



QGEP PARTICIPAÇÕES S.A.
CNPJ/MF nº. 11.669.021/0001-10
Publicly Held Company

MANAGEMENT'S PROPOSAL

QGEP Participações S.A. ("Company") submits to the Extraordinary Shareholders Meeting to be held on 29th of April of 2011 Management's Proposal, which is described below.

This material refers only to the issues which shall be transacted at Company's Extraordinary Shareholders Meeting. The material referring to the issues included in the agenda of Company's Extraordinary Shareholders Meeting, to be held on the same date, has been made available by the Company in a separate Management Proposal, made available in IPE System on 30th of March of 2011.

1. Stock option Plan Approval

Management proposes, under the terms of Article 9 of Company's Articles of Incorporation, approval of the Stock option Plan, in accordance with specifications provided in **Annex I**, made available in compliance with article 13 of CVM Instruction nº. 481, of 17th of December, 2009 ("CVM Instruction 481").

Copy of the Stock option Plan is annexed hereto, in the form of **Annex II**.

2. Change in Head Office Address

Management proposes approval of the change in Company's head office address from Avenida Presidente Antônio Carlos, nº 51, suite 601 (*part*), Downtown,, City and State of Rio de Janeiro to Avenida Almirante Barroso, nº 52, suite 1301 (*part*), Downtown, City and State of Rio de Janeiro, with subsequent amendment of article 2 of Company's Articles of Incorporation in the form provided in **Annex III** hereof, in compliance with article 11 of CVM Instruction 481.

Change in Company's Head Office address then proposed is purposed to render Company's management more efficient, but does not entail isolatedly any legal or economical effect which may be significant to the normal course of Company's business and consequently, to its Shareholders.

3. Management's General Compensation referring to the financial year of 2011



Management proposes a general compensation for the financial year 2011 in the total amount of \$1,886,001.36 (one million, eight hundred and eighty six thousand and one reais and thirty six cents). Such amount, which does not have to be necessarily spent in its entirety, shall be allocated by the Board of Directors among Company's officers and directors.

In compliance with the provisions of article 12 of CVM Instruction 481, **Annex IV** hereof contains the information indicated in item 13 of the Reference Form.

Rio de Janeiro, 14th of April of 2011

The Management
QGEP Participações S.A.

Annex I

STOCK OPTION PLAN SPECIFICATIONS

(as per Article 13 and Annex 13 of ICVM nº. 481, of December 17th, 2009)

ANNEX 13 OF CVM INSTRUCTION Nº. 481, OF DECEMBER 17th, 2009

COMPENSATION PLAN BASED ON SHARES

1. Provide copy of plan proposed – Annexed
2. Inform main characteristics of the plan proposed, identifying:
 - a. Potential beneficiaries – Executives (whether employees or not) and certain employees from QGEP Participações S.A. (“Company”) and of its subsidiaries (companies whether directly or indirectly controlled by Company).
 - b. Maximum number of options to be granted – Options included in the Plan shall correspond to, at a maximum, 5% (five per cent) of the total number of Company’s shares.
 - c. Maximum number of shares encompassed by the plan – Options included in the Plan shall correspond to, at a maximum, 5% (five per cent) of the total number of Company’s shares.
 - d. Acquisition conditions – Annually the Board of Directors shall create Stock option Programs (each one, a “Program”) defining, in compliance with the Plan, those who are liable of being elected to grant of the option (“Beneficiaries”), which shall be duly invited through Invitation Letters.
 - e. Detailed criteria for establishment of the exercise price – The price of the shares to be subscribed by Plan’s participants, due to exercise of the option shall be (i) BRL 19.00 per share for 2011 Program, to be approved by the Board of Directors in the year 2011; and (ii) for subsequent years, the average price of shares recorded at the 60 (sixty) trading sessions previous to the date of grant of options.

- f. Criteria for establishment of the exercise price – The option may only be exercised under the terms of the Plan and each Program, during the term and within the periods fixed thereon.
- g. Payment terms – Payment at sight, annually corrected by the *Índice Nacional de Preços ao Consumidor – INPC* (National Consumer Price Index), or its successor, if applicable.
- h. Criteria and events which, when found, shall cause plan suspension, change or extinguishment – The Plan may be extinguished at any time through decision of Company's Head Office and to establishment the regulation applicable to omissions.

3. Justify the plan proposed, explaining:

- a. Plan's main objectives – Plan's objective consists in stimulating the expansion, success and attainment of Company's corporate objectives (and of its subsidiaries) and the interests of its shareholders, allowing certain executives (whether employees or not) and certain employees choose to acquire or subscribe Company's shares.
- b. How does the plan contribute for such objectives – The Plan permits alignment of interests of Executives (whether employees or not), certain employees of the Company and its subsidiaries (directly or indirectly controlled companies), who are benefited in accordance with the Company's stock performance, with interests of investors, who take advantage from the results attained.
- c. How is the plan inserted in Company's compensation policy – The Plan is inserted in Company's compensation policy for the purpose of withholding strategic professionals, with a view to properly compensate their competences and liabilities, seeking to compensate in a manner which is consistent with the market.
- d. How does the plan align beneficiaries' and Company's interests at short, medium and long term – The Plan is purposed to: (i) stimulate management's enhancement and company's expansion at long term, aligning the interests of beneficiaries and of Company and its shareholders; and (ii) to attract, foster and withhold in the Company and its controlled companies highly qualified professionals, fostering

them to reach our goals and to have a long-term commitment with Company's performance.

4. Estimate company's expenses arising from the plan, as per the accounting rules which address such issue – Considering that the parameters of each Program subject to the Plan shall be approved in the future by Company's Board of Directors, currently, it is not possible to estimate expenses arising from the Plan, since the quantity of beneficiaries and of shares shall be defined in accordance with each Program. Additionally, we inform that the Plan establishes initial grace period of 12 (twelve) months for the exercise of options. Thus, the Company shall not incur expenses arising from the Plan in the financial year 2011.

Annex II

COPY OF THE STOCK OPTION PLAN

(as per Article 13 and Annex 13 of ICVM n.º. 481, of September 17th, 2009)

Stock option Plan

1. OBJECTIVE OF THE PLAN

1.1. The objective of this Stock Option Plan ("Plan") of QGEP Participações S.A. ("Company"), set forth under the terms of article 168, § 3º, of Law n.º. 6.404/76, approved by Company's General Meeting, consists in stimulating the expansion, success and attainment of Company's corporate objectives (and its subsidiaries') and those of its shareholders, allowing certain executives (whether employees or not) and certain employees to elect to acquire or subscribe Company's shares, under the terms and conditions provided in the Plan.

2. MANAGEMENT

2.1. The Plan shall be managed by Company's Board of Directors, which may create a committee in order to give support thereto, defining its composition and specific attributions.

2.2. The Board of Directors shall have broad powers, with the observance of Plan's basic terms and conditions, taking all required measures for its management.

2.3. The Board of Directors shall create, annually, Stock Option Programs (each one, a "Program"), in which, always under the general conditions hereof, there shall be defined the persons who are eligible to receive Plan's options and the number of Company's shares which they shall be entitled to subscribe or acquire upon exercise of the option, the subscription or acquisition, the grace period for exercise of the option, maximum term for exercise of the option, rules on options' transfer and any restrictions to shares received through exercise of the option. The Board of Directors may extend (but shall not anticipate) the final term for exercise of the option of the Programs in force.

2.4. The Board of Directors may, at any time, extinguish the Plan or establish the regulation which is applicable to omissions, without prejudice to purchase options already granted.

2.5. The Board of Directors may not change the provisions herein set forth and no resolution made on the Plan may, without holder's consent, change or jeopardize rights or obligations of any purchase option already granted.

3. EXECUTIVES (STATUTORY OFFICERS AND MANAGERS) AND CERTAIN EMPLOYEES

3.1. Executives and certain employees of the Company and its subsidiaries (directly or indirectly controlled companies) may be enabled to participate in the Plan. The Board of Directors shall designate, in compliance with this Plan and for each Program, those who shall be eligible for grant of option ("Beneficiaries"), who shall be duly invited in writing to participate in the Plan.

4. SHARES INCLUDED IN THE PLAN

4.1. The options included herein shall correspond, at a maximum, to 5% (five per cent) of the total number of Company's shares. Once the option is exercised by the Beneficiaries, the corresponding shares shall be issued, through capital increase of the Company. There may be also offered purchase options of treasury shares, upon the *Comissão de Valores Mobiliários – CVM* previous approval.

4.2. The shareholders, under the terms of article 171, § 3 of Law n. 6.404/76, shall not have a preemptive right connected with institution of the Plan or the exercise of the purchase option of shares arising from the Plan, with the observance of the limit of authorized capital approved by General Meeting, under the terms of article 168, § 3º, of Law nº. 6.404/76.

5. EXERCISE PRICE

5.1. The price of shares to be subscribed or acquired by Plan's participants, by virtue of exercise of the option ("Exercise Price") shall be: (i) BRL 19.00 per share for the Program to be approved by the Board of Directors in the year 2011 and (ii) for subsequent years, the average price of the shares recorded in the 60 (sixty) trading sessions previous to the option grant date.

5.2. The Exercise Price shall be paid at sight and annually corrected by the *Índice Nacional de Preços ao Consumidor – INPC*, or its successor, which may be similar thereto.

5.3. The option may be exercised only under the terms of this Plan and of each Program, during the term and within the periods fixed therein.

6. TERMS AND CONDITIONS

6.1. The terms and conditions of each option granted under the Plan shall be fixed in the annual Programs and the relevant letters sent to the Beneficiaries with the invitation for participation in the Plan ("Invitation Letter"), defining, amongst other conditions:

a) the number of shares which shall be issued or sold with the exercise of the option;

b) the Exercise Price under the terms established herein;

c) the following grace periods shall be observed for exercise of options by the holder: (i) 20% (twenty per cent) of the options may be exercised after the period of 12 (twelve) months as from grant; (ii) 30% (thirty per cent) of options may be exercised after the period of 24 (twenty four) months as from grant; and (iii) 50% (fifty per cent) of options may be exercised after the period of thirty six (36) months as from grant.

d) the term of 7 (seven) years, counted as from grant of the option, upon termination of which the exercise of the option and all rights arising therefrom shall expire; and

e) any other terms and conditions which are not inconsistent with the Plan.

6.2. Shares arising from the exercise of options shall have the rights established in this Plan, the relevant Programs and the Invitation Letter, it being certain that they shall always be entitled to receive dividends on the shares which may be distributed as from their relevant subscription or acquisition.

7. EXERCISE OF THE OPTION

7.1. The option may be fully or partially exercised during the term and within the periods fixed in the relevant Invitation Letter in compliance with the Plan and the Program.

7.2. If the option is partially exercised, the Beneficiary may exercise the remaining part of the stock option which he/she is entitled to within the periods and under the conditions provided in the Plan, the relevant Program and the Invitation Letter, with the observance of the hypothesis provided in this Plan.

7.3. The Beneficiaries shall be subject to restrictive rules to the use of privileged information applicable to publicly held companies generally and those provided by the Company.

8. DISPOSITION OF SHARES

8.1. If any Beneficiary is willing to, directly or indirectly, dispose of or, in any manner, transfer the entirety or any part of shares issued by the Company, as well as those which may be acquired thereby by virtue of bonuses, externalities, subscriptions or any other form of acquisition, provided that such rights are due to the acquirer of property of shares under the Plan (herein simply referred to as “Shares”), the Company shall be entitled to repurchase such Shares at market value and shall not be bound to prices and conditions offered by third parties.

9. CONTINUANCE IN OFFICE

9.1. No provision of the Plan or option granted thereby shall confer to any Beneficiary rights referring to his/her continuance in office with Company, if applicable, and shall not interfere, in any manner, with Company’s right to terminate at any time its relationship with such Beneficiary.

10. EMPLOYMENT AGREEMENT AND TERM OF OFFICE TERMINATION

10.1. If either the employment agreement or the term of office of the Beneficiary is terminated through Company’s or the Beneficiary’s initiative, including retirement cases, the option the right of exercise of which (i) has not been acquired until such date, shall be cancelled; and (ii) has been already acquired until such date, may be exercised within 90 (ninety) days, counted as from termination of the relevant employment agreement or term of office, and thereafter, they shall be cancelled.

10.2. In exceptional cases the Board of Directors may determine specific rules authorizing exercise of options by Beneficiaries, the grace period of which for acquisition of the option exercise right has not been complied with.

11. DEATH OR PERMANENT DISABILITY

11.1. Upon beneficiary’s death or permanent disability, the successors or the Beneficiary him/herself shall be entitled to exercise non-exercised options, even if the right to such exercise has not been acquired yet, immediately and for a term of 12 (twelve) months counted as from such event, and thereafter, they shall be cancelled.

12. LIMITATIONS TO OPTION HOLDERS’ RIGHTS

12.1. Beneficiaries of options granted under the Plan (i) may neither dispose it to any third parties or encumber it, whether directly or indirectly nor enter into negotiation to such effect, (ii) nor shall have any of the rights and obligations of Company’s shareholders. Shares shall be delivered to the Beneficiary by virtue of exercise of the option only upon fulfillment of all legal and contractual obligations.

13. ADJUSTMENTS

13.1. If the number of shares existing in the Company is increased or reduced or if the Shares are substituted or exchanged with different species or classes, as a result of share bonuses, inplits or splits, proper adjustments shall be then made to the number of Shares in connection with which the options have been granted and not exercised yet. Any adjustments in options shall be made without change in the purchase amount of the total applicable to the non-exercised portion of the option, however upon adjustment corresponding to the exercise price for each share or any unit of share encompassed by the option.

13.2. The Board of Directors shall set forth the rules which are applicable for winding up, transformation, incorporation, merger, spin-off or reorganization cases of the Company.

14. EFFECTIVE DATE AND EXPIRY OF THE PLAN

14.1. The Plan shall become effective on the date of approval by Company's General Meeting and may be extinguished, at any time, through decision of Company's Board of Directors, without prejudice to the prevalence of the restrictions to negotiation of Shares and without prejudice to rights of Beneficiaries of purchase options already granted.

15. COMPLEMENTARY OBLIGATIONS

15.1. Besides the obligations assumed in the Invitation Letter, the parties are required to fully comply with the conditions of the Plan, the Program and complementary documents. The execution of the Invitation Letter shall entail express acceptance of all of its terms, those of the Plan and the relevant Program by the Beneficiary.

16. EXECUTION

16.1. The obligations contained in the Plan and the Invitation Letter(s) shall be irrevocably and irreversibly assumed, being valid as extrajudicial executive title under the terms of the civil and civil procedural law, binding the parties and their successors to any title. The Parties establish that such obligations are subject to specific execution, in the form of articles 461, 632 and subsequent articles of the Code of Civil Procedure.

17. ASSIGNMENT

17.1. The rights and obligations arising from the Plan, the Programs and the Invitation Letter may neither be assigned nor transferred, in the whole or in part, by either Party, nor given as guarantee of obligations, without previous consent of the other party.

18. NOVATION

18.1. It is expressly agreed that neither the failure of either party to perform any right, power, recourse or faculty assured by law, the Plan, the Program(s) or the Invitation Letter nor eventual tolerance of delay in the fulfillment of any obligation by either Party which shall not prevent the other party, at its sole discretion, to perform at any time such rights, powers, recourses or faculties or which shall be cumulative and shall not exclude those set forth by the law, shall constitute novation.

19. VENUE

19.1. The forum of Rio de Janeiro, State of Rio de Janeiro, excluding any other, no matter how privileged it may be, are elected to resolve any disputes which may arise in connection with the Plan, the Programs or the Invitation Letter.

Annex III

**COPY OF THE ARTICLES OF INCORPORATION, CONTAINING HIGHLIGHTS OF THE
CHANGES PROPOSED**

(as per Article 11 of ICVM n. 481, of December 17th, 2009)

Doc. 2

QGEP PARTICIPAÇÕES S.A.
ARTICLES OF INCORPORATION
CNPJ/MF No. 11.669.021/0001-10
NIRE: 33.300.292.896

CHAPTER I
NAME, HEADQUARTERS, PURPOSE AND DURATION

Article 1 - *Name*. QGEP Participações S.A. ("Company") is a company by shares governed by these Articles of Incorporation, by the legislation applicable and by the Regulation of Listing in Novo Mercado ("Novo Mercado Regulation") of BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros ("BM&FBOVESPA").

Article 2 – *Headquarters, Venue and Branches*. The Company has its headquarters and venue in the Capital of the State of Rio de Janeiro, at Avenida Almirante Barroso, Nº 52, *suite* 1301 (*part*), Downtown., ZIP CODE 20031-918, and may open and close branches, agencies or other establishments in Brazil and abroad, by resolution of the Executive Board.

Article 3 – *Corporate Purpose*. The purpose of the Company is participation in companies dedicated substantially to the exploration, production and commercialization of petroleum, natural gas and its derivatives, whether as partner, shareholder or other forms of association, with or without a legal personality.

Article 4 - *Duration*. The duration of the Company is indefinite.

CHAPTER II
CAPITAL AND SHARES

Article 5 - *Capital*. The capital stock subscribed is BRL 620.416.742,82 (six hundred and twenty million, four hundred and sixteen thousand, seven hundred and forty two reais and eighty two cents), represented by 186.065.886 (one hundred and eighty six million, sixty five thousand, eight hundred and eighty six) common shares, all nominative, book shares without par value.

§1 – *Vote per Share*. Each of the common shares in which the capital stock is dividend shall give the right to one vote in the resolutions of the General Meetings of the Company.

§2 – *Bookkeeping of Shares*. The shares of the Company shall be book shares, maintained in a deposit account in the name of their holders, at a financial institution authorized by the *Comissão de Valores Mobiliários* ("CVM") and indicated by the Board of Directors, the remuneration contemplated in §3 of Article 35 of Law 6.405 of December 15, 1976 as amended (LSA) , may be charged from the shareholders.

§3º - Remiss Shareholder. The non performance, by the subscriber, of the value subscribed, in the conditions contemplated in the bulletin or in the call, shall cause the same to be legally and fully constituted in arrears, for purposes of Articles 106 and 107 of the LSA, he will be subject to the payment of the amount in arrears monetarily indexed according to the variation of the General Market Price Index - IGP-M, published by Fundação Getúlio Vargas - FGV, or its replacement, in the smallest periodicity legally admitted, in addition to interest of 12% (twelve percent) per annum, *pro rata temporis* and fine corresponding to 10% (ten percent) of the value of the installment in arrears, duly restated.

§4 – *Inplit and Split*. By deliberation of the Board of Directors, the shares that make up the capital stock of the Company may be inplit or split.

Article 6 – *Authorized Capital*. The Company is authorized to increase the capital stock up to the limit of BRL4,000,000,000.00 (four billion reais), excluding the shares already issued, regardless of statutory reform.

§1 - *Form*. The increase in the capital stock shall be made by resolution of the Board of Directors, who will be competent to establish the conditions of issue, including price, period and form of its subscription. If there is subscription with paying-in in good, the competent for the increase of capital shall belong to the General Meeting, the Board of Directors being heard, if convened.

§2 – *Common shares and Subscription Bonus* – *Within the limit of the authorized capital*, the Company may issue common shares and subscription bonus.

Article 7 – *Exclusion of the Preemptive Right*. The Company may issue shares, debentures convertible into shares and subscription bonus with the exclusion of the preemptive right of the former shareholders, or with reduction of the period for its exercise, when the placement is made by sale in the stock exchange or by public subscription, or, moreover, by swap of shares, in public acquisition offering of control, in the terms of Article 172 of LSA.

Article 8 - *Repurchase*. The Company may, by resolution of the Board of Directors, acquire its own shares for permanence in treasury and subsequent disposal or cancellation, to the amount of the balance of profit and of reserves, except the legal reserve, without reduction of the capital stock, in compliance with the applicable legal and regulatory provisions.

Article 9 – *Option Plan*. The Company may, by resolution of the Board of Directors and according to the plan approved by the General Meeting, grant an option of purchase or subscription of shares, without preemptive right for the shareholders, in favor of its directors, employees or natural persons who provide services to the Company, this option may be extended to the directors or employees of the companies controlled directly or indirectly by Company.

Article 10 – *Preferred Shares, of Enjoyment and Beneficiary Parties*. The Company may not issue preferred shares, shares of enjoyment, or beneficiary parties.

Article 11 – *Reimbursement of the Right of Withdrawal*. In compliance with the provisions of Article 45 of the LSA, the reimbursement amount to be paid to the dissident shareholders shall have as a basis the equity value of the Company, set forth in the last balance sheet approved by the General Meeting.

CHAPTER III **GENERAL MEETING**

Article 12 - *Periodicity*. The General Meeting, with the competence contemplated in the law and in these Articles of Incorporation, meets ordinarily within the first 4 (four) months following expiry of the fiscal year, and, especially, whenever the corporate interests require.

§1 – *Representation by Proxies.* At the time of the General Meetings, the shareholders who cause themselves to be represented by proxies shall present powers of attorney, the use of powers of attorney granted electronically being prohibited.

§2 – *Legitimizing – Book Shares.* The holders of book shares or shares in the custody shall deposit in the Company, with 3 (three) days in advance, the vouchers issued by the depository financial institutions and evidentiary documentation of powers of representation as a condition for their participation in the Meetings.

§3 - *Chair.* The Meetings shall be convened and presided by the Chairman of the Board of Directors or, in his absence, by the Vice-Chairman of the Board of Directors. The Chairman of the Meeting shall appoint a secretary to assist him in the works.

§4 – *Call Period.* The meetings of the General Meetings shall be called with, at least, 15 (fifteen) running days prior notice.

Article 13 - *Representation.* To take part in the General Meeting, the shareholder shall present on the date of performance of the respective meeting: (i) evidence issued by the financial institution depository of the book shares held by it or in custody, according to Article 126 of LSA, and/or in connection with the shareholders participating in the fungible custody of nominative shares, the statement containing the respective share participation, issued by the competent body date of up to 02 (two) business days prior to the holding of the General Meeting; or (ii) instrument of power of attorney, duly regularized according to the law and these Articles of Incorporation, in the event of representation of the shareholder. The shareholder or his legal representative shall attend the General Meeting carrying his documents which evidence his identity.

§1 – *Proxies.* The shareholder may be represented at the General Meeting by an proxy constituted for less than 01 (one) year, whether it be a shareholder, with authentication of the signature of grantor, director of the Company, lawyer, financial institution, or director of investment funds who represents the joint owners.

§2 - *Resolutions.* The resolutions of the General Meeting, with the exception of the special events contemplated in the law and in Article 38, § 1 of these Articles of Incorporation, shall be taken by absolute majority vote, not computing blank votes.

§3 – *Private Competence.* Without prejudice to the other matters contemplated by law, it shall be privately incumbent upon the General Meeting:

- a) to take the accounts of the directors, examine, discuss and vote on the financial statements of the Company;
- b) reform these Articles of Incorporation;
- c) elect and remove the members of the Board of Directors;
- d) elect and remove the members of the Audit Committee, if convened;
- e) deliberate on the cancellation of the register of publicly held company before *Comissão de Valores Mobiliários*, in the terms of Chapter VII of these Articles of Incorporation;
- f) resolve, in the terms of Chapter VII hereof, about the departure from Novo Mercado; and
- g) choose the specialized company responsible for the preparation of the evaluation report of the shares of the Company, in the event of cancellation of registration of the publicly held company at CVM and of exit from Novo Mercado, among the companies indicated in the triple list by the Board of Directors.

§3 – *Minutes in Summary Form.* The minutes of the Meetings shall be executed in summary form of the facts occurred, including dissidences and protests, containing the transcription of the resolutions taken, in compliance with the provisions of § 1 of Article 130 of the LSA.

CHAPTER IV **ADMINISTRATION**

Section I – General Norms

Article 14 – *Bodies of the Administration.* The Company shall be administered by a Board of Directors and by a Executive Board.

Article 15 – *Investiture of the Directors.* From adhesion by the Company to the segment of Novo Mercado of BM&FBOVESPA, the investiture of the directors is subject to previous subscription of the Term of Consent of the Directors contemplated in the Novo Mercado Regulation and signature of a term of consent to the Manual of Disclosure and Use of Information and Trading Policy of Securities Issued by the Company, also by signature of the respective term.

Sole § - *Communications.* From opening of the capital and adhesion to the segment of Novo Mercado of BM&FBOVESPA, the directors of the Company shall, immediately after the investiture in office, inform CVM, the Company and BM&FBOVESPA the number and characteristics of the securities issued by the Company held by them, directly or indirectly, including its derivatives.

Section II – Board of Directors

Article 16 - *Composition.* The Board of Directors shall be comprised by at least 5 (five) and a maximum of 7 (seven) member, in addition to another number of deputies to be determined at a General Meeting, limited to the number of directors elected, restricted or not to permanent specific directors of the board, elected by the General Meeting and removable by it at any time. The tenure of the directors is unified and its period shall be 2 (two) years.

§1 – *Chairman and Vice-Chairman of the Board.* The Board of Directors shall have one Chairman, elected by the majority of votes of its members, at the first meeting after the investiture of the members or whenever there is a vacancy in the office of Chairman, as well as a Vice-Chairman, also elected by the majority of votes of the members, who shall substitute the Chairman for the exercise of his functions.

§2 – *Independent Directors.* At least 20% (twenty percent) of the members of the Board of Directors shall be Independent Directors, expressly declared, as such in the General Meeting which elects them. It is considered an Independent Director he who (i) does not have any binding relationship to the Company, except participation in the capital stock; (ii) is not a Controlling Shareholder, spouse or relative to the second degree of the Controlling Shareholder, is not and has not been in the last 03 (three) years bound to the company or entity related to the Controlling Shareholder (persons bound to public institutions of education and/or research are excluded from this restriction); (iii) has not been in the last 3 (three) years employee or director of the Company, of the Controlling Shareholder or of the company controlled by Company; (iv) is not a supplier or buyer, direct or indirect, of products and services of the Company, in magnitude that implies loss of independence; (v) is not an employee or director of the company or entity offering or demanding services and/or products to the Company; (vi) is not a spouse or relative to the second degree of any director of the Company; or (vii) does not receive another remuneration from the Company in addition to that of director (earnings arising from eventual participation in the capital are excluded from this restriction). It is also considered Independent Director he who has been elected by an authority contemplated in §§ 4 and 5 of Article 141 of the LSA.

§3 – *Rounding*. When, as a result of the observance of the percentage mentioned in the paragraph above, there results a fractional number of directors, one shall proceed to rounding to the integer: (i) immediately higher, when the fraction is equal to or greater than 0.5, or (ii) immediately lower, when the fraction is smaller than 0.5.

§4º - *Investiture to the Office*. The members of the Board of Directors shall be invested by signature of the term of investiture drawn upon in the Book of Minutes of Meeting of the Board of Directors. The members of the Board of Directors may be removed at any time by the General Meeting, and shall remain in exercise in their respective offices, until the investiture of their successors.

§5 - *Absence*. In the case of absence, the members of the Board of Directors shall be substituted as follows and in the following order: (a) by their specific alternate, if any, and if this specific alternate does not exist, (b) by a permanent director, provided that appointed by the absent person as his proxy, it is hereby established that the permanent director appointed proxy by the absent one is authorized to cast his own vote and, also, the vote of the absent director, and, if there is not this situation of appointment of proxy, (c) by a deputy, called by the Chairman of the Board of Directors.

§6 – *Participation at Meetings*. The directors may participate in the meetings of the Board of Directors by telephone conference, video conference or by any other means of electronic communication, being considered present at the meeting and must confirm their vote by declaration in writing sent to the Chairman of the Board by letter, fax, or e-mail shortly after the adjournment of the meeting. Once the declaration has been received, the Chairman of the Board shall be invested with full powers to sign the meeting minutes in the name of the director.

Article 17 - *Vacancy*. In the event of vacancy in the office of director, there being no alternate, the Board of Directors shall elect as many alternate directors as are the offices vacant, whereas the directors elected in the terms of this Article shall have their mandate ended in the next General Meeting which is performed, and the alternate director shall be elected to complete the mandate of the alternate.

Article 18 - *Meetings*. The Board of Directors shall meet whenever called by its Chairman or by the majority of its members, by communication in writing, with, at least 03 (three) days in advance, except in cases of manifest urgency, when the period may be reduced. The communications shall inform the time, date, location and agenda of the meeting, attaching copies of the documents or proposals to be appreciated or discussed.

§1º – *Waiver of Call*. There shall be considered regular the meetings which are attended by all the members, regardless of any formalities, preliminaries or provided that all manifest in writing their agreement on the waiver of the same.

§2º - *Convening and Quorum*. The meetings of the Board of Directors shall be convened with the presence of the majority of its members and the resolutions shall be had as valid if approved by the majority of the members present, it will be incumbent upon the Chairman, in addition to his personal vote, the casting vote.

Article 19 - *Competence*. Without prejudice to the other attributions contemplated in the Law, it is incumbent upon the Board of Directors to deliberate on the matters contemplated in these Articles of Incorporation, especially those listed below:

- a) establish the objectives, the policy and the general orientation of the business of the Company;
- b) elect, remove, define the remuneration and the attributions of the Executive Board members, in compliance with the limits established by the General Meeting or defined by it;

- c) appoint and remove the independent auditors of the Company, when applicable;
- d) inspect the management of the Officers;
- e) manifest previously on the Administration Report, the Executive Board accounts and the Financial Statements of the Company and examine the balance sheets;
- f) submit to the General Meeting the proposal of allocation to be given to the net profit of the Company, distribution of dividends and interest on net current assets of each fiscal year or in connection with smaller periods;
- g) call the General Meetings;
- h) approve the general budget of the Company;
- i) approve the business plan of the Company;
- j) set the limit of indebtedness of the Company;
- k) authorize the Executive Board to: (i) acquire goods intended to the permanent assets of the Company in amounts greater than BRL35,000,000.00 (thirty-five million reais); (ii) dispose of property intended for the permanent assets of the Company in values greater than BRL5,000,000.00 (five million reais); (iii) constitute property encumbrance certificates of the permanent assets of the Company in any amount; (iv) provision of guarantee to third party obligations of third parties or companies which are not part of the economic group of the Company; (v) provision of guarantee in favor of the Company or companies which are part of its economic group, in values greater than BRL35,000,000.00 (thirty-five million reais) (vi) formalization of financial operations, credit and financing in general, in excess of BRL35,000,000.00 (thirty-five million reais); (vii) formalization of structured operations which exceed the value of BRL170,000,000.00 (one hundred and seventy million reais); and (viii) disposal, swap and/or encumbrance of corporate participations in associated companies and subsidiaries with values greater than BRL5,000,000.00 (five million reais).
- l) propose to the General Meeting to increase or to reduce the capital stock; as well as the form of subscription, paying in and issue of shares;
- m) deliberate on the issuance, by the Company, of subscription bonus, non-collateralized, non-share convertible simple debentures, or other bonds or movable property, as well as credit instruments for capture of funds, whether they be *bonds*, *notes*, *commercial papers* or others of common use in the market, deliberating on its conditions of issue and redemption;
- n) set the remuneration, within the aggregate value determined by the General Meeting, of the Directors and officers, individually;
- o) Authorize the amortization, redemption or repurchase of shares of the Company for maintenance in treasury or cancellation, as well as deliberate on the eventual disposal of the shares in treasury;
- p) Propose Stock option plans for directors and employees of the Company;
- q) Establish the value of participation in profits by employees of the Company;
- r) Deliberate on the execution, modification and termination of contracts, as well as making transactions of any nature by, on the one hand, the Company and, on the other hand, the shareholders of the Company and/or subsidiaries, associated companies or controllers of the shareholders of the Company, with the exception of the sections (h) and (i) of Article 22 of these Articles of Incorporation;

- s) Increase the capital stock of the Company within the limit authorized by the Articles of Incorporation, regardless of statutory reform;
- t) Dispose of the property of the permanent assets;
- u) Define the triple list of institutions or companies specialized in economic appraisal of companies for the elaboration of a valuation report of the shares of the Company, in the event of cancellation of the registration of publicly held company or exit from Novo Mercado, as contemplated in Article 38, § 1 of these Articles of Incorporation; and
- v) Exercise other legal attributions or which are conferred upon it by the General Meeting, as well as settle the cases not covered herein.

Article 20 – *Advisory Committees*. The Board of Directors may determine the creation of advisory committees intended to assist the respective members of the Board of Directors, as well as define the respective composition and specific attributions.

Section III – Executive Board

Article 21 – *Executive Board*. The Executive Board is the body of representation of the Company, it is incumbent upon it to practice all the management acts to ensure its regular operation.

§1º - *Composition*. The Executive Board shall be comprised by, at least, 02 (two) and, at most, 6 (six) members, one being a CEO, one a Financial Officer and the other Officers without specific designation, one of the Officers shall be elected or cumulate the office of Investors Relations Officer, such circumstance shall be set forth in the minutes of the Board of Directors who deliberates on the election of executive board members.

§2º - *Mandate*. The officers shall be elected for mandates of up to 2 (two) years, reelection permitted. The term of office of the officers shall be extended automatically until election and investiture of the respective deputies, if the latter occur after expiry of the term of office of the officers.

§3 – *Vacancy of Office*. If there is a vacancy in the office of officer, or impediment of the incumbent, the Board of Directors shall elect a new officer or appoint the deputy among its remaining officers, setting, in any of the cases, the period of management and the respective expiries.

§4 - *Meetings*. The Executive Board is not a collegiate body, it may, however, meet, whenever necessary, at the discretion of the CEO, who shall also preside over the meeting, to deal with operational aspects. Executive Board Meeting shall be considered convened with the presence of officers representing the majority of its members.

§5º - *CEO*. The CEO shall: (a) submit to the approval of the Board of Directors the work plans and annual budgets, the investment plans and the new expansion programs of the Company, and of its subsidiaries, promoting their execution in the terms approved; (b) formulate the operating strategies and guidelines of the Company, as well as establish the criteria for performance of the resolutions of the General Meeting and of the Board of Directors, with the participation of the other officers; (c) supervise all the activities of the Company; (d) coordinate and superintend the Executive Board's activities, calling and presiding its meetings; and (e) perform the other attributions conferred upon it by the Board of Directors.

§6 – *Financial Officer*. The Financial Officer shall: (a) perform the guidelines determined by the Board of Directors; (b) the financial administration of the Company; (c) the administration of the controllership and accounting areas; and (d) the substitution of the CEO in his absences and temporary impediments, performing the respective competency determined in these Articles of Incorporation.

§7 – *Investors Relations Officer*. The Investors Relations Officer shall: (a) disclose and communicate to *Comissão de Valores Mobiliários* and to BM&FBOVESPA, if it is the case, any relevant act or fact occurred or related to the business of the Company, as well as ensure its full and immediate dissemination, simultaneously in all the markets where such movable property are admitted to trading, in addition to other attributions defined by the Board of Directors; (b) provide information to investors; and (c) keep updated the registration of the Company, providing the information necessary for such, all in accordance with the applicable regulation of *Comissão de Valores Mobiliários*.

Article 22 - *Competence*. Without prejudice to the other attributions contemplated by law and in these Articles of Incorporation, it is incumbent upon the Executive Board, led by the CEO to perform the matters contemplated in these Articles of Incorporation, especially, those listed below:

- a) Comply and ensure compliance with the general orientation of the business of the Company established by the Board of Directors;
- b) Elaborate and propose, annually, to the Board of Directors, the investment plans and annual budget of the Company;
- c) Elaborate, in each fiscal year, the Annual Report of the Administration and the Financial Statements to be submitted to the Board of Directors, and, subsequently, to the General Meeting;
- d) Acquire property intended for the permanent assets of the Company in values of up to BRL 35,000,000.00 (thirty-five million reais);
- e) Dispose of property intended for the permanent assets of the Company in values of up to BRL 5,000,000.00 (five million reais);
- f) Formalize financial, credit and finance transactions in general, at values of up to BRL 35,000,000.00 (thirty-five million reais);
- g) Formalize structured transactions in values of up to BRL170,000,000.00 (one hundred and seventy million reais);
- h) Disposal, swap, and/or encumbrance of corporate participations in associated companies and subsidiaries in values of up to BRL5,000,000.00 (five million reais); and
- i) Provision of guarantee in favor of the Company or companies which are part of its economic group, in values of up to BRL35,000,000.00 (thirty-five million reais).

Article 23 - *Representation*. The Company shall be considered obliged when represented by the signature: (i) of the CEO plus one Officer; (ii) of 02 (two) officers jointly; or (iii) of two attorneys-in-fact.

§ 1 - *Grant*. The powers of attorney shall be granted on behalf of the Company by the signature of the CEO plus one Officer, and, in the absence and/or temporary removal of the CEO, the powers of attorney shall be granted in the name of the Company by the signature of 2 (two) officers jointly, and shall specify the powers granted and, with the exception of powers of attorney for judicial purposes, shall be valid for a maximum of 01 (one) year.

CHAPTER V **AUDIT COMMITTEE**

Article 24 - *Operation*. The Audit Committee of the Company shall operate on a non-permanent basis and, when convened, shall be comprised by 03 (three) permanent members and an equal number of deputies, all residing in Brazil, shareholders or not, elected or removable at any time by the General Meeting for a mandate of 01 (one) year, reelection permitted. The Audit Committee of the Company shall be comprised, convened and remunerated according to the legislation in force.

§1 – *Chair*. The Audit Committee shall have one Chairman, elected by its members in the first meeting of the body after being convened.

§2 - *Investiture*. The investiture of the members of the Audit Committee shall occur by signature of the respective term, in an appropriate book, and from adhesion by the Company to the segment of Novo Mercado of BM&FBOVESPA, shall be subject to subscription of the Term of Consent of the Members of the Audit Committee contemplated in the Novo Mercado Regulation of BM&FBOVESPA.

§3 - *Communications*. From the capital going public and adhesion to the segment of Novo Mercado of BM&FBOVESPA, the members of the Audit Committee of the Company shall, immediately after investiture in the office, communicate to CVM, to the Company and to BM&FBOVESPA the quantity and characteristics of the securities issued by the Company held by them, directly or indirectly, including derivatives.

§4 - *Vacancy*. In the event of a vacancy in the office of member of the Audit Committee, the respective deputy shall occupy his place. If there is no deputy, the General Meeting shall be called to elect a member for the vacant office.

§5 – *Restrictions to Election*. There may not be elected to the office of member of the Audit Committee of the Company anyone that has a bond with a company which may be considered a competitor of the Company, it is prohibited, among others, the election of a person who: (a) is an employee, shareholder or member of the body of the administration, technician or inspector of competitor or of Controlling Shareholder or Subsidiary (as defined in Article 33 of these Articles of Incorporation) of competitor; (b) is a spouse or relative up to the second degree of a member of the body of the administration, technician, or inspector of Competitor or of Controlling Shareholder or Subsidiary of the competitor.

§6 – *Appointment of Member*. If any shareholder wishes to indicate one or more representatives to make up the Audit Committee, who have not been members of the Audit Committee, in the period subsequent to the last Annual Shareholders' Meeting, such shareholder shall notify the Company in writing with 10 (ten) business days prior notice in relation to the date of the General Meeting who shall elect the Directors, informing the name and identification and complete professional résumés of the candidates.

Article 25 - *Meetings*. When called, the Audit Committee shall meet, in the terms of the law, whenever necessary and shall analyze, at least, quarterly, the financial statements.

§1 – *Waiver of Call*. Regardless of any formalities, there shall be considered as regularly called the meeting which is attended by all the members of the Audit Committee.

§2 - *Manifestation*. The Audit Committee shall manifest by absolute majority of votes, with the presence of the majority of its members.

§3 – *Record of Resolutions*. All the resolutions of the Audit Committee shall be set forth in minutes drawn up in the respective book of Minutes and Opinions of the Audit Committee, signed by all Directors present.

Article 26 – *Fiscal Year*. The fiscal year shall last from January 1st to December 31st of each year.

Article 27 – *Financial Statements and Information*. At the end of each fiscal year and on the last business day of each calendar quarter, the Executive Board shall cause to be prepared the financial statements contemplated by law and in the Regulation of Listing of Novo Mercado.

Sole §: The Company and its directors shall, at least once a year, hold a public meeting with analysis and any other interested parties, to spread information in connection with the economic-financial situation, projects and perspectives of the Company.

Article 28 – *Early Dividends*. The Board of Directors may declare dividends to the profit or reserve of profits account, calculated in financial statements related to any period of time, which shall be considered as advance of the minimum compulsory dividend of these Articles of Incorporation.

Article 29 – *Allocation of Net Profits*. The Company shall distribute, in each fiscal year, compulsory dividends of, at least, 0.001% (zero point zero zero one percent) of the net adjusted profit, calculated according to the provisions of Article 202 of the LSA.

Article 30 – *Participation of Directors*. In the terms of the provisions of Article 190 of the LSA, the General Meeting which approves the accounts of the fiscal year may determine the distribution of up to 10% (ten percent) of the income of the fiscal year, after adjustments determined by Article 189 of the LSA, to the directors of the Company, as participation in the corporate profits.

Article 31 – *Monetary Indexation and Prescription*. The dividends attributed to the shareholders shall be paid in the periods of the law, monetary indexation and/or interest only accruing if thus determined by the General Meeting and, if not claimed within 3 (three) years counted from the resolution of the act that authorized its distribution, shall prescribe in favor of the Company.

Article 32 – *Interest on Net Current Assets and Early Dividends*. The Board of Directors may draw up balance sheets in any period of time to promote distribution of interest on net current assets. The interim dividends and the interest on net current assets shall be imputed to the compulsory dividend.

CHAPTER VII

DISPOSAL OF SHARE CONTROL, CONTROL WITHOUT THE MAJORITY OF SHARES, CANCELLATION OF REGISTRATION OF PUBLIC HELD COMPANY AND DEPARTURE FROM NOVO MERCADO

Article 33 – *Disposal of Control*. The Disposal of the Control of the Company, directly or indirectly, both by a single operation as by successive operations, shall be contracted under precedent or subsequent condition that the acquirer of the control undertake to effectuate the public offering of acquisition of the shares contemplated in the legislation in force and in the Novo Mercado Regulation, so as to assure to them equal treatment as that given to the Disposing Controlling Shareholder.

§1 - *Meanings*. For purposes of these Articles of Incorporation, the terms indicated below in capital letters shall have the following meaning:

- “Controlling Shareholder” means the shareholder or group of shareholders bound by a shareholders’ agreement or under common control exercising the Controlling Power of the Company.

- “Disposing Controlling Shareholder” means the Controlling Shareholder when latter promotes the Disposal of the Control of Company.
- “Acquiring Shareholder” means any person (including, but not limited to, any natural person or legal entity, investment fund, condominium, securities portfolio, universality of rights, non personified entities, or other form of organization, residing, with domicile or with headquarters in Brazil or abroad), or group of persons bound by vote agreement with the Acquiring Shareholder and/or who acts representing the same interest as the Acquiring Shareholder, which comes to subscribe and/or acquire shares of the Company. Among the examples of a person acting representing the same interest as the Acquiring Shareholder are included any person (i) who is, directly or indirectly controlled or administered by such Acquiring Shareholder; (ii) who controls or administers, in any way, the Acquiring Shareholder, (iii) who is, directly or indirectly, controlled or administered by any person who controls or administers, directly or indirectly, the Acquiring Shareholder, (iv) in which the controller of such Acquiring Shareholder has, directly or indirectly, a corporate holding equal to or greater than 15% (fifteen percent) of the capital stock, (v) in which the Acquiring Shareholder has, directly or indirectly, a corporate holding equal to or greater than 15% (fifteen percent) of the capital stock, or (vi) who has, directly or indirectly, a corporate holding equal to or greater than 15% (fifteen percent) of the capital stock of the Acquiring Shareholder.
- “Control Shares” means the block of shares which assures, directly or indirectly, to its holder(s), the individual and/or shared exercise of the Control Power of the Company.
- “Outstanding Shares” means all the shares issued by the Company, with the exception of the shares held by the Controlling Shareholder, by persons linked to him, by directors of the Company and those in treasury.
- “Disposal of Control of the Company” means the transfer to a third party, for remuneration, of the Control Shares.
- “Control” (as well as its related terms, “Controller”, “Controlled”, “under common control” or “Controlling Power”) means the power effectively used to direct the corporate activities and orient the functioning of the bodies of the Company, directly or indirectly, factually or legally. There is relative presumption of title of the control in relation to the person or to the group of persons bound by a shareholders’ agreement or under common control (control group) who is a holder of shares which have assured him the absolute majority of the votes of the shareholders present in the last three general meetings of the Company, even if he/it is not the holder of the shares which assure to him/it the absolute majority of the voting capital.
- “Group of Shareholders” means the group of persons: (i) bound by contracts or agreements of vote of any nature, whether directly or by controlled companies, controllers or companies under common control; or (ii) among which there is a relationship of control; or (iii) under common control.
- “Economic Value” means the value of the Company and of its shares which comes to be determined by a specialized company, by use of recognized methodology or based on another criterion to be defined by CVM.

§2 – *Impossibility of Transfer*. The Disposing Controlling Shareholder (s) or the Group of controlling, disposing Shareholders may not transfer the ownership of their shares, while the acquirer does not subscribe the Term of Consent of the Controllers alluded to by the Novo Mercado Regulation.

§3º - *Subscription of Term of Consent.* The Company shall not register any transfer of shares to the acquirer of Controlling Power or to that (those) who come(s) to hold the Controlling Power while the same do not subscribe the Term of Consent of Controllers alluded to in the Novo Mercado Regulation.

§4º - *Restriction to Registration.* No Shareholders Agreement which provides on the exercise of Controlling Power may be registered at the headquarters of the Company without its signatories having signed the Term of Consent mentioned in § 2º of this Article 33.

Article 34 – *Other Cases of Public Offering.* The public acquisition offering provided in Article 33 of these Articles of Incorporation shall also be effectuated:

(i) in cases where there is remunerated assignment of subscription rights of shares and of other financial instruments or rights in connection with movable property convertible into shares, which results in Disposal of the Company's Control; or

(ii) in the event of disposal of control of the company which has the Controlling Power of the Company, whereas, in this case, the Disposing Controlling Shareholder shall be obliged to declare to BM&FBOVESPA the value attributed to the Company in this disposal and attach supporting documentation.

Article 35 – *Acquisition via Private Contract.* He who already has shares of the Company and acquires the Controlling Power thereof, as a result of a private contract of purchase of shares executed with the Controlling Shareholder(s) or Group of controlling Shareholder (sic), involving any number of shares, shall be obliged to:

(i) effectuate the public acquisition offering mentioned in Article 33 of these Articles of Incorporation;

(ii) reimburse the shareholder who have purchased shares in the stock exchange in the 06 (six) months prior to the date of Disposal of Control of the Company, to whom he shall pay the difference between the price paid to the Disposing Controlling Shareholder and the value paid in the Stock Exchange, for shares of the Company in this period, duly restated by the variation of the Ample Consumer Price Index - IPCA (“IPCA”); and

(iii) take all the applicable steps to restore the minimum percentage of 25% (twenty-five percent) of the total shares of the Company outstanding, within 06 (six) months subsequent to the acquisition of the Control.

Article 36 – *Minimum Price.* In the public acquisition offering of shares to effectuated by the Controlling Shareholder(s), Group of Controlling Shareholders, or by the Company for cancellation of the register of public held company of Company, the minimum price to be offered shall correspond to the Economic Value verified in the valuation report, according to Article 38 of these Articles of Incorporation.

Article 37 – The Controlling Shareholder (s) or the controlling Group of Shareholders of the Company shall effectuate the public acquisition offering of shares belonging to the other shareholder because the exit of Company from Novo Mercado occurs:

(i) for movable property issued by it to start to be registered for trading outside Novo Mercado; or

(ii) by virtue of corporate reorganization in which the shares of the company resulting from such reorganization are not admitted to trading in Novo Mercado.

§1 – *Price Offered.* The price to be offered shall correspond, at least, to the Economic Value, calculated in a valuation report, mentioned in Article 38 of these Articles of Incorporation, in compliance with the applicable legal and regulatory rules.



§2 – *News of Event.* The news of the performance of the public offering mentioned in this Article shall be informed to BM&FBOVESPA and divulged to the market immediately after the holding of the Company's General Meeting, which has approved the exit or said reorganization.

Article 38 – *Valuation Report.* The valuation report contemplated in these Articles of Incorporation shall be prepared by a specialized company, with evidenced experience and independence in connection with the decision power of the Company, its directors and controllers; the report shall also meet the requirements of § 1 of Article 8 of LSA and contain the responsibility contemplated in § 6 of the same legal provision.

§1 – *Choice of Specialized Company.* The choice of the specialized company responsible for determining the Economic Value of the Company is the private competence of the General Meeting, from presentation, by the Board of Directors, of the triple list, and said resolution, blank votes not being computed, shall be taken by majority of votes of the shareholders representing the Outstanding Shares present in the General Meeting, which if, convened on first call, shall be attended by shareholders representing, at least, 20% (twenty percent) of the total number of Outstanding Shares, or which, if convened on second call, may be attended by any number of shareholders representative of the Outstanding Shares.

§2 – The valuation report elaboration costs shall be assumed fully by the offeror.

Article 39 – *Control Without Majority of Shares.* In there is exercise of control by a shareholder holding less than 50% (fifty percent) of the capital stock, as well as by a group of shareholders which is not signatory of a vote agreement and which is not under common control nor acts representing a common interest:

(i) whenever approved, at General Meeting, the cancellation of registration of publicly held company, the public acquisition offering of shares mentioned in Article 36 shall be effectuated by the Company, whereas, in this case, the Company may only acquire the shares held by shareholders who have voted in favor of the cancellation of registration in the resolution at the General Meeting after having acquired the shares from the other shareholders which have not voted in favor of said resolution and who have accepted said public offering; and

(ii) whenever approved, at a General Meeting, exit from Novo Mercado, whether by registration of shares outside Novo Mercado, or by corporate reorganization as contemplated in Article 37 (ii) of these Articles of Incorporation, the public acquisition offering of shares mentioned in Article 33 of these Articles of Incorporation shall be effectuated by shareholders who have voted in favor of the respective resolution at a General Meeting.

Article 40 – *AGE (Extraordinary Shareholders Meeting) for Substitution of the Board.* In the event of there being forms of control of the Company contemplated in Article 39 of these Articles of Incorporation and BM&FBOVESPA determines that the quotations of the movable property issued by the Company are divulged separately or that the securities issued by the Company have their trading suspended in Novo Mercado, by virtue of non compliance with the obligations set forth in the Novo Mercado Regulation, the Chairman of the Board of Directors shall call, within 02 (two) days from said determination, computed only the days when there was circulation of the newspapers normally used by the Company, a Extraordinary Shareholders Meeting to substitute all of the Board of Directors.

§1 – *Call by Shareholder.* If said Extraordinary Shareholders' Meeting mentioned in the *caput* of this Article is not called by the Chairman of the Board of Directors in the period established, the same may be called by any shareholder of the Company.

§2 – The new Board of Directors elected at the Extraordinary Shareholders Meeting mentioned in the *caput* and in § 1 of this Article shall remedy the non compliance with the obligations set forth in the Novo Mercado Regulation in the shortest possible period of time or in a new period granted by BM&FBOVESPA for this purpose, whichever is shorter.

Article 41 – *Exit as a Result of Non Compliance with Obligations.* In the event of there being forms of control of the Company contemplated in Article 39 of these Articles of Incorporation and the exit of the Company from Novo Mercado occurring as a result of non compliance with any obligation set forth in the Novo Mercado Regulation:

(i) if the non compliance results from a resolution at a General Meeting, the public shares acquisition offering shall be effectuated by shareholders who have voted in favor of the resolution that implies the non compliance; and

(ii) if the non compliance results from an act or fact of the administration of the Company, the latter shall effectuate the public acquisition offering for cancellation of registration of publicly held company addressed at all the shareholders of the Company. If it is resolved, at a General Meeting, the maintenance of the registration of publicly held company of Company, the public acquisition offering shall be made by the shareholders who have voted in favor of this resolution.

Article 42 – *Formulation of Single Offering.* The formulation of a single public acquisition offering of shares is authorized, aimed at more than one of the purposes contemplated in this Chapter VII, in the Novo Mercado Regulation or in the regulation issued by CVM, provided that it is possible make compatible the procedures of all the modes of public acquisition offering and there is no loss to the recipients of the offer and the authorization of CVM is obtained when required by the applicable legislation.

§1º - *Prevalence.* The provisions of the Novo Mercado Regulation shall prevail over the statutory provisions, in the events of loss of rights of the recipients of the public offerings contemplated in these Articles of Incorporation.

Article 43 – *Non Compliance with the Obligations.* In the event of the Acquiring Shareholder not complying with the obligations imposed by this Chapter VII, including regarding meeting deadlines (i) for performance of request of registration of the public offering; or (ii) for compliance with eventual requests or requirements of CVM, the Board of Directors of the Company shall call a Extraordinary Shareholders Meeting, in which the Acquiring Shareholder may not vote, to deliberate on the suspension of the exercise of the rights of the Acquiring Shareholder, as provided in Article 120 of LSA.

Article 44 – The Company or the shareholders responsible for the performance of the public acquisition offering contemplated in this Chapter, in the Novo Mercado Regulation or in the regulation issued by CVM may assure its effectuation by means of any shareholder, third party, and, according to the case, by the Company. The Company or the shareholder, according to the case, do not release themselves from making the public acquisition offering until it is concluded with compliance with the applicable rules.

CHAPTER VIII **JUDGMENT BY ARBITRATION**

Article 45 – *Arbitration Chamber.* The Company, its shareholders, directors and members of the Audit Committee undertake to resolve, by arbitration, in the terms of the Regulation of the Novo Mercado Arbitration Chamber (“Arbitration Regulation”), all and any dispute or controversy which may arise against them, related to or arising out of, especially, the application, validity, effectiveness, interpretation, violation and its effects, of the provisions in the LSA, in these Articles of Incorporation, in the norms edited by the National Monetary Council, by the Central Bank of Brazil and by *Comissão de Valores*, as well as in the other norms applicable to the operation of the capitals market in general, in addition to those set forth in the Novo Mercado Regulation, in the Contract of Participation in Novo Mercado and in the Arbitration Regulation.

Sole § - *Appeal to the Judiciary*. Without prejudice to the validity of this Article, any of the parties in the arbitration proceedings shall have the right to appeal to the Judiciary Branch to, if and when necessary, request provisional measures to protect their rights, whether in arbitration proceedings already instituted or not yet instituted, whereas, as soon as any measure of this nature is granted, the competence to decide on the merits will be immediately restored to the arbitration court instituted or to be instituted.

CHAPTER IX **LIQUIDATION OF THE COMPANY**

Article 46 - *Liquidation*. The Company shall enter into liquidation in the cases determined by Law, it being incumbent upon the General Meeting to elect the liquidator(s) and, if applicable, the Audit Committee, for such purpose, in compliance with the legal formalities.

CHAPTER X **FINAL PROVISIONS**

Article 47 – *Shareholders' Agreement*. The Company shall observe the shareholders' agreements filed at its headquarters, it is expressly prohibited to the presiding officers of the General Meeting or of the Board of Directors to accept a declaration of vote of any shareholder, signatory of the Shareholders' Agreement duly filed at the corporate headquarters, which is rendered in disagreement with that which has been agreed in said agreement, it also expressly prohibited for the company to accept and transfer shares and/or to encumber and/or assign preemptive right to the subscription of shares and/or of other movable property which does not comply with the provisions and regulations of a shareholders' agreement.

Article 48 – *Cases not covered*. The cases not covered in these Articles of Incorporation shall be settled by the General Meeting, regulated according to the precept of the LSA and in compliance with the rules of the Novo Mercado Regulation.

Article 49 - *Publications*. The publications ordered by the LSA shall be made in the newspapers *Diário Oficial do Estado do Rio de Janeiro* and the newspaper *Diário do Comércio*.

Article 50 – *Payment of Dividends*. The payment of dividends, approved in the General Meeting, as well as the distribution of shares from the capital increase, shall be made within 60 (sixty) days counted from the date on which they are declared.

Article 51 – *Trading of Own Shares*. The Company may trade its own shares, in compliance with the legal provisions and the norms which are issued by *Comissão de Valores Mobiliários*.

CHAPTER XI **THE EFFECTIVENESS OF PROVISIONS**

Article 52 – *Period of the Mandates*. The periods of the mandates of the members of the Board of Directors and of the Executive Board contemplated in Articles 16, *caput, caput* and 21, §2, of these Articles of Incorporation, respectively, shall only be effective from election of the Independent Director, to be elected in the terms of Article 16, §2 of these Articles of Incorporation.

Article 53 - *Effectiveness*. The provisions contained in Chapters VII and VIII of these Articles of Incorporation shall only be effective from the date on which the Company publishes its Announcement of Beginning of Primary and Secondary Public Distribution of Shares in connection with its Initial Public Offering of Shares.

ANNEX IV

ITEM 13 OF REFERENCE FORM

(as per Article 12 of ICVM n. 481, of December 17th, 2009)

13.1. Describe compensation policy or practice of the board of directors, the statutory and non-statutory executive board, the tax council, statutory committees and audit, risk, financial and compensation committees, addressing the following aspects:

The Company has been incorporated on 9th of March of 2010. Currently, the Company does not have a Tax Council in place, nor any committees constituted and its management is comprised only by the Executive Board and the Board of Directors.

a. objectives of the compensation policy or practice

The compensation practice adopted by us complies with the principles and parameters provided in Queiroz Galvão Óleo e Gás S.A., or QGOG's compensation policy, which shall be, soon extended for the other companies of Queiroz Galvão group's oil branch. The purpose of such policies is purposed for the attraction, withholding and motivation of our professionals, as wells as to align managers' interests with our medium and long term objectives.

We are under consolidation process of a stock option program (stock options) and other incentive plans with a view to attract and motivate our employees, managers and other collaborators. The stock option program has been approved by our Board of Directors on 11th of April of 2011, and its effectiveness shall be suspended until approval of the Stock Option Plan at Company's Extraordinary General Meeting to be held on 29th of April of 2011. We have included information connected with the process of implementation of the stock option plan of our stock in Section 13 - Item 13.16 of this Reference Form.

b. compensation composition, indicating:

i. Description of compensation elements and the objectives of each of them

Board of Directors:

Our Board of Directors receives a fixed compensation, without any variable compensation component or benefits. The fixed compensation paid by the Company to our members of the Board of Directors who are invested in offices in the management of our controlled companies is of symbolic value, since such directors are already compensated by our controlled parties, by virtue of offices in our controlled companies. The independent members of our Board of Directors receive a fixed compensation, in accordance with market practices, to compensate services provided thereby to the Company.

Statutory Executive Board:

Our officers receive a fixed compensation, purposed for compensating the officers for their attributions, performed in the Company. The fixed compensation paid by the Company to the officers, except the CEO, is of symbolic value, since such officers also receive compensation from other companies of Company's group, by virtue of offices in such companies.

The objective of the fixed compensation paid to the CEO is to compensate him for his attributions performed in Company's ambit. The direct and indirect benefits on their side are purposed for providing for tranquility to the CEO in fundamental issues, such as health and social security and providing for tools for Company's agency.

Our officers may be enabled to participate in Stock Option Plans, as per designation of the Board of Directors. The objective of the compensation based on stock is purposed for stimulating the expansion, success and attainment of the corporate objectives of the Company and of its shareholders, allowing Officers to elect to acquire or subscribe shares of the Company, under the terms and conditions provided in the Plan.

ii. Proportion of each element in total compensation

Financial year ended on December 31st, 2010
% in connection with the total compensation of the amount paid as

	Fixed Compensation	Variable Compensation	Post- employment or termination benefits	Compensation based on shares	Total
Board of Directors	100%	0%	0%	0%	100%
Statutory	100%	0%	0%	0%	100%
Executive Board					

iii. Calculation and readjustment methodology of each one of the compensation elements

Managers' compensation components generally have been defined at General Meeting and Meeting of the Board of Directors, and there is no pre-defined readjustment methodology, except for compensations connected to the minimum *salary* amount, which shall be readjusted in order to reflect eventual changes in such index. In connection with the fixed compensation paid to the CEO, a linear readjustment of 3% is expected as from May, 2011.

iv. Reasons which justify compensation composition

The fixed compensation paid by the Company to members of the board of directors and officers who are invested in management offices of our controlled companies is of symbolic value, since such directors are already compensated by our controlled companies, by reason of offices in our controlled companies.

The independent members of our Board of Directors receive a fixed compensation, in accordance with market practice, for the purpose of compensate the services provided thereby for the Company.

The objective of the fixed compensation paid to the CEO is to compensate him for his attributions performed in Company's ambit. The direct and indirect benefits on their side are purposed for providing for tranquility to the CEO in fundamental issues, such as health and social security and providing for tools for Company's agency.

Our officers may be enabled to participate in Stock Option Plans, as per designation of the Board of Directors. The objective of the compensation based on stock is purposed for stimulating the expansion, success and attainment of the corporate objectives of the Company and of its shareholders, allowing Officers to elect to acquire or subscribe shares of the Company, under the terms and conditions provided in the Plan.

c. Main performance indicators which are taken into consideration in the determination of each compensation element

There are not.

d. How is the compensation structured to reflect the evolution of performance indicators?

The compensation of members of the Board of Directors is fully fixed. A portion of the compensation of Officers shall be comprised by compensation based on shares and it shall be linked to the quotation of Company's shares in the stock exchange.

e. How does the compensation policy or practice aligns with the interest of short, medium and long term issuers

The fixed compensation paid to the CEO and independent members of the Board of Directors is aligned with Company's short term interests to attract and withhold qualified professionals. On the other hand, the grant of stock options is aligned with the Company's medium and long term interests to foster management to conduct with success Company's business, stimulating entrepreneur culture focused in result.

f. Existence of compensation paid by subsidiaries, direct or indirect controlled companies or controllers

There are no compensation installments received by Company's managers, **by reason of office in the Company**, which are paid by subsidiaries, direct or indirect controlled companies or controllers.

g. Existence of any compensation or benefit linked to the occurrence of a certain corporate event, such as disposition of our corporate control of the issuer

There is not.

13.2. In connection with the compensation acknowledged in the result of the last 3 financial years and the one planned for the current financial year of the board of directors, statutory executive boards and tax council:

The Company has been organized on March 9th, 2010, thus there shall only be provided information connected with the financial year ended on December 31st, 2010 and the current financial year. Since its organization, the Company does not have a Tax Council in place.

Total compensation planned for the current Financial Year 12/31/2011 – Annual Amounts			
	Board of Directors	Statutory Executive Board	Total
N. of members	7,00	4,00	11,00
Annual fixed compensation			
Salary or pro-labore	512.700,00	954.820,00	1.467.520,00
Direct and indirect benefits	0,00	137.475,10	137.475,10
Participation in committees	0,00	0,00	0,00
Others (Duties)	102.540,00	190.964,00	293.504,00
Variable compensation			
Bonus	0,00	0,00	0,00
Results participation	0,00	0,00	0,00
Participation in meetings	0,00	0,00	0,00
Committees	0,00	0,00	0,00
Others	0,00	0,00	0,00
Post-employment	0,00	0,00	0,00
Termination of office	0,00	0,00	0,00
Based on shares	0,00	0,00	0,00
Total of the compensation	615.240,00	1.283.259,10	1.898.499,10

Note: Despite the fact that the grant of stock options is planned for Company's managers in the financial year to be ended on December 31st, 2011, the grace period for exercise of the option is of 12 months and thus, the options shall not be liable of exercise in the financial year ended on December 31st, 2011.

Total compensation acknowledged in the Financial Year ended on 12/31/2010 – Annual Amounts			
	Board of Directors	Statutory Executive Board	Total
N. of members	2.1	2.6	4.7
Annual fixed compensation			
Salary or pro-labore	19.863,66	6.120,00	25.983,66
Direct and indirect benefits	0,00		
Participation in committees	0,00	0,00	0,00
Others (Duties)	3.972,73	1.224,00	5.196,73
Variable compensation			
Bonus	0,00	0,00	0,00

Results participation	0,00	0,00	0,00
Participation in meetings	0,00	0,00	0,00
Committees	0,00	0,00	0,00
Others	0,00	0,00	0,00
Post-employment	0,00	0,00	0,00
Termination of office	0,00	0,00	0,00
Based on shares	0,00	0,00	0,00
Total of the compensation	23.836,39	7.344,00	31.180,39

The numbers of members of each body for the financial year 2010 correspond to the annual average of the number of members of each body monthly ascertained, with two decimal places, as specified in item 13.16 below.

13.3. Variable compensation of the board of directors, statutory executive board and the tax council:

The Company has been organized on March 9th, 2010, thus there shall only be provided information connected with the financial year ended on December, 31st, 2010 and the current financial year. Since its organization, the Company does not have a Tax Council in place.

In the financial year ended on December 31st, 2010, the Company has not made payment of variable compensation to the board of directors and/or the statutory executive board.

The Company is not willing to make payment of variable compensation to the board of directors and/or the statutory executive board in the current financial year.

13.4. In connection with the compensation plan based on shares of the board of directors and the statutory executive board, in force in the last financial year and planned for the current financial year, describe:

In the financial year ended on December 31st,2010, no payments have been made to the Management as compensation based on shares. Company's General Meeting, to be held on April 29th ,2011, shall submit to the shareholders the approval of the Stock option Plan, with the following characteristics:

a) general terms and conditions:

Plan Management:

The Plan shall be managed by Company's Board of Directors. Annually, the Board of Directors may create Stock Option Programs, defining the beneficiaries, the subscription and acquisition price, the grace period for exercise of the option, the maximum term for exercise of the option, rules on the transfer of options and any restrictions to shares received by the exercise of the option. The Board of Directors may extend (but shall not anticipate) the final term for exercise of the option of the Programs in force. It may also extinguish the Plan, at any time, and establish the regulation applicable to omissions, without prejudice to the purchase options already granted. The Board of Directors may not change the provisions set forth in the Plan and no resolution may, without holder's consent, change or jeopardize any rights or obligations of any purchase option already granted.

Beneficiaries:

At the Board of Directors' discretion, the potential beneficiaries may be the Executives (whether employees or not) and certain employees of the Company and its subsidiaries (companies directly or indirectly controlled by the Company).

Stock included in the Plan:

Once the option is exercised by the beneficiaries, the corresponding stock shall be issued, through capital increase of the Company. There may be also offered purchase options of treasury stock, upon previous approval from the *Comissão de Valores Mobiliários - CVM*. The shareholders, under the terms of article 171, § 3, of Law n. 6.404/76, shall not have a preemptive right in connection with the institution of the Plan or the exercise of the purchase option of stock arising from the Plan, with the observance of the limit of authorized capital approved by the General Meeting, under the terms of article 168, § 3, of Law n. 6.404/76.

Exercise of the option:

The option may be fully or partially exercised during the term and within the periods fixed in the relevant Invitation Letter in compliance with the Plan and the Program. In the event of partial exercise, the Beneficiary may exercise the remaining portion of the option within the terms and under the conditions set forth in the Plan, in the relevant Program and the Invitation Letter, with the exception of the events provided in the Plan. The beneficiaries shall be subject to restrictive rules to the use of privileged information applicable to publicly held companies in general and those established by the Company.

Continuance in office:

The Plan or option granted thereby shall never confer to the beneficiary rights of continuance in office and shall not interfere with Company's right to terminate, at any time, its relationship with the beneficiary.

Limitations to Holders' rights to options:

No Beneficiary of an option granted under the Plan (i) may dispose it to any third parties or encumber it, directly or indirectly, (ii) or shall have any of the rights and obligations of Company's shareholders. Shares shall be delivered to the Beneficiary by virtue of the exercise of the option only upon fulfillment of all legal and contractual requirements.

Adjustment:

If the number of shares existing in the Company is increased or reduced or if the Shares are substituted or exchanged with different species or classes, as a result of share bonuses, inplits or splits, proper adjustments shall be then made to the number of Shares in connection with which the options have been granted and not exercised yet. Any adjustments in options shall be made without change in the purchase amount of the total applicable to the non-exercised portion of the option, however upon adjustment corresponding to the exercise price for each share or any unit of share encompassed by the option. The Board of Directors shall set forth the rules applicable to winding up, transformation, incorporation, merger, spin-off or reorganization of the Company.

Date and Effectiveness:

The Plan shall become effective on the date of approval by Company's General Meeting, which shall be held on April 29th, 2011, and may be extinguished, at any time, through decision of Company's Board of Directors, without prejudice to the prevalence of the restrictions to negotiation of Shares and without prejudice to rights of Beneficiaries of purchase options already granted.

Assignment:

The rights and obligations arising from the Plan, the Programs and the Invitation Letter may neither be assigned nor transferred, in the whole or in part, by either Party, nor given as guarantee of obligations, without previous consent of the other party.

b) main objectives of the plan:

The objective of the Plan consists in stimulating the expansion, success and attainment of Company's corporate objectives (and of its subsidiaries) and the interests of its shareholders, allowing certain executives (whether employees or not) and certain employees to elect to acquire or subscribe Company's stock.

c) how does the plan contribute for such objectives?

The Plan allows for alignment of interests of Executives (whether employees or not), certain employees of the Company and its subsidiaries (directly or indirectly controlled companies), who are benefited in accordance with Company's stock performance, with the interests of investors, who take advantage from the results attained.

d) how is the plan inserted in Company's compensation policy?

The Plan is inserted in Company's compensation policy for the purpose of withholding strategic professionals, with a view to properly compensate their competences and liabilities, seeking to compensate in a manner which is consistent with the market.

e) how does the plan align managers interests with those of the issuer at short, medium and long term:

The Plan is purposed to: (i) stimulate management's enhancement and company's expansion at long term, aligning the interests of beneficiaries and of Company and its shareholders; and (ii) to attract, foster and withhold in the Company and its controlled companies highly qualified professionals, fostering them to reach our goals and to have a long-term commitment with Company's performance.

f) maximum number of stock encompassed:

The stock encompassed by the Plan shall be, at a maximum 5% (five per cent) of the total number of Company's stock.

g) maximum number of options to be granted:

The options encompassed by the Plan shall represent, at a maximum 5% (five per cent) of the total of Company's stock.

h) stock acquisition conditions:

Annually the Board of Directors shall create Stock Option Programs (each one, a "Program") defining, in compliance with the Plan, those who are eligible for grant of the option ("Beneficiaries"), who shall be duly invited through Invitation Letters.

The terms and conditions of each option granted under the Plan shall be fixed in the annual Programs and the relevant letters sent to the beneficiaries with the invitation for participation in the Plan ("Invitation Letter"), defining, amongst other conditions: a) the number of stock which shall be issued or sold upon exercise of the option; b) the Exercise Price under the terms provided in such Plan; c) the following grace periods which the holder shall comply with in order to exercise his/her options: (i) 20% (twenty per cent) of the options to be exercised after the period of 12 (twelve) months after grant; (ii) 30% (thirty per cent) of the options which may be exercised after the period of 24 (twenty four) months after grant; and (iii) 50% (fifty per cent) of the options may be exercised after the period of 36 (thirty six) months as from grant; d) the term of 7 (seven) years, counted as from grant of the option, upon expiry of which the exercise of the option and all rights arising therefrom shall expire; and e) any other terms and conditions which are not inconsistent with the Plan. The shares arising from the exercise of options shall have the rights set forth in the Plan, the relevant Programs and the

Invitation Letter, and the right to receive dividends on stock which are distributed as from its subscription or acquisition is assured.

i) criteria for definition of the acquisition or exercise price:

The price of the shares to be subscribed by Plan's participants, due to exercise of the option shall be (i) BRL 19.00 per share for 2011 Program, to be approved by the Board of Directors in the year 2011; and (ii) for subsequent years, the average price of shares recorded at the 60 (sixty) trading sessions previous to the date of grant of options. Exercise prices shall be paid at sight and shall be annually corrected by the *Índice Nacional de Preços ao Consumidor – INPC*, or upon its extinguishment, another official index which may be similar thereto. The option may only be exercised under the terms of the Plan and each Program, during the term and within the periods fixed therein.

j) criteria for establishment of the exercise term:

The option may only be exercised under the terms of this Plan and each Program, during the term and within the periods fixed therein. In accordance with the Plan, the Beneficiaries shall be subject to the following grace periods: (i) 20% (twenty per cent) of the options may be exercised after the period of 12 (twelve) months as from grant; (ii) 30% (thirty per cent) of the options may be exercised after the period of 24 (twenty four) months as from grant; and (iii) 50% (fifty per cent) of the options may be exercised after the period of 36 (thirty six) months as from grant.

k) payment terms:

Payment at sight, annually corrected by the *Índice Nacional de Preços ao Consumidor – INPC*, or its successor.

l) restrictions to the transfer of shares:

If the beneficiary is willing to, directly or indirectly, dispose of or otherwise transfer the whole or any part of the stock held thereby, provided that such rights are arising from stock under the Plan, the Company shall be entitled to repurchase such shares at market value and shall not be bound to prices and conditions offered by third parties.

m) Criteria and events which, when found, shall cause suspension, amendment or extinguishment of the plan:

The Plan may be extinguished at any time through decision of Company's Board of Directors, and additionally set forth the applicable regulation to omissions.

n) effects of the withdrawal of the manager of issuer's bodies on its rights set forth in the compensation plan based on shares:

Upon withdrawal of the Manager, through its own initiative or company's initiative, including retirement cases, the options the right of exercise of which (i) has not been acquired until such



date, shall be cancelled; and (ii) has been already acquired until such date, may be exercised within 90 (ninety) days, counted as from termination of the relevant employment agreement or term of office, and thereafter, they shall be cancelled. The Board of Directors may, in exceptional cases, determine specific rules authorizing the exercise of options by beneficiaries, the grace period of which for acquisition of the right of exercise of the option has not been complied with.

Upon beneficiary's death or permanent disability, the successors or the Beneficiary him/herself shall be entitled to exercise non-exercised options, even if the right to such exercise has not been acquired yet, immediately and for a term of 12 (twelve) months counted as from such event, and thereafter, they shall be cancelled.

13.5. Inform the quantity of shares or quotas directly or indirectly held, in Brazil or overseas, and other securities convertible into stock or quotas, issued by the issuer, its direct or indirect controllers, controlled companies or companies under common control, members of the board of directors, members of the executive board or the tax council, grouped per body, on the date of expiry of the last financial year.

On the date of termination of the last financial year, the Company did not have a Tax Council in place.

Securities issued by the Company held on 12.31.2010 by:

Members of Company's Board of Directors	Members of Company's Statutory Executive Board
7 common shares	0

Held on 12.31.2010 by:

Securities issued by:	Members of Company's Board of Directors	Members of Company's Statutory Executive Board
Direct and Indirect controllers		
Queiroz Galvão S.A.	377.641.364 common shares	0
Quantum – Fundo de Investimento em Participações	2.217.505 quotas	0
Controlled companies		
Queiroz Galvão Exploração e Produção S.A.	4 common shares	0
Manati S.A.	2 common shares	1 common share
Companies under Common Control		
Queiroz Galvão Desenvolvimento de Negócios S.A.	2 common shares	0
Construtora Queiroz Galvão S.A.	2 common shares	0
Queiroz Galvão Participações – Concessões S.A.	3 common shares	0
Queiroz Galvão Óleo e Gás S.A.	4 common shares	0
Vital Engenharia Ambiental S.A.	3 common shares	0
Queiroz Galvão Desenvolvimento Imobiliário S.A.	1 common share	0
Agropecuária Rio Aratau S.A.	1 common share	0
Queiroz Galvão Energética S.A.	2 common shares	0
Companhia Energética Santa Clara S.A.	1 common share	0
Mucuri Energética S.A.	1 common share	0
EBMA – Empresa Brasileira do Meio Ambiente S.A.	3 common shares	0

13.6. In connection with the compensation based on shares acknowledged in the results of the last 3 financial years and that planned for the current financial year of the board of directors and the statutory executive board:

The Company has been organized on March 9th, 2010, thus there shall only be provided information connected with the financial year ended on December 31st, 2010 and the current financial year.

In the financial year ended on December 31st, 2010, no payment has been made to Management as compensation based on shares.

Company's Stock option Plan is subject to approval in Company's General Meeting to be held on April 29th, 2011. Thus, until the present date, no grant of Company's stock options has been made, to be described in this item.

13.7. In connection with the outstanding options of the board of directors and the statutory executive board upon expiry of the last financial year:

Not-applicable. Since Company's incorporation until expiry of the last financial year no stock options have been granted to Company's managers.

13.8. In connection with the options exercised and stock delivered connected with the compensation based on stock of the board of directors and the statutory executive board, in the last 3 financial years:

Not-applicable. Since Company's incorporation until the expiry of the last financial year no stock options have been granted to Company's managers.

13.9. Summary description of information required for understanding data disclosed in items 13.6 to 13.8, such as explanation of the method of pricing of the shares and options, indicating:

The Company has been organized on March 9th, 2010, thus there shall only be provided information connected with the financial year ended on December, 31st 2010 and the current financial year.

In the financial year ended on December 31st, 2010, no payment has been made to Management as compensation based on shares.

Company's Stock option Plan is subject to approval in Company's General Meeting to be held on April 29th, 2011. Thus, until the present date, no grant of Company's stock options has been made, to be described in this item.

13.10. In connection with social security plans in effect conferred to members of the board of directors and statutory officers:

Free Benefit Generating Plan

	Board of Directors	Executive Board	Total
Number of members under the Plan	0	1	1
Quantity of managers who fulfill the conditions for retirement	0	0	0
Conditions for anticipated retirement	0	Must be least 65 year old and have labor relationship terminated	-
Updated amount of accumulated contributions in the social security plan until expiry of the last financial year, discounting the portion referring to contributions directly made by the managers	0	9.100,00	9.100,00
Total accumulated amount of contributions made during the last financial year, discounting the portion connected with contributions directly made by managers	0	9.100,00	9.100,00
Possibility of anticipated redeem and conditions	0	The participant may, as from the sixtieth day counted as from its registration in PGBL, redeem the whole or any part of the balance of participant's provision. Grantor's portion may be redeemed only upon termination and in accordance with the following conditions: more than 3 up to 5 years: 25%, more than 5 up to 8 years: 50%, more than 8 up to 10 years: 75% and more than 10 years: 100%.	-

13.11. Designate for the last 3 financial years, in connection with the board of directors, the statutory executive board and the tax council:

The Company has been organized on March 9th, 2010, thus there shall only be provided information connected with the financial year ended on December 31st, 2010 and the current financial year. The Company did not have Tax Council in place in the financial year ended on December 31st, 2010.

Annual Amounts

	Statutory Board	Executive	Board of Directors
	12/31/2010		12/31/2010
N. of members	2.6		2.1
Amount of greater compensation (Reais)	1.836,00		12.799,99
Amount of lesser compensation (Reais)	1.836,00		1.326,00
Compensation Average Amount(Reais)	1.836,00		11.350,66

Notes:

Statutory Executive Board

12/31/2010	For the purpose of calculation of the minimal amount, we inform that all members have been in office for at least 12 months, therefore the lesser individual annual compensation amount has been ascertained taking into consideration the compensations effectively acknowledged in the result of the financial year. Additionally, the officers who have been in office until September, 2010, have waived their compensation. Thus, there have been considered only 4 officers who have been in office since October, 2010, for the purpose of calculation of the average amount of Executive Board's compensation.
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Board of Directors

12/31/2010	For the purpose of calculation of the minimal amount, we inform that all members have been in office for at least 12 months, therefore, the amount of the lesser individual annual compensation has been ascertained taking into consideration the compensations effectively acknowledged in the result of the financial year.
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13.12. Describe contractual arrangements, insurance policies or other instruments which structure compensation or indemnification mechanisms for the managers upon termination of office or retirement, indicating the financial consequences for the issuer.

There is not.

13.13. In connection with the last 3 financial years, indicate the percentage of the total compensation of each body acknowledged in the result of the issuer referring to members of the board of directors, the statutory executive board or the tax council who are parties connected with controllers, whether direct or indirect, as defined by accounting rules which address such issue.

The Company has been organized on March, 9th 2010, thus there shall only be provided information connected with the financial year ended on December 31st, 2010 and the current financial year. The Company did not have Tax Council in place in the financial year ended on December 31st, 2010.

	Financial Year ended on 12/31/10
Body	
Board of Directors	31,14%
Statutory Board	0%

13.14. In connection with the last 3 financial years, indicate the amounts acknowledged in the result of the issuer as compensation of members of the board of directors, statutory executive board or the tax council, grouped per body, for any reason other than the position they occupy.

The Company has been organized on March, 9th, 2010, thus there shall only be provided information connected with the financial year ended on December 31st, 2010 and the current financial year. The Company did not have Tax Council in place in the financial year ended on December 31st, 2010.

Company's managers have not received any compensation for another reason other than the position they've been at in the financial year ended on December 31st, 2010.

13.15. In connection with the last 3 financial years, indicate the amounts acknowledged in the result of direct or indirect controllers, companies under common control and issuer's controllers, as compensation of members of the board of directors, the executive board or the tax council, grouped per body, specifying the reason why such sums have been attributed to such individuals.

The Company has been organized on March 9th, 2010, thus there shall only be provided information connected with the financial year ended on December 31st, 2010 and the current financial year. The Company did not have Tax Council in place in the financial year ended on December 31st, 2010.

a) Portions of the compensation suportadas by controlled companies of the issuer, its direct or indirect controllers and companies under common control, which have been attributed to member of the board of directors, the statutory executive board or the tax council by reason of the office in the issuer (the existence of which has been informed in 13.1.f)

There is not.

b) Other compensation received by managers and members of issuer's tax council which has been acknowledged in the result of issuer's controlled companies, issuer's direct or indirect controllers or companies under common control, even if not connected with the office in the issuer.

The amounts informed in the table below have been attributed by reason of compensation for offices in the management of controlled, controllers and companies under common control.

Financial Year ended on 12/31/10

Amounts acknowledged in the result of (in BRL):	Board of Directors	Statutory Executive Board	Total
Controlled	37.185,60	18.516.235,48	18.553.421,08
	Compensation received by the directors by reason of pro-labore.	Compensation received by the statutory executive board by reason of: (i) provision of consultancy services = 3.436.680,49; (ii) pro-labore= 731.138,40; (iii) salary (CLT)= 308.510,29; (iv) profit sharing = 328.038,76; and (v) IPO reward = 13.711.867,54	
Direct or indirect controllers	0,00	0,00	0,00
Companies under common control	4.080.342,97	0,00	4.080.342,97
	Compensation received by directors by reason of: (i) pro-labore= 3.815.853,83; and		

(ii) salary (CLT)=
264.489,14

13.16. Provide other information which the issuer considers relevant.

The numbers of members of each body for the financial year 2010, indicated in Item 13.2 above, shall correspond to the annual average of the number of members of each body monthly ascertained, with 2 decimal places, as detailed below:

Financial year ended on December 31st, 2010		
	Board of Directors	Executive Board
January	-	-
February	-	-
March	0	2
April	0	2
May	0	2
June	0	2
July	0	2
August	0	2
September	4	2
October	5	4
November	5	4
December	7	4
Average	(21/10) 2.1	(26/10) 2.6