

## **QGEP PARTICIPAÇÕES S.A.**

National Legal Entity Registry ID Number: 11.669.021/0001-10

Corporate Registry ID Number: 33.300.292.896

A Publicly Held Company

### **MANAGEMENT PROPOSAL FOR THE EXTRAORDINARY SHAREHOLDERS' MEETING TO BE HELD MAY 10, 2012**

Dear Shareholders,

In accordance with the terms of Instruction 481 ("ICVM 481/09") of the Brazilian Securities and Exchange Commission ("CVM"), of December 17, 2009, the administration of **QGEP Participações S.A.** ("Company") submits this proposal pertaining to the items to be resolved at the Extraordinary Shareholders' Meeting ("ESM") scheduled for May 10, 2012, at 3:00 p.m., at the Company's headquarters, located at Avenida Almirante Barroso, 52, sala 1301, centro, in Rio de Janeiro, Rio de Janeiro State.

This proposal, as well as all pertinent Management documents, as required by applicable legislation, may be viewed at the Company's headquarters, on its Investor Relations website ([www.qgep.com.br/ri](http://www.qgep.com.br/ri)) and on the CVM website ([www.cvm.gov.br](http://www.cvm.gov.br)).

#### **Items to be resolved at the ESM:**

##### **1. The election of a member to the Board of Directors, to replace another member who resigned his seat**

Due to the resignation of Mr. Roberto de Queiroz Galvão of his seat on the Company's Board of Directors, effective June 1, 2012, the Company's Management proposes the election, as his replacement, of Mr. José Augusto Fernandes Filho, the Company's current Chief Executive Officer, who, if elected, would vacate that position and would be replaced as determined by the members of the Board of Directors.

If elected, Mr. José Augusto Fernandes Filho's term will run concurrently with those of the other Board members, beginning June 2012 and ended at the time of the General Shareholders' Meeting held to approve the Company's financial statements for the fiscal year ending December 31, 2013.

The management notes that the information needed to carry out a proper analysis of the proposed election of Mr. José Augusto Fernandes Filho, as stipulated in Article 10 of CVM Instruction 481/09, including an accounting of his professional experience as well as his Non-impediment Declaration, as required by CVM 367, of May 29, 2002, can be found in **Attachments A and B** of this proposal.

## **2. Modification of the global compensation amount for the Company's Management until the 2013 General Shareholders' Meeting.**

As a result of the modification to the composition of the Company's Management implied by the proposal to elect Mr. José Augusto Fernandes Filho to the Board of Directors and to replace him as CEO, if elected, the Management hereby proposes changing the annual global compensation of the Company's Management, until the General Shareholders' Meeting held to approve the Company's financial statements relative to the fiscal year ending December 31, 2012, which had been approved at the Company's ESM on April 16, 2012, of up to R\$2,357.990.00 (two million, three hundred and fifty-seven thousand, nine hundred ninety reais), as resolved at the Board of Directors meeting held April 24, 2012. That amount does not include booked expenses relating to the purchase of stock associated with the Company's Stock Option programs, since such purchases do not represent cash disbursements on the part of the Company.

This amount, which will not necessarily be spent in its entirety, will be distributed by the Board of Directors among the Company's Executive Officers and members of the Board of Directors.

In accordance with Article 12 of CVM Instruction, **Attachment C** presents the information indicated under item 13 of the Reference Form.

**Attachments**

**Attachment A** – Information pertaining to Mr. José Augusto Fernandes Filho, a nominee to fill the vacancy on the Company’s Board of Directors left by Mr. Roberto de Queiroz Galvão (items 12.6 through 12.10 of the Company’s Reference Form)..4

**Attachment B** – Non-impediment Declaration of Mr. José Augusto Fernandes Filho, the nominee to fill the vacancy on the Company’s Board of Directors left by the Mr. Roberto de Queiroz Galvão .....17

**Attachment C** – Information regarding the compensation of the managers (item 13 of the Company’s Reference Form) .....19

**Attachment A**

**Information pertaining to Mr. José Augusto Fernandes Filho, a nominee to fill the vacancy on the Company's Board of Directors left by Mr. Roberto de Queiroz Galvão (items 12.6 through 12.10 of the Company's Reference Form)**

## 12.6 / 8 – Members of the management and fiscal council and professional experience

Name	Age	Administrative body membership	Date of election	Length of term
CPF – National ID number	Profession	Elected position held	Date term began	Elected by controller
Other positions and duties with the issuer				
Danilo Oliveira	60	Executive Board only	01/10/2010	2 years
061.753.845-04	Civil Engineer	19 – Director	01/10/2010	Yes
Does not hold other positions or exercise other duties.				
Lincoln Guardado	64	Executive Board only	01/10/2010	2 years
667.729.158-87	Geologist	10 – Presiding Director	01/10/2010	Yes
Does not hold other positions or exercise other duties.				
Paula Vasconcelos da Costa	35	Executive Board only	26/10/2010	2 years
054.005.287-67	Production Engineer	12 – Investor Relations Officer	26/10/2010	Yes
Does not hold other positions or exercise other duties.				
Antônio Augusto de Queiroz Galvão	58	Board of Directors only	16/04/2012	2 years
173.714.734-34	Civil Engineer	20 – Chairman of the Board of Directors	02/09/2010	Yes
Does not hold other positions or exercise other duties.				
José Luiz Alquéres	68	Board of Directors only	16/04/2012	2 years
027.190.707-00	Civil Engineer	27 – Independent member of the Board of Directors	16/12/2010	Yes
Does not hold other positions or exercise other duties.				
Leduvy de Pina Gouvêa Filho	57	Board of Directors only	16/04/2012	2 years
295.618.500-44	Mining Engineer	22 - Board of Directors	26/10/2010	Yes
Does not hold other positions or exercise other duties.				
Luiz Carlos de Lemos Costamilan	60	Board of Directors only	16/04/2012	2 years
109.128.005-34	Mechanical Engineer	27 - Independent member of the Board of Directors	16/12/2010	Yes
Does not hold other positions or exercise other duties.				
Maurício José de Queiroz Galvão	56	Board of Directors only	16/04/2012	2 years
233.110.534-00	Civil Engineer	22 – Board of Directors	02/09/2010	Yes
Does not hold other positions or exercise other duties.				
Ricardo de Queiroz Galvão	51	Board of Directors only	16/04/2012	2 years
784.917.977-34	Civil Engineer	21 – Vice chairman of the Board of Directors	02/09/2010	Yes
Does not hold other positions or exercise other duties.				
José Augusto Fernandes Filho	73	Board of Directors only	1/06/2012	2 years
002.819.564-72	Geologist	22 – Board of Directors	1/06/2012	Yes
Does not hold other positions or exercise other duties.				

### Professional Experience / Declaration of Convictions

Danilo Oliveira - 061.753.845-04

Mr. Oliveira graduated from Bahia Federal University with a bachelor's degree in civil engineering. He also has a post-graduate specialization in petroleum engineering. He earned an MBA from the Getulio Vargas Foundation. He has been with Queiroz Galvão Group for more than seven years, first as Engineering Manager, and since 2008, as the Production Manager. During his lengthy professional experience, he worked with Petrobras for 29 years, including nine years in offshore well completion in Campos Basin; three years at the Petrobras headquarters in Rio de Janeiro, as a member of the team responsible for the planning and execution of offshore wells in very large fields; 10 years as Subsea Engineering Group Manager, where his activities included the specification, design, construction, and testing of equipment to be used in deepwater and ultra-deepwater fields; three years in the Material Servicing Department, as Manager for development of offshore equipments for ultra-deepwater applications; and four years of experience as E&P Executive Board E&P advisor.

Mr. Oliveira has not been subject to any criminal conviction or to any conviction or sentence relating to CVM administrative proceedings, nor has he been subject to any final judicial or administrative conviction resulting in any suspension or disqualification to the engage in any professional or commercial activities. He is therefore duly qualified to carry out his professional activities.

Lincoln Rumenos Guardado - 667.729.158-87

Mr. Guardado earned a bachelor's in geology from São Paulo University (USP) and has co-authored various internal technical reports for Petrobras and published several articles. He is an active member of AAPG (USA), SBGF (Brazil), and SBG (Brazil). He has more than 36 years of experience in the oil industry, working at onshore and offshore basins. In his extensive professional experience – he has been with Petrobras since 1974 - he has worked in the international area as General Exploration Manager, operating in more than 10 countries, including: the United States (Gulf of Mexico), Nigeria, Angola, Argentina, Turkey, and India, among others. Additionally, he acted as the local General Exploration Manager in Colombia and Libya. In Brazil, between 1995 and 2000, he also served as General Exploration Manager, responsible for annual exploration budgets ranging from U\$500 million to U\$750 million. Petrobras' probable reserves in that period reached 9 to 10 billion boe/day, 80% of which were concentrated in Campos basin, with a production of more than 1.4 million boe/day. In 1986, as interpretations supervisor in Campos basin, Mr. Guardado was a member of the team that discovered giant fields, including Marlim, Albacora Leste, Barracuda, Marlim Sul, and others, and contributed to increases in Petrobras reserves.

Mr. Guardado has not been subject to any criminal conviction or to any conviction or sentence relating to CVM administrative proceedings, nor has he been subject to any final judicial or administrative conviction resulting in any suspension or disqualification to the engage in any professional or commercial activities. He is therefore duly qualified to carry out his professional activities.

Paula Vasconcelos da Costa - 054.005.287-67

Ms. Costa has been with the Queiroz Galvão Group for more than eight years. She graduated from Rio de Janeiro Federal University with a bachelor's degree in production engineering and has an MBA in finances from the Brazilian Capital Markets Institute (IBMEC) and an MBA with a specialization in petroleum from Coppe/UFRJ. She has worked in the financial departments of major oil and drilling services companies, including Petróleo Ipiranga, San Antonio Internacional and Queiroz Galvão Óleo e Gás S.A.

Ms. Costa has not been subject to any criminal conviction or to any conviction or sentence relating to CVM administrative proceedings, nor has she been subject to any final judicial or administrative conviction resulting in any suspension or disqualification to the engage in any professional or commercial activities. She is therefore duly qualified to carry out his professional activities.

Antônio Augusto de Queiroz Galvão - 173.714.734-34

Mr. Galvão earned a bachelor's degree in civil engineering from Pernambuco Federal University. He has also completed a number of professional certification courses, including Petroleum Engineering, from the University of Texas University; Petroleum Well Drilling Technology, from NL Industries; and Drilling Optimization, from the University of Louisiana. Mr. Galvão currently serves as a board member for several Queiroz Galvão Group companies. He served as Director at Queiroz Galvão Óleo e Gás S.A. for more than 24 years.

Mr. Antônio Galvão has not been subject to any criminal conviction or to any conviction or sentence relating to CVM administrative proceedings, nor has he been subject to any final judicial or administrative conviction resulting in any suspension or disqualification to the engage in any professional or commercial activities. He is therefore duly qualified to carry out his professional activities.

José Luiz Alquéres - 027.190.707-00

Mr. Alquéres holds a bachelors degree in civil engineering. He has extensive experience in the electric power industry, having served as President of Alstom do Brasil, Executive Director of Cia. Bozano Simonsen, President of Eletrobrás, Director of BNDESPAR, National Energy Secretary, President of CERJ, and Deputy-Officer, and subsequently President, of Light. Presently, he is President of the Rio de Janeiro Commercial Association (ACRJ). He is a former President of the France-Brazil Chamber of Commerce (CCFB) former Chairman of the Board of Directors of ADRIO, member of COINFRA-FIESP, and vice president of ABDIB. He serves on the strategic councils of several companies, including ALSTOM, ALCOA, and MDU Brasil. He has engaged in and continues to carry out a number of unpaid philanthropic or community activities and has received the following medals: Tiradentes, Pedro Ernesto, and the National Order of Merit of the French Republic.

Mr. Alquéres has not been subject to any criminal conviction or to any conviction or sentence relating to CVM administrative proceedings, nor has he been subject to any final judicial or administrative conviction resulting in any suspension or disqualification to the engage in any professional or commercial activities. He is therefore duly qualified to carry out his professional activities.

Leduvy de Pina Gouvêa Filho - 295.618.500-44

Mr. Leduvy Filho earned a bachelor's degree in mining engineering from Rio Grande do Sul Federal University and a post-graduate degree in Petroleum Engineering from the Petrobras Training Center. He completed the Executive Development Program at Columbia University. Mr. Leduvy has worked in various positions with oil and gas companies such as San Antonio, Petrobras, BG Group Plc, Tesco Corporation, and Schlumberger Serviços de Petróleo Ltda. His extensive experience also includes international experience on projects in Libya, Venezuela, Dubai, France, Bolivia, the U.S., and England. He has worked at Petrobras for 17 years as a drilling and drillship officer, supervisor, and superintendent.

Mr. Gouvêa Filho has not been subject to any criminal conviction or to any conviction or sentence relating to CVM administrative proceedings, nor has he been subject to any final judicial or administrative conviction resulting in any suspension or disqualification to the engage in any professional or commercial activities. He is therefore duly qualified to carry out his professional activities.

Luiz Carlos de Lemos Costamilan - 109.128.005-34

Mr. Costamilan holds a bachelor's degree in mechanical engineering from Rio Grande do Sul Federal University and a master's in petroleum engineering from the Colorado School of Mines, in Golden, CO. Mr. Costamilan is a partner at Energia do Rio S/A, a firm that advises the energy industry (oil and gas), helping companies to develop client strategies and to identify M&A opportunities associated with new investments in Brazil. Costamilan has worked with BG for nine years, serving as president of British Gas - Brazil and Southern Cone. Before joining BG, Costamilan worked at Petrobras for more than 23 years, in various senior positions, including as

General Corporate Manager for New Enterprises, E&P Executive Officer, Executive Vice President of Petrobras Internacional (Braspetro), and General Oil and Gas Production Manager in the states of Espírito Santo, Sergipe and Alagoas. Costamilan has served on the boards of directors of several companies in Brazil and abroad.

Mr. Costamilan has not been subject to any criminal conviction or to any conviction or sentence relating to CVM administrative proceedings, nor has he been subject to any final judicial or administrative conviction resulting in any suspension or disqualification to the engage in any professional or commercial activities. He is therefore duly qualified to carry out his professional activities.

Maurício José de Queiroz Galvão - 233.110.534-00

Mr. Galvão earned a degree in civil engineering from the FESP Polytechnic College in Recife, Pernambuco State. Also, he completed a number certification programs, including programs in soil-cement, from ABCP, and compaction, through Muller. Since 2009, Mr. Galvão has served on the boards of various firms, including Queiroz Galvão Óleo e Gás S.A. and Construtora Queiroz Galvão S.A. He has more than 33 years of professional experience with Construtora Queiroz Galvão S.A., including 13 years as Executive Director (1996-2009), and six years as Deputy Director, responsible for the Projects Directory of the Recife Department, participating in the construction of a new passenger terminal and aircraft yard at the Pinto Martins International Airport in Fortaleza. Even as an engineering intern with Duque de Caxias Refinery, in Rio de Janeiro – UN REDUC, he participated on major projects, providing services in detailed engineering, equipment and material supply, civil construction, electromechanical assembly, instrumentation and automation, conditioning, testing, commissioning, and start-up of the Gasoline Portfolio, and, at METROFOR – (Metro Fortaleza), in civil projects and services, manufacturing, and delivery of rolling stock and fixed systems required for the implementation of the first stage of METROFOR project. As an engineering intern he also participated in the construction of the new passenger terminal, aircraft yard, support buildings and networks and systems at the Pinto Martins International Airport in Fortaleza, including the construction and supply of material and equipment, and at CHESF – 500 KV Transmission Lines.

Mr. Maurício Galvão has not been subject to any criminal conviction or to any conviction or sentence relating to CVM administrative proceedings, nor has he been subject to any final judicial or administrative conviction resulting in any suspension or disqualification to the engage in any professional or commercial activities. He is therefore duly qualified to carry out his professional activities.

José Augusto Fernandes Filho - 002.819.564-72

Mr. José Augusto holds a bachelor's degree from Bahia Federal University and post-graduate degree in geophysics. He served as the Queiroz Galvão Group's E&P Officer from 1996 until his appointment as CEO of QGEP Participações in 2010. With more than 45 years of experience, Mr. José Augusto has worked as geophysicist in different Brazilian basins, occupying significant positions in Brazil and abroad. He was superintendent for the Exploration District of Bahia for almost nine years, revitalizing exploration of the Recôncavo Basin. He also served as Petrobras General Manager in Colombia, handling a variety of E&P scenarios. Mr. Augusto joined Queiroz Galvão Group in 1996, and took part in the Petrobras negotiations leading to the Manati Field discovery. He currently serves on the Company's Board of Directors.

Mr. Fernandes Filho has not been subject to any criminal conviction or to any conviction or sentence relating to CVM administrative proceedings, nor has he been subject to any final judicial or administrative conviction resulting in any suspension or disqualification to the engage in any professional or commercial activities. He is therefore duly qualified to carry out his professional activities.

Ricardo de Queiroz Galvão - 784.917.977-34



Mr. Galvão holds a bachelor's degree in civil engineering from the Engineering College of the Veiga de Almeida Educational Association. He is also a graduate of the Business School of Florida International University and studied management at Broadway and Pfister. Mr. Galvão sits on the boards of several companies, including Manati S.A., since 2005, and Construtora Queiroz Galvão S.A., since 2009. He has worked at Construtora Queiroz Galvão S.A. for more than 27 years, including 11 years as Executive Director, where he was involved in major projects, including west stretch of the Mario Covas Beltway between the Régis Bittencourt Highway and Raimundo Pereira de Magalhães Avenue, and the implementation of secondary treatment units at the Pavuna and Sarapuí sewage treatment plants.

Mr. Ricardo Galvão has not been subject to any criminal conviction or to any conviction or sentence relating to CVM administrative proceedings, nor has he been subject to any final judicial or administrative conviction resulting in any suspension or disqualification to the engage in any professional or commercial activities. He is therefore duly qualified to carry out his professional activities.

**12.7 – Composition of the statutory committees and of the auditing, financial and compensation committees**

**Justification for not filling out the table:**

As of the date of this Reference Form we have not installed committees.

## **12.8 – Information relative to managers and members of the fiscal council**

Information relative to managers is included under item 12.6 above. With regard to the fiscal council, as of the date of this Reference Form, we do not have an installed fiscal council.

**12.9 – Existence of marital relationships, stable unions or kinships relationships (second-degree or closer) between administrators of the issuer, its subsidiaries and parent companies**

Name	CPF – National ID Number	Corporate name of the issuer, subsidiary or parent company	CNPJ – Legal Entity National Registry Number	Type of relationship between administrator of the issuer or subsidiary
<b>Position</b>				
<b><u>Member of the issuer or subsidiary administration</u></b>				
Antônio Augusto de Queiroz Galvão Member of the Board of Directors	173.714.734-34	QGEP Participações S.A.	11.669.021/0001-10	Brother or Sister (first-degree blood relation)
<b><u>Related to</u></b>				
Maurício José de Queiroz Galvão Member of the Board of Directors	233.110.534-00	QGEP Participações S.A.	11.669.021/0001-10	
<b><u>Observation</u></b>				
They are also Members of the Board of Directors and Executive Officers of Queiroz Galvão S.A., our controlling shareholder.				
<b><u>Member of the issuer or subsidiary administration</u></b>				
Antônio Augusto de Queiroz Galvão Member of the Board of Directors	173.714.734-34	QGEP Participações S.A.	11.669.021/0001-10	Brother or Sister (first-degree blood relation)
<b><u>Related to</u></b>				
Roberto de Queiroz Galvão Member of the Board of Directors and Exec. Officer	497.104.944-49	Queiroz Galvão S.A.	02.538.798/0001-55	
<b><u>Observation</u></b>				
Mr. Antonio Augusto Galvão is also a Member of the Board of Directors and an Executive Officer of Queiroz Galvão S.A., our controlling shareholder.				
<b><u>Member of the issuer or subsidiary administration</u></b>				
Antônio Augusto de Queiroz Galvão Member of the Board of Directors	173.714.734-34	QGEP Participações S.A.	11.669.021/0001-10	Brother or Sister (first-degree blood relation)
<b><u>Related to</u></b>				
Fernando de Queiroz Galvão Member of the Board of Directors and Executive Officer	165.109.684-87	Queiroz Galvão S.A.	02.538.798/0001-55	
<b><u>Observation</u></b>				
Mr. Antonio Augusto Galvão is also a Member of the Board of Directors and an Executive Officer of Queiroz Galvão S.A., our controlling shareholder.				
<b><u>Member of the issuer or subsidiary administration</u></b>				
Antônio Augusto de Queiroz Galvão Member of the Board of Directors	173.714.734-34	QGEP Participações S.A.	11.669.021/0001-10	Brother or Sister (first-degree blood relation)
<b><u>Related to</u></b>				
Marcos de Queiroz Galvão Member of the Board of Directors and Executive Officer	475.316.904-97	Queiroz Galvão S.A.	02.538.798/0001-55	
<b><u>Observation</u></b>				
O Sr. Antonio Augusto Galvão is also a Member of the Board of Directors and an Executive Officer of Queiroz Galvão S.A., our controlling shareholder.				
<b><u>Member of the issuer or subsidiary administration</u></b>				
Antônio Augusto de Queiroz Galvão Member of the Board of Directors	173.714.734-34	QGEP Participações S.A.	11.669.021/0001-10	Brother or Sister (first-degree blood relation)
<b><u>Related to</u></b>				

Carlos de Queiroz Galvão 485.512.604-72 Queiroz Galvão S.A. 02.538.798/0001-55

Member of the Board of Directors

**Observation**

Mr. Antonio Augusto Galvão is also a Member of the Board of Directors and an Executive Officer of Queiroz Galvão S.A., our controlling shareholder.

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**Member of the issuer or subsidiary administration**

Maurício José de Queiroz Galvão 233.110.534-00 QGEP Participações S.A. 11.669.021/0001-10 Brother or Sister (first-degree blood relation)

Member of the Board of Directors

**Related to**

Roberto de Queiroz Galvão 497.104.944-49 Queiroz Galvão S.A. 02.538.798/0001-55

Member of the Board of Directors and Executive Officer

**Observation**

Mr. Maurício Galvão is also a Member of the Board of Directors and an Executive Officer of Queiroz Galvão S.A., our controlling shareholder.

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**Member of the issuer or subsidiary administration**

Maurício José de Queiroz Galvão 233.110.534-00 QGEP Participações S.A. 11.669.021/0001-10 Brother or Sister (first-degree blood relation)

Member of the Board of Directors

**Related to**

Fernando de Queiroz Galvão 165.109.684-87 Queiroz Galvão S.A. 02.538.798/0001-55

Member of the Board of Directors and Executive Officer

**Observation**

Mr. Maurício Galvão is also a Member of the Board of Directors and an Executive Officer of Queiroz Galvão S.A., our controlling shareholder.

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**Member of the issuer or subsidiary administration**

Maurício José de Queiroz Galvão 233.110.534-00 QGEP Participações S.A. 11.669.021/0001-10 Brother or Sister (first-degree blood relation)

Member of the Board of Directors

**Related to**

Marcos de Queiroz Galvão 475.316.904-97 Queiroz Galvão S.A. 02.538.798/0001-55

Member of the Board of Directors and Executive Officer

**Observation**

Mr. Maurício Galvão is also a Member of the Board of Directors and an Executive Officer of Queiroz Galvão S.A., our controlling shareholder.

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**Member of the issuer or subsidiary administration**

Maurício José de Queiroz Galvão 233.110.534-00 QGEP Participações S.A. 11.669.021/0001-10 Brother or Sister (first-degree blood relation)

Member of the Board of Directors

**Related to**

Carlos de Queiroz Galvão 485.512.604-72 Queiroz Galvão S.A. 02.538.798/0001-55

Member of the Board of Directors

**Observation**

Mr. Maurício Galvão is also a Member of the Board of Directors and an Executive Officer of Queiroz Galvão S.A., our controlling shareholder.

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**Member of the issuer or subsidiary administration**

Roberto de Queiroz Galvão 497.104.944-49 Queiroz Galvão S.A. 02.538.798/0001-55 Brother or Sister (first-degree blood relation)

Member of the Board of Directors and Executive Officer

**Related to**

Fernando de Queiroz 165.109.684- Queiroz Galvão S.A. 02.538.798/0001-

Galvão 87 55  
Member of the Board of  
Directors and Executive  
Officer  
**Observation**

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**Member of the issuer or subsidiary administration**

Roberto de Queiroz Galvão 497.104.944-49 Queiroz Galvão S.A. 02.538.798/0001-55 Brother or Sister (first-degree blood relation)

Member of the Board of  
Directors and Executive  
Officer

**Related to**

Marcos de Queiroz Galvão 475.316.904-97 Queiroz Galvão S.A. 02.538.798/0001-55

Member of the Board of  
Directors and Executive  
Officer

**Observation**

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**Member of the issuer or subsidiary administration**

Roberto de Queiroz Galvão 497.104.944-49 Queiroz Galvão S.A. 02.538.798/0001-55 Brother or Sister (first-degree blood relation)

Member of the Board of  
Directors and Executive  
Officer

**Related to**

Carlos de Queiroz Galvão 485.512.604-72 Queiroz Galvão S.A. 02.538.798/0001-55

Member of the Board of  
Directors

**Observation**

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**Member of the issuer or subsidiary administration**

Fernando de Queiroz Galvão 165.109.684-87 Queiroz Galvão S.A. 02.538.798/0001-55 Brother or Sister (first-degree blood relation)

Member of the Board of  
Directors and Executive  
Officer

**Related to**

Marcos de Queiroz Galvão 475.316.904-97 Queiroz Galvão S.A. 02.538.798/0001-55

Member of the Board of  
Directors and Executive  
Officer

**Observation**

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**Member of the issuer or subsidiary administration**

Fernando de Queiroz Galvão 165.109.684-87 Queiroz Galvão S.A. 02.538.798/0001-55 Brother or Sister (first-degree blood relation)

Member of the Board of  
Directors and Executive  
Officer

**Related to**

Carlos de Queiroz Galvão 485.512.604-72 Queiroz Galvão S.A. 02.538.798/0001-55

Member of the Board of  
Directors

**Observation**

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**Member of the issuer or subsidiary administration**

Marcos de Queiroz Galvão 475.316.904-97 Queiroz Galvão S.A. 02.538.798/0001-55 Brother or Sister (first-degree blood relation)

Member of the Board of  
Directors and Executive  
Officer

**Related to**

Carlos de Queiroz Galvão 485.512.604-72 Queiroz Galvão S.A. 02.538.798/0001-55

Member of the Board of

Directors  
**Observation**

**12.10- Relationships of subordination, provision of services or control among administrators, subsidiaries, parent companies and other entities**

Identification	CPF/CNPJ	Type of relationship between Administrator and the related person	Related person class
<b>Position/duties</b>			
<b>Fiscal Year 12/31/2011</b>			
<b><u>Issuer Administrator</u></b>			
Antônio Augusto de Queiroz Galvão Chairman of the Board of Directors	173.714.734.34	Control	Direct Controller
<b><u>Relationship</u></b>			
Queiroz Galvão S.A.	02.538.798/0001-55		
<b><u>Observation</u></b>			
<b><u>Issuer Administrator</u></b>			
Ricardo de Queiroz Galvão Vice Chairman of the Board of Directors	784.917.977-34	Control	Direct Controller
<b><u>Relationship</u></b>			
Queiroz Galvão S.A.	02.538.798/0001-55		
<b><u>Observation</u></b>			
<b><u>Issuer Administrator</u></b>			
Maurício José de Queiroz Galvão Member of the Board of Directors	233.110.534-00	Control	Direct Controller
<b><u>Relationship</u></b>			
Queiroz Galvão S.A.	02.538.798/0001-55		
<b><u>Observation</u></b>			
<b><u>Issuer Administrator</u></b>			
Paula Vasconcelos da Costa CFO and Investor Relations Officer	054.005.287-67	Provision of Services	Direct Subsidiary
<b><u>Relationship</u></b>			
Queiroz Galvão Exploração e Produção S.A.	11.253.257/0001-71		
<b><u>Observation</u></b>			
<b><u>Issuer Administrator</u></b>			
Paula Vasconcelos da Costa CFO and Investor Relations Officer	054.005.287-67	Provision of Services	Indirect Subsidiary
<b><u>Relationship</u></b>			
Manati S.A.	07.063.991/0001-09		
<b><u>Observation</u></b>			
<b><u>Issuer Administrator</u></b>			
Lincoln Rumenos Guardado Presiding Director	667.729.158-87	Provision of Services	Indirect Subsidiary
<b><u>Relationship</u></b>			
Manati S.A.	07.063.991/0001-09		



**Observation**

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**Issuer Administrator**

Lincoln Rumenos Guardado 667.729.158-87 Provision of Services Direct Subsidiary

Presiding Director

**Relationship**

Queiroz Galvão Exploração e Produção S.A. 11.253.257/0001-71

**Observation**

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**Issuer Administrator**

Danilo Oliveira 061.753.845-04 Provision of Services Direct Subsidiary

Director

**Relationship**

Queiroz Galvão Exploração e Produção S.A. 11.253.257/0001-71

**Observation**

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**Issuer Administrator**

Danilo Oliveira 061.753.845-04 Provision of Services Indirect Subsidiary

Director

**Relationship**

Manati S.A. 07.063.991/0001-09

**Observation**

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**Attachment B**

**Non-impediment Declaration of Mr. José Augusto Fernandes Filho, the nominee to fill the vacancy on the Company's Board of Directors left by the Mr. Roberto de Queiroz Galvão**

## NON-IMPEDIMENT DECLARATION

Pursuant to Article 2 of CVM Instruction 367 of May 29, 2002, I declare that if elected as a member of the Board of Directors of **QGEP Participações S.A.** ("Company"), I, **José Augusto Fernandes Filho**, geologist, married, holder of RG identity card number 247594 SSP/BA and CPF/MF number 002.819.564-72, will be legally eligible to sign the instrument of investiture specified by applicable legislation and hereby certify that:

(i) I am not prevented by special law, nor have I been subject to bankruptcy or convicted of prevarication, bribery, graft, or embezzlement, against the general economy, public faith or property, or any criminal penalty that prohibits, even temporarily, access to public office, as provided for in Section 1 of Article 147 of Law 6,404 of December 15, 1976, as amended (the "Corporation Law");

(ii) I am under temporary suspension or disqualification imposed by the Brazilian Securities and Exchange Commission, which makes me ineligible for administrative positions at any publicly held company, as set forth in Section 2 of Article 147 of the Corporations Law;

(iii) to the best of my knowledge, I meet the unblemished reputation requirement stipulated in Section 3 of Article 147 of the Corporations Law; and

(iv) I do not hold a position at any corporation which could be considered a competitor to the Company, and I do not have or represent any conflicting interest relative to the Company, as defined in items I and II of Section 3 of Article 147 of the Corporations Law.

Rio de Janeiro, May 10, 2012.

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José Augusto Fernandes Filho

## Attachment C

### Information regarding the compensation of the managers (item 13 of the Company's Reference Form)

#### **13.1. Describe the compensation policy or practices pertaining to the board of directors, the statutory and non-statutory board, the fiscal council, the statutory committees and audit, risk, finance and compensation committees, addressing the following aspects:**

The Company was founded March 9, 2010. The Company does not currently have an installed fiscal council or any other constituted committees. At present, its administration consists exclusively of the Executive Board and Board of Directors.

In 2011, the Company approved its Market Risk Management Policy, which provides for the creation of a work group charged with identifying risks and proposing adequate risk management measures. All of the participants in this work group are employees with the Company and/or its subsidiary Queiroz Galvão Exploração e Produção S.A. ("QGEP"). They do not receive additional compensation for the performance of duties associated with this group since those duties are aligned with the individual responsibilities set forth in their respective contracts with the Company and/or its subsidiaries: QGEP and Manati S.A. ("Manati").

#### **a. objectives of the compensation policy or practices**

Our practices are designed to attract, retain and motivate our employees and to align the interests of managers to our medium- and long-term objectives. The compensation policy of the Company and its subsidiaries includes fixed and variable components (items 13.15 and 13.16), as well as a Stock Option Concession Plan ("Plan"), as described in item 13.4 below.

In 2012, the Company and its subsidiaries began to organize themselves in a more strategic fashion, creating a positions and salaries plan that reflects the Company's profile and needs transparently and competitively in relation to our market peers.

#### **b. breakdown of compensation, indicating:**

- i. A description of the compensation components and the objectives of each*

#### Board of Directors:

Members of our Board of Directors receive a fixed level of compensation; there is no variable component. The fixed compensation paid to our board members by our parent company has symbolic value. The independent members of our Board of Directors receive a fixed compensation amount in recognition of the services they provide to the Company. For more

information regarding compensation paid to board members by other group companies, see item 13.15 of this reference form.

Statutory Board of Executives:

Our executive officers receive fixed and variable compensation (that component is paid via our subsidiary, QGEP, as indicated under items 13.15 and 13.16 below) for the duties they carry out on behalf of the Company and its subsidiaries. Because we are a pure holding company, we handle a large portion of our executive board compensation through our subsidiaries, QGEP and Manati. Our executive officers also receive Plan benefits (see items 13.4 and 13.15).

*ii. Proportion of each component of overall compensation*

	Fiscal year ended December 31, 2011				
	% of the following relative to overall compensation				
	Fixed Compensation	Variable Compensation	Post- employment or Post-term Benefits	Stock-based Compensation	Total
Board of Directors	100%	0%	0%	0%	100%
Statutory Executive Board	100%	0%*	0%	0%**	100%

\*Variable compensation is paid through our subsidiary QGEP, see item 13.15.

\*\*The value of the shares provided as part of our 2011 Stock Option Concession Plan is recognized on the books of our subsidiary QGEP. For more information regarding the proportion of each component in the Company's overall consolidated compensation, see item 13.15.

*iii. Methodology used to figure and to adjust each of the compensation components*

The components of our management compensation were generally established through General Shareholders' Meetings and Board of Directors meetings. We have taken into account compensation rates paid in the oil and gas industry, as determined by annual market research. For information regarding the method used to calculate the compensation components applied in our subsidiaries, see item 13.16.

*iv. Reasons justifying the breakdown of compensation*

Members of our Board of Directors receive a fixed level of compensation; there is no variable component. The fixed compensation paid to our board members by our parent company has symbolic value. The independent members of our Board of Directors receive a fixed compensation amount in recognition of the services they provide to the Company. For more information regarding compensation paid to board members by other group companies, see item 13.15 of this reference form.

Further information with regard to the compensation policy applied at our subsidiaries is provided in item 13.16 of this reference form.

**c. Leading performance indicators taken into account when determining each compensation component**

None. For information regarding the method used to calculate the compensation components applied in our subsidiaries, see item 13.16.

**d. The manner in which compensation is structured to reflect the evolution of performance indicators**

The entirety of the compensation paid to the Board of Directors by the Company is fixed. A portion of the composition paid to the Company's executive officers will consist of stock-based compensation and will therefore be tied to the pricing of the Company's shares on the stock exchange. For more information regarding our Plan, see item 13. See also item 13.16 for information pertaining to compensation paid by our subsidiaries.

**e. The manner in which the compensation policy or practices align with the issuer's short-, medium- and long-term interests**

The fixed compensation paid to our executive officers and to the members of our Board of Directors is aligned with the Company's short-term interest in attracting and retaining qualified professionals. The concession of stock options associated with the compensation policy practiced by our subsidiaries (see item 13.16 for more information) is consistent with the Company's medium- and long-term interest in encouraging its management to successfully conduct its business, stimulating an enterprising culture focused on results.

**f. The existence of compensation supported by subsidiaries or direct or indirect parent controllers**

See items 13.15 and 13.16 for further information.

**g. The existence of any compensation or benefit tied to the occurrence of a particular corporate event, such as the sale of shareholder control of the Company by the issuer**

None.

**13.2. Compensation recognized in the last three corporate fiscal years and anticipated for the current fiscal year for the board of directors, the statutory executive board and the fiscal council:**

Since the Company was founded on March 9, 2010, we are only providing information relative to the fiscal years ending December 31, 2010, and December 31, 2011, in addition to the current fiscal year. The Company has not installed a fiscal council since its inception.

Total compensation anticipated for the current fiscal year, ending 12/31/2012			
- Current figures			
	Board of Directors	Board of Executive Offices	Total
Number of members	7.00	4.00	10.41
Annual fixed compensation			
Salary or honoraria	701,811.00	1,000,467.00	1,702,278.00
Direct and indirect benefits	0.00	0.00	0.00
Participation on committees	0.00	0.00	0.00
Other (Charges)	140,362.20	200,093.40	340,455.60
Variable compensation			
Bonuses	0.00	0.00	0.00
Profit sharing	0.00	0.00	0.00
Participation in meetings	0.00	0.00	0.00
Commissions	0.00	0.00	0.00
Other	0.00	0.00	0.00
Post-employment	0.00	0.00	0.00
Post-term	0.00	0.00	0.00
Stock-based	0.00	0.00	0.00
Observations	The number of members in each group for the 2011 fiscal year was calculated using the average annual number of members of each group as calculated on a monthly basis, to two decimal points.	The number of members in each group for the 2011 fiscal year was calculated using the average annual number of members of each group as calculated on a monthly basis, to two decimal points.	
Total compensation	842,173.20	1,200,560.40	2,042,733.60

Total compensation recognized in the fiscal year ending 12/31/2010 – Annual figures			
	Board of Directors	Board of Executive Offices	Total
Number of members	2.10	2.60	4.70
Annual fixed compensation			
Salary or honoraria	30,530.32	6,120.00	36,650.00



Direct and indirect benefits	0.00	0.00	0.00
Participation on committees	0.00	0.00	0.00
Other (Charges)	6,106.06	1,224.00	7,330.06
Description of other fixed compensation components	The amount in the "Others" line corresponds to the INSS on the honoraria, with a 20% corresponding to the company's part.	The amount in the "Others" line corresponds to the INSS on the honoraria, with a 20% corresponding to the company's part.	
Variable compensation			
Bonuses	0.00	0.00	0.00
Profit sharing	0.00	0.00	0.00
Participation in meetings	0.00	0.00	0.00
Commissions	0.00	0.00	0.00
Other	0.00	0.00	0.00
Description of other variable compensation components			
Post-employment	0.00	0.00	0.00
Post-term	0.00	0.00	0.00
Stock-based	0.00	0.00	0.00
Observation	The number of members in each group for the 2010 fiscal year was calculated using the average annual number of members of each group as calculated on a monthly basis, to two decimal points.	The number of members in each group for the 2010 fiscal year was calculated using the average annual number of members of each group as calculated on a monthly basis, to two decimal points.	
Total compensation	36,636.38	7,344.00	43,980.38

Total compensation recognized in the fiscal year ending 12/31/2011 – Annual figures			
	Board of Directors	Board of Executive Offices	Total
Number of members	7	4	11
Annual fixed compensation			
Salary or honoraria	512,600.00	893,160.00	1,405,760.00
Direct and indirect benefits	0.00	0.00	0.00
Participation on committees	0.00	0.00	0.00
Other (Charges)	102,520.00	178,632.00	281,152.00
Variable compensation			
Bonuses	0.00	0.00	0.00
Profit sharing	0.00	0.00	0.00
Participation in meetings	0.00	0.00	0.00
Commissions	0.00	0.00	0.00
Other	0.00	0.00	0.00
Post-employment	0.00	0.00	0.00
Post-term	0.00	0.00	0.00
Stock-based	0.00	0.00	0.00
Total compensation	615,120.00	1,071,792.00	1,686,912.00

**13.3. Variable compensation of the board of directors, the statutory executive board and the fiscal council in the last three fiscal years and for the current fiscal year:**

Since the Company was founded on March 9, 2010, we are only providing information relative to the fiscal years ending December 31, 2010, and December 31, 2011, in addition to the current fiscal year.

The Company did not pay variable compensation to its Board of Directors or its Executive Board. Variable compensation of the statutory board is effective through one of the Company's subsidiaries, as indicated in 13.15 and 13.16. The Company has not installed a fiscal council since its inception.

**13.4. Describe the stock option component of the compensation plan as it pertains to members of the board of directors and the statutory board in the last fiscal year and as anticipated for the current fiscal year:**

The Company's General Shareholders' Meeting, held April 29, 2011, approved the Plan, with the following characteristics:

**a) general terms and conditions:**

Administration of the Plan:

The Plan shall be administered by the Board of Directors of the Company. On an annual basis, the Board of Directors may create Stock Options Concessions Programs ("Programs"), which define the benefits, the subscription or acquisition prices, the grace period for exercising the option, the maximum term for exercising the option, rules for transferring options and any other restrictions on shares received through the exercise of the option. The Board of Directors may extend (but not advance) the final period for the exercise of option of the Programs in effect. The Board of Directors may also, at any time, terminate the Plan and establish regulations applicable to the cases not included, without prejudicing to the Stock options already granted. The Board of Directors may not change the provisions established in the Plan and no resolution of the Plan may, without the consent of the holder, alter or impair rights or obligations of any previously granted stock option.

The Program approved in the meeting of the Board of Directors held April 11, 2011 ("2011 Program") granted the Directors 653,182 common shares, corresponding to

0.24% of the Company's capital stock. The Program approved at the meeting of the Board of Directors held March 23, 2012 ("2012 Program") granted the Directors 951,161 common shares, representing 0.35% of the Company's capital stock.

Beneficiaries:

As determined by the Board of Directors, the Executives (whether employees or not) and certain employees of the Company and its subsidiaries (corporations controlled, directly or indirectly, by the Company) may be eligible to participate in the Plan ("Beneficiaries").

Shares included in the Plan:

Once the option has been exercised by the Beneficiaries, the corresponding shares shall be issued by means of a capital increase by the Company. Stock options on shares held in treasury may also be offered with prior approval from the Brazilian Securities and Exchange Commission (CVM). As stipulated in Article 171, Section 3, of Law No. 6,404/76, the shareholders shall not enjoy preference rights regarding the institution of the Plan or the exercise of the option to purchase shares associated with the Plan, respecting the authorized capital limit approved by the General Shareholders' Meeting, pursuant to the terms of Article 168, Section 3, of Law 6,404/76.

Exercise of the option:

The option may be partially or fully exercised during the term and in the periods specified in the Plan participation invitation ("Invitation Letter") pertaining to the Plan and to the respective Program. In the case of partial exercise, Beneficiaries may exercise the remainder of the option within the terms and under the conditions stipulated by the Plan, the respective Program and Invitation Letter, with the exception of special conditions defined by the Plan. The Beneficiaries shall be subject to rules restricting the use of privileged information as they apply to publicly held companies in general, as well as to those established by the Company.

Right to Employment:

The Plan or option granted by the Plan shall in no case confer to any Beneficiary the right to remain employed at the Company and shall not interfere with the right of the Company to terminate its relationship with the Beneficiary at any time.

Limitations on the Rights of Option Holders:

Beneficiaries of options granted under the Plan may not sell them to third parties or encumber them, directly or indirectly, nor enter into any agreement to do so. They also will not enjoy and rights or obligations held by the Company's shareholders. Shares will not be granted to Beneficiaries as a result of the stock option exercise until all legal and contractual requirements have been fully met.

Adjustments:

If the number of the Company's shares is increased or reduced, or if its shares are substituted or exchanged for other types or classes, as a result of stock bonuses, groupings or splits, the appropriate adjustments to the number of shares relative to which options have been granted but not yet exercised will be adjusted. Adjustments to options shall not affect the purchase value of the total applicable to the unexercised portion, with the adjustment corresponding to the exercise price relating to each share or to any stock unit covered by the option. Rules for cases involving the dissolution, transformation, incorporation, merger, split-off or restructuring of the Company will be determined by the Board of Directors.

Effective Date:

The Plan went into effect on the date of its approval by the General Shareholders' Meeting held April 29, 2011, and may be discontinued at any time by decision of the Company's Board of Directors without preclusion of the restrictions on the tradability of the shares and without compromising the rights of Beneficiaries with regard to previously granted options.

Assignment:

The rights and obligations associated with the Plan, its Programs and Invitation letters may not be granted or transferred, in part or in whole, by any of its parties, nor given as guarantee of obligations, without the previous written consent from the other party.

**b) main objectives of the plan:**

The objective of the Plan is to encourage the expansion, success and attainment of the corporate goals of the Company (and those of its subsidiaries), as well as the interests of its shareholders, by granting certain executives (whether employees or not) and certain employees the option of acquiring or subscribing Company shares.

**c) manner in which the plan contributes to those objectives:**

The Plan helps to maintain alignment of the interests of executives (whether employees or not) and certain employees of the Company and of its subsidiaries (directly or indirectly controlled companies), whose benefits are tied to the performance of the Company's stock, with the interests of investors, who benefit from the results attained.

**d) manner in which the Plan relates to the issuer's compensation policy:**

The plan relates to the Company's policy by aiding in the recruitment and retention of qualified professionals since it seeks to adequately compensate them for their skills and responsibilities at levels consistent with market standards.

**e) manner in which the plan aligns with the issuer's short-, medium- and long-term interests:**

The Plans objectives are to: (i) encourage improvements in management and the long-term growth of the Company by aligning the interest of its Beneficiaries with those of the Company and its shareholders; and (ii) attract, motivate and retain with the Company and its subsidiaries highly qualified employees, incentivizing them to reach our goals and to develop a long-term commitment to the Company's performance.

**f) maximum number of shares included:**

The shares covered by the Plan shall be equal to a maximum of 5% (five percent) of all of the Company's shares.

**g) maximum number of shares to be granted:**

The shares covered by the Plan shall be equal to a maximum of 5% (five percent) of all of the Company's shares.

**h) conditions for the acquisition of shares:**

Each year, the Board of Directors will set the terms of each Program in accordance with the provisions of the Plan. Those terms will be communicated in the respective Invitation Letters.

The terms and conditions for each for each option granted under the Plan will be specified in the annual Programs and in the respective Invitation Letters, which will define, among other conditions: a) the number of shares to be issued or sold through the exercise of the option; b) the price of the exercise under the terms established in the aforementioned Plan; c) the following grace periods option holders will have in which to exercise their options: (i) 20% (twenty percent) of the shares may be exercised 12 (twelve) months after the option is granted; (ii) 30% (thirty percent) of the shares may be exercised 24 (twenty-four) months after the option is granted; and (iii) 50% (fifty percent) of the shares may be exercised 36 (thirty-six months) after the granting; and d) the seven-year term, beginning when the option is granted, after which all rights associated with the option expire. The shares associated with the exercise of options will carry all rights established in the Plan and in the respective Programs and Invitation Letters, with the right to receive dividends distributed on those shares after their respective subscription or acquisition always maintained.

**i) criteria for setting the acquisition or exercise price:**

The exercise price for acquiring shares will be (i) R\$ 19.00 per share for the 2011 Program; and (ii) the average price of the shares over the 60 (sixty) trading sessions prior to the date of the granting of options for subsequent years. The exercise price shall be paid in cash and adjusted annually by the Broad Consumer Price Index (INPC) or, if this index were to be discontinued, by another official indicator having similar characteristics. Options may only be exercised in accordance with the terms of the Plan and those of each Program and during the period and terms therein set forth.

**j) criteria for setting the term of the exercise:**

Options may only be exercised in accordance with the terms of the Plan and those of each Program and during the period and terms therein set forth. As stipulated by the Plan, Beneficiaries are subject to the following grace periods: (i) 20% (twenty percent) of the shares may be exercised 12 (twelve) months after the option is granted; (ii) 30% (thirty percent) of the shares may be exercised 24 (twenty-four) months after the option is granted.

**k) method of liquidation:**

Cash payment.

**l) restrictions on transferring shares:**

If Beneficiaries wish to directly or indirectly dispose or, in any other way, transfer any or all of the shares they have obtained through the Plan, the Company shall have the right to buy back those shares at market value without being subject to prices or conditions offered by third parties.

**m) criteria and events which, if verified, will lead to the suspension, alteration or discontinuation of the plan:**

The Plan may be discontinued at any time by determination of the Company's Board of Directors, which may also establish rules applicable to any specific cases not mentioned therein.

**n) effects of departures of managers from the issuer's bodies on the rights granted to them through the stock-based compensation plan:**

In the case of manager departures, whether by their own initiative or that of Company, including retirement, stock options whose right of exercise has not been acquired by the departure date will be canceled, while those acquired prior to the departure date may be exercised within a period of 90 (ninety) days from the date of the end of the respective

contract or term, after which time they will be cancelled. The Board of Directors may, in certain exceptional cases, set specific rules authorizing Beneficiaries to exercise options whose option exercise right grace period has not been met.

If Beneficiaries die or become permanently disabled, their successors or they themselves, if applicable, shall have the right to exercise any unexercised options, even if they have not yet acquired the exercise right, immediately and for the 12-month period following the event, after which the option rights will be cancelled.

**13.5. Report the number of shares or quota shares held directly or indirectly, in Brazil or abroad, as well as other convertible securities, issued by the issuer, its direct or indirect controllers, subsidiaries or jointly controlled companies, by members of the Board of Directors, the statutory executive board or fiscal council, grouped by body, as of the date of the end of the last fiscal year.**

At the close of the last fiscal year, the Company did not have an installed fiscal council.

**As of 12/31/2011, the following securities issued by the Company were held by:**

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

As of 12/31/2011, securities held by:

Securities Issuers:	Members of the Company's Board of Directors	Members of Company's Statutory Executive Board
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**Direct and Indirect Controllers**

Queiroz Galvão S.A.	377,641,364 common shares	0
Quantum – Fundo de Investimento em Participações	22,245,5371 quota shares	0

**Jointly Controlled Companies**

Queiroz Galvão Desenvolvimento de Negócios S.A.	2 common shares	0
Queiroz Galvão Participações – Concessões S.A.	3 common shares	0
Vital Engenharia Ambiental S.A.	3 common shares	0
Queiroz Galvão Desenvolvimento Imobiliário S.A.	1 common share	0
Queiroz Galvão Energética S.A.	2 common shares	0
Companhia Energética Santa Clara S.A.	2 common shares	0



Mucuri Energética S.A.	2 common shares	0
EBMA – Empresa Brasileira do Meio Ambiente S.A.	3 common shares	0

**13.6. Stock-based compensation of members of the Board of Directors and statutory board recognized in the results of the past three fiscal years and as projected for the current fiscal year:**

Since the Company was founded on March 9, 2010, we are only providing information relative to the fiscal years ending December 31, 2010, and December 31, 2011, in addition to the current fiscal year.

[The Company's Stock Option Concession Plan \("Plan"\) was approved by the General Shareholders' Meeting held April 29, 2011. Therefore, no compensation recognized in the Company's results in the fiscal year ended December 31, 2010, did not include a stock-based component.](#)

The value of the options granted in conjunction with the 2011 Stock Option Concession Program ("2011 Program") is recognized on the books of our subsidiary Queiroz Galvão Exploração e Produção S.A. ("QGEP") (see item 13.15 for further information regarding compensation paid by our subsidiaries).

**Stock-based compensation, projection for the current fiscal year (2012) – Statutory Board**

<b><u>Number of members:</u></b>	<b><u>4</u></b>
<b><u>Stock option purchase concession</u></b>	<b><u>26/03/2012</u></b>
<u>Concession date:</u>	<b><u>951,161</u></b>
<u>Number of options granted to executive officers:</u>	<b><u>20% after 12 months from concession, 30% after 24 from concession and 50% after 36 months from concession</u></b>
<u>Term for options to become exercisable:</u>	<b><u>7 years after concession</u></b>
<u>Maximum term for exercise of options:</u>	<b><u>The Company shall have the right to buy back such shares at market value with no regard for prices or conditions offered by any third parties.</u></b>
<u>Term for restriction on stock transfers:</u>	
<u>Average weighted price of the exercise:</u>	
(a) <u>of options available at the beginning of the fiscal year:</u>	<b><u>R\$14.17</u></b>
(b) <u>of options lost during the fiscal year:</u>	<b><u>n/a</u></b>
(c) <u>of options exercised during the fiscal year:</u>	<b><u>n/a</u></b>
(d) <u>of options expiring during the fiscal year:</u>	<b><u>n/a</u></b>
<u>Fair value of options on concession date</u>	<b><u>R\$5.31</u></b>
<u>Potential dilution in case that all options are exercised:</u>	<b><u>0.35%</u></b>

[The following chart summarized the stock-based compensation implemented by the Company during the fiscal year ended December 31, 2011:](#)

**Stock-based compensation, projection for the current fiscal year (2012) – Statutory Board**

<b><u>Number of members:</u></b>	<b><u>4</u></b>
<b><u>Stock option purchase concession</u></b>	
<u>Concession date:</u>	<b><u>5/02/2011</u></b>
<u>Number of options granted to executive officers:</u>	<b><u>653,182</u></b>
<u>Term for options to become exercisable:</u>	<b><u>20% after 12 months from concession, 30% after 24 from</u></b>

Maximum term for exercise of options:  
Term for restriction on stock transfers:

**concession and 50% after 36 months from concession**  
**7 years after concession**  
**The Company shall have the right to buy back such shares at market value with no regard for prices or conditions offered by any third parties.**

Average weighted price of the exercise:  
(a) of options available at the beginning of the fiscal year:  
(b) of options lost during the fiscal year:  
(c) of options exercised during the fiscal year:  
(d) of options expiring during the fiscal year:  
Fair value of options on concession date  
Potential dilution in case that all options are exercised:

**R\$ 19.00**  
**n/a**  
**n/a**  
**n/a**  
**R\$ 9.87**  
**0.24%**

### **13.7. Options available to members of the Board of Directors and the statutory executive board at the close of the last fiscal year:**

The concession of stock options in May of 2011 under the 2011 Stock Option Concession Program ("2011 Program") to the Company's executive officers has an option exercise grace period of 12 months.

The value of the options granted in conjunction with the 2011 Stock Option Concession Program ("2011 Program") is recognized on the books of our subsidiary Queiroz Galvão Exploração e Produção S.A. ("QGEP").

#### **Options available at the close of the fiscal year ended 12/31/2011 – Statutory Board**

**Number of members:**  
**Options which are still not exercisable**

**4**

Number:  
Date when options become exercisable:  
Maximum term for exercise of options:  
Term for restriction on stock transfers:

**653,182**  
**5/01/2012**  
**7 years after concession**  
**The Company shall have the right to buy back such shares at market value with no regard for prices or conditions offered by any third parties.**

Average weighted price of the exercise:

#### **Exercisable Options**

Number:  
Maximum term for exercise of options:  
Term for restriction on stock transfers:  
Average weighted price of the exercise:  
Fair value of options on final day of fiscal year:  
Fair value of all of the options on final day of fiscal year:

**zero**  
**n/a**  
**n/a**  
**n/a**  
**n/a**  
**n/a**

### **13.8. Options exercised and shares granted relative to stock-based compensation of the Board of Directors and statutory executive board in the last three fiscal years:**

The Company was founded on March, 9, 2010, and its Stock Option Concession Plan (“Plan”) [was approved by the General Shareholders’ meeting held April 29, 2011. During the fiscal years ended December 31, 2010 and 2011, no stock options were exercised and no stocks were](#) granted relative to stock-based compensation of the Board of Directors and statutory executive board.

**13.9. Summary of information necessary for the understanding of data disclosed in items 13.6 and 13.8, such as explanation of the method used to price the stocks and options:**

Since the Company was founded on March 9, 2010, we are only providing information relative to items 13.8 and 13.8 for the fiscal years ending December 31, 2010, and December 31, 2011, in addition to the current fiscal year.

The Company was founded on March, 9, 2010, and its Stock Option Concession Plan (“Plan”) [was approved by the General Shareholders’ meeting held April 29, 2011.](#)

The Board of Directors, exercising functions specified in the Plan, approved the concession of preferred stock to the Company’s directors. Under the 2011 Stock Option Concession Program (“2011 Program”), exercisability of the options is as follows: 20% in the first year, an additional 30% in the second year, and the remaining 50% in the third year. According to the Plan, options may be exercised up to seven years after the date of concession. The concession of shares associated with the 2012 Stock Option Concession Program (“2012 Program”) took place on March 26, 2012.

The fair value of the stock options granted under the 2011 Program was estimated at R\$9.87 on the date they were granted. The fair value of the options was estimated based on the binomial pricing model. The assumptions used in the calculations are summarized in the following table:

	<b>Stock option concession plans</b>
	<b>2011</b>
Date of concession	5/02/2011
Total shares granted	<b><a href="#">653.182</a></b>
Exercise option price	R\$19.00

Fair value of the option on the date of concession	R\$9.87
Estimated volatility of the share price	59.24%
Expected dividend	2.35%
Risk-free return rate	6.36%
Option term (in years)	7

**13.10. Retirement plans in effect provided for members of the Board of Directors and statutory officers:**

We do not provide a retirement plan for members of our Board of Directors or Executive Board. See item 13.16 for more information regarding the retirement plan used by our subsidiaries.

**13.11. Indicate, for the last 3 fiscal years, relative to the Board of Directors, the statutory executive board and the fiscal council:**

Since the Company was founded on March 9, 2010, we are only providing information relative to the fiscal years ending December 31, 2010, and December 31, 2011, in addition to the current fiscal year. The Company has not installed a fiscal council since its inception.

**Annual figures**

	<b>Statutory Board</b>	<b>Board of Directors</b>
	<b>12/31/2010</b>	<b>12/31/2010</b>
<b>Number of members</b>	2.60	2.10
<b>Highest compensation amount (Reais)</b>	1,836.00	12,799.99
<b>Lowest compensation amount (Reais)</b>	1,836.00	1,326.00
<b>Average compensation amount (Reais)</b>	1,836.00	11,350.66
	<b>Statutory Board</b>	<b>Statutory Board</b>
	<b>12/31/2011</b>	<b>12/31/2011</b>
<b>Number of members</b>	4	7

<b>Highest compensation amount (Reais)</b>	1,048,320.00	288,000.00
<b>Lowest compensation amount (Reais)</b>	7,82.00	7,824.00
<b>Average compensation amount (Reais)</b>	267,948.00	87,874.29

**Observations:**

<b>Board of Directors and Executive Board</b>	
<b>12/31/2010</b>	For the purpose of determining the lowest amount, we report that all members hold terms of at least 12 months; therefore, the annual lowest individual compensation amount was calculated by taking into account compensation amounts effectively recognized in the results for the fiscal year.
<b>Executive Board</b>	
<b>12/31/2011</b>	The value of the stock granted under the 2011 Stock Option Concession Program is recognized on the books of our subsidiary QGEP (see item 13.15 for further information regarding compensation paid by our subsidiaries).

**13.12. Describe contractual arrangements, insurance policies or other instruments that structure compensation or indemnification mechanism benefitting managers who vacate their positions or retire, indicating the financial consequences for the issuer.**

None exist.

**13.13. Indicate, for the last 3 fiscal years, the percentage of total compensation of each body recognized in the issuer's results for members of the Board of Directors, of the statutory executive board or fiscal council considered, directly or indirectly, parties related to the controllers, under the accounting rules that pertain to this matter.**

Since the Company was founded on March 9, 2010, we are only providing information relative to the fiscal years ending December 31, 2010, and December 31, 2011, in addition to the current fiscal year. The Company has not installed a fiscal council since its inception.

**Fiscal year ended 12/31/10**

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**Body**

Board of Directors	26.50%
Statutory Board	0%

**Fiscal year ended 12/31/11**

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**Body**

Board of Directors	5.09%
Statutory Board	0%

**13.14. Indicate, for the last 3 fiscal years, amounts recognized in the issuer's results paid to members of the Board of Directors, of the statutory executive board or fiscal council, by body, for any reason other than their duly respective roles.**

Since the Company was founded on March 9, 2010, we are only providing information relative to the fiscal years ending December 31, 2010, and December 31, 2011, in addition to the current fiscal year. The Company has not installed a fiscal council since its inception.

The Company's managers did not receive any compensation for reasons unrelated to the roles they occupied in the fiscal years ended December 31, 2010 and 2011.

**13.15. Indicate, for the last 3 fiscal years, amounts recognized, directly or indirectly, in the controllers' results, as compensation paid to members of the issuer's Board of Directors, the statutory executive board or fiscal council, by body, specifying the grounds for which those amounts were attributed to the individuals.**

Since the Company was founded on March 9, 2010, we are only providing information relative to the fiscal years ending December 31, 2010, and December 31, 2011, in addition to the current fiscal year. The Company has not installed a fiscal council since its inception.

**a) Compensation components supported by the issuer's subsidiaries, its direct and indirect controllers and jointly held companies and attributed to members of its Board of Directors, statutory executive board and fiscal council by virtue of their roles with the issuer (which were reported under item 13.1.f)**

Our directors are also directors at our subsidiaries Queiroz Galvão Exploração e Produção S.A. ("QGE") and Manati S.A. ("Manati"). Since the Company is a pure holding company, most of the compensation paid to its directors is concentrated in our QGE and Manati subsidiaries. The following tables summarize compensation payments made by our subsidiaries to the Company's managers.

Amounts recognized in the 2010 results, in R\$	Board of Directors	Statutory Board	Total
Subsidiaries	R\$ 37,185.60	R\$ 2,500,796.40	R\$ 2,537,982.00
Direct or indirect controllers			
Jointly held companies			

Amounts recognized in the 2011 results, in R\$	Board of Directors	Statutory Board	Total
Subsidiaries	R\$ 14,739.20	R\$ 19,586,535.65	R\$ 19,601,274.85
Direct or indirect controllers			
Jointly held companies			

\*Including the amount paid to the Company's directors in 2011 as a bonus associated with the successful IPO, which concluded on March 9, 2011.

\*\*The value of the stock granted under the 2011 Stock Option Concession Program ("2011 Program") is recognized on the books of our subsidiary QGE at R\$2,220,601.08. See table below for the share of each compensation component in overall compensation.

The following table shows the share of each compensation component in the Company's overall consolidated compensation.

Fiscal year ended December 31, 2011

% relative to overall compensation of amounts paid out as

	Fixed compensation	Variable compensation	Post-employment or post-term benefits	Stock-based compensation	Total
Board of Directors	100.0%	0%	0%	0%	100%
Statutory Board	20.7%	68.5%*	0%	10.8%	100%

\* Including the amount paid to the Company's directors in 2011 as a bonus associated with the successful IPO, which concluded on March 9, 2011.



**b) Other compensation received by the issuer’s managers and fiscal council members that was not recognized in the results of the issuer, its direct or indirect controllers or jointly held companies, including compensation unrelated to the exercise of the individual’s role with the issuer.**

The amounts reported on the table below were paid as compensation for positions occupied in the administration of the subsidiaries, controllers and jointly held companies.

Amounts recognized in the 2010 results, in R\$	Board of Directors	Statutory Board	Total
Subsidiaries			
Direct or indirect controllers			
Jointly held companies	R\$ 6,404,892.61	R\$ 33,062.40	R\$ 6,437,955.01

Amounts recognized in the 2011 results, in R\$	Board of Directors	Statutory Board	Total
Subsidiaries			
Direct or indirect controllers	R\$ 3,174,438.41		R\$ 3,174,438.41
Jointly held companies	R\$ 3,453,431.67		R\$ 3,453,431.67

**13.16. Other information considered relevant by the issuer.**

The compensation paid by our subsidiary Queiroz Galvão Exploração e Produção S.A. (“QGE”) to our managers (who are also managers at QGE and Manati S.A.) consists of fixed and variable components. The fixed component is consistent with parameters adopted throughout the oil industry, specifically in the exploration and production segments. Regarding variable compensation, in 2011 our QGE subsidiary paid the directors of the Company a bonus associated with the Company’s successful IPO, concluded on March 9, 2011. See item 13.15 for information pertaining to compensation received by the Company’s directors at our subsidiaries in the last three fiscal years. In 2012, QGE expects to adopt, as a form of variable compensation, a system of awarding managers for their contributions to the Company’s performance and financial and operating results by means of a profit-sharing plan which is being implemented and negotiated in consultation with the appropriate union.

In conjunction with Bradesco Vida e Previdência S.A. our subsidiary QGE maintains a supplemental retirement – collective plan contract that benefits our executive board. Our plan is a Free Benefit Generator Plan that allows employees to contribute between 1% and 12% of their fixed compensation, which is matched by the Company, up to a maximum of 6.5% in the case of directors. Withdrawal of the amounts will be taxed at the source depending on the regime option chosen. In the case of discontinuation, withdrawal may be effected in accordance with the following table:

Contribution to Plan	% of FBGP's Balance
Up to 3 years	0%
Between 3 and 5 years	25%
Between 5 and 8 years	50%
Between 8 and 10 years	75%
More than 10 years	100%