments, incorporated by reference, governing data collection, certification, quality assurance, auditability, reporting, and procedural integrity.

§9º Compliance with the Operational Manuals, including the certification of technical agents, quality assurance procedures, and audit requirements, shall constitute a condition of prudential validity for the incorporation and continued operation of the TFP and the maintenance of the c-ECO Seal.

Article 225 — Re-entry Mechanism

Re-entry into a higher prudential band shall be conditional upon certified proof of sustained stabilization and restored reversibility capacity, and shall not be granted by discretion, negotiation, or temporary performance.

§1º Re-entry shall require cumulative proof of:
I — certified inversion of the trajectory risk score for at least two consecutive observation periods;
II — compliance with the minimum sectoral observation period, ranging from six to twelve months, as defined in the applicable Technical Annex;
III — recomposition of Reversibility Liquidity (Lr), adjusted to the revised risk scenario and independently verifiable through certified data.

§2º The burden of proof shall rest with the operator, asset holder, or executing entity, which shall provide complete documentation and certified evidence of compliance with the re-entry conditions.

§3° Re-entry shall not have retroactive effect and shall not neutralize prior prudential measures, but shall condition the prospective restoration of execution rights in accordance with this Protocol.

Article 226 — Records, Traceability, and Audit Trails

All measurements, classifications, triggers, and effects produced under the Threshold Function Protocol (TFP) shall be fully recorded and auditable.

§1° Records shall be maintained in a manner that enables complete historical reconstruction of:
I — the certified data inputs and methodologies applied;
II — the calculation of the Trigger Function and resulting prudential band;
III — the automatic effects activated and the timing of their activation;
IV — any certified corrections, error findings, or integrity incidents.

§2° Audit trails shall preserve data lineage, integrity checks, access logs, and version control for sensors, models, parameters, and calibration settings, as defined in the applicable Technical Annex.

§3° Records, traceability, and audit trails shall be generated, maintained, and preserved in accordance with the applicable Operational Manuals and Technical Annexes, which shall define procedural standards for data certification, integrity verification, and historical reconstruction.

Article 227 — Independent Audit

The operation of the Threshold Function Protocol (TFP) shall be subject to periodic independent technical audit, in accordance with the applicable Technical Annex.

§1° Independent audits shall verify:
I — data integrity, continuity, and certification;
II — sensor performance and methodological coherence;
III — correct application of the Trigger Function, prudential bands, and automatic effects;
IV — compliance with auditability, traceability, and reversibility requirements.

§2° Independent audits shall be technical in nature and shall not assess policy merit, regulatory compliance, or discretionary decision-making.

§3° Independent audits shall include verification of procedural compliance with the Operational Manuals, including certification requirements, quality assurance protocols, and audit readiness conditions.

Article 228 — Transparency and Public Reporting

Prudential indicators, classifications, and systemic status derived from the operation of the Threshold Function Protocol (TFP) shall be subject to transparency and public reporting requirements proportionate to their systemic relevance.

§1° Public reporting shall occur at regular intervals and shall disclose, at a minimum:
I — the applicable prudential band and its evolution over time;
II — the occurrence of trigger activation, Safe Mode, or External Intervention (IEX);

III — the existence, scope, and results of independent audits.

§2º Independent audits under Article 227 shall be conducted at least annually, without prejudice to additional audits triggered by material incidents, certified anomalies, or systemic risk escalation.

§3º Disclosure under this Article shall respect legitimate confidentiality constraints, including commercially sensitive information, security considerations, and data protection requirements, as defined in the applicable Technical Annex.

§4º Transparency obligations under the TFP shall not be construed as public enforcement, regulatory reporting, or admission of liability, and shall serve exclusively to preserve systemic credibility and institutional trust.

§5º Public reporting and transparency mechanisms under this Article shall be structured in a manner compatible with internationally recognized sustainability and risk disclosure frameworks, including IFRS S2 and TNFD, as specified in the applicable Technical Annex..

Article 229 — Review, Update, and Public Consultation

The methodologies, parameters, weights, and technical specifications of the Threshold Function Protocol (TFP) shall be subject to periodic review in light of scientific, technological, or systemic developments.

§1º Reviews under this Article shall aim to preserve methodological coherence, prudential conservatism, and consistency with the objectives of this Protocol.

§2º Substantial updates affecting the operation of the Trigger Function or

prudential bands shall be preceded by technical public consultation, as defined in the applicable Technical Annex.

§3° Updates shall preserve predictability, proportionality, and non-retroactivity, and shall not affect prudential classifications or effects already produced.

Article 230 — Technical Committee

The governance, supervision, and technical revision of the Threshold Function Protocol (TFP) shall be entrusted to a multidisciplinary Technical Committee, in accordance with the c-ECO Systemic Governance Statute and the applicable Technical Annex.

§1° The Technical Committee shall be responsible for:
I — overseeing methodological integrity and audit readiness;
II — supervising calibration updates and technical annexes;
III — ensuring interoperability, traceability, and systemic coherence of the TFP framework.

§2° The Technical Committee shall not deliberate on, modify, suspend, or intervene in individual assets, contracts, projects, or prudential classifications.

§3° The Technical Committee shall supervise and validate:
I — the certification and recertification of Data Custodians;
II — the certification, designation, and supervision of Restoration Providers;
III — the approval, revision, and technical coherence of Operational Manuals incorporated under this Protocol.

Article 231 — Independent Technical Opinions

In cases of interpretive divergence, methodological uncertainty, or technical dispute concerning the operation of the Threshold Function Protocol (TFP), an independent technical opinion may be requested.

§1º Independent technical opinions shall be limited to the clarification of technical, scientific, or methodological aspects relevant to the application of this Protocol and shall not assess legal merit, policy considerations, or discretionary judgment.

§2º Independent technical opinions shall be incorporated into the prudential record for transparency and audit purposes and shall not produce suspensive effect over classifications, trigger activation, or prudential effects already in force.

Article 232 — Final Provision

The Threshold Function Protocol (TFP) shall enter into force together with the c-ECO Systemic Governance Statute and shall produce binding ex ante effects across all instruments, arrangements, and regimes in which it is incorporated, in accordance with its nature as prudential infrastructure.