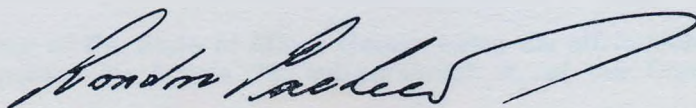


Statute
of
Fundação
João Pinheiro



Fundação João Pinheiro participates in the acceleration process for the industrial development of the State of Minas Gerais, regarding the management area as well as in economic, social and technological research field.

A handwritten signature in dark ink, appearing to read "Rondon Pacheco", with a long, sweeping horizontal stroke extending to the right.

MINAS GERAIS STATE GOVERNMENT.

**STATUTE
OF
FUNDAÇÃO JOÃO PINHEIRO**

Fundação João Pinheiro is a legal non-profit Entity. It was formed by BDMG, CEMIG, Caixa Econômica Estadual, CASEMG and the State of Minas Gerais, as provided by the public document recorded in the notes of the 1st Office Registry, Book 296, page 1, in the City of Belo Horizonte, as stated by the provisions of law number 5,399 of December 12, 1969 which was modified by articles 24 and 35 pertaining to Law number 5,792 of October 8, 1971 and the provisions of Law number 5,861 of December 27, 1971.

Fundação João Pinheiro has the following permanent objectives:

- I. to render services to the public and private sectors regarding the transference, adjustment, improvement, creation or application of techniques in general, especially where economics, management, and the social and basic technology are concerned;
- II. to support the agencies and the entities which operate in the field of the activities indicated in the previous subparagraph;
- III. to contract service or technical staff;
- IV. to promote the improvement of professionals in the various techniques which may become object of Fundação João Pinheiro's activities;
- V. to cooperate with similar institutions;
- VI. to perform other activities that are assigned to Fundação João Pinheiro by its Board of Trustees.

Fundação João Pinheiro is ruled by the following Statute, which was approved by its Institutor, the State of Minas Gerais, through the Decree number 14,376 of March 13, 1972 being the Statute registered in the Cartório de Registro Civil das Pessoas Jurídicas in the County of Belo Horizonte, Minas Gerais State, Brazil, in the number of order 19,768, Book A-17, on page 286, on March 29, 1972.

DECREE NUMBER 14,376, OF MARCH 13, 1972

Approves the Statute of Fundação João Pinheiro and revokes the laws related to the Entity.

The Governor of the State of Minas Gerais, using the attributions conferred to his person by Article 76, subparagraph X, of the State

Constitution, and according to Article 1 of Law number 5,399 of December 12, 1969, as provided by Article 25 of Law number 5,792 of October 8, 1971 and article 35 of the same law and the provisions of Law number 5,861 of December 27, 1971, decrees:

Article 1. The Statute of Fundação João Pinheiro is approved and attached to the present Decree of which it is integrated part.

Article 2. The Decree shall be into force on the date of its publication, being revoked the laws which opose to it, especially Decree number 12,581 of April 13, 1970; Decree number 13,455 of March 3, 1971; Decree number 13,493 of March 10, 1971; Decree number 13,502 of March 11, 1971 and Decree number 13,503 of March 11, 1971.

Palácio da Liberdade, in the City of Belo Horizonte,
on March 13, 1972.

RONDON PACHECO
ABÍLIO MACHADO FILHO
PAULO JOSÉ DE LIMA VIEIRA
FERNANDO ANTÔNIO ROQUETTE REIS
ALYSSON PAULINELLI

**STATUTE OF FUNDAÇÃO JOÃO PINHEIRO. AS TO WHAT REFERS
DECREE NUMBER 14,376 OF MARCH 13, 1972**

Article 1. Fundação João Pinheiro, formed as stated by the provisions of the State Law number 5,399 of December 12, 1969 which was modified by Law number 5,792 of October 8, 1971 and by Law number 5,861 of December 27, 1971, shall be ruled by the present Statute and by the applicable legislation.

Single Paragraph — In the text of this Statute, the abbreviature FJP and the expression Fundação shall have the equivalent meaning for the denomination of the Entity.

CHAPTER I

Of the Denomination, Legal Regulations, Head Office and Duration

Article 2. Fundação João Pinheiro is a legal non-profit Entity having its jurisdiction in the Capital of the State of Minas Gerais, on João Pinheiro avenue at number 146 where its Head Office is located.

Article 3. FJP shall have financial and managerial autonomy as referred to in the provisions of Law and of this Statute, being exempt of State taxes and enjoying the benefits and the legal privileges which are conferred to the public utility entities.

Article 4. The duration time of FJP is indetermined.

CHAPTER II

Of the Objectives and Operations

Article 5. FJP has the following permanent objectives:

- I. to render services to the public and private sectors regarding the transference, adjustment, improvement, creation, or application of techniques in general, especially where economics, management and the social and basic technology are concerned;
- II. to support the agencies and the entities which operate in the field of the activities indicated in the previous sub-paragraph;
- III. to contract service or technical staff;
- IV. to promote the improvement of professionals in the various techniques which may become object of FJP activities;
- V. to cooperate with similar institutions;
- VI. to perform other activities that are assigned to FJP by its Board of Trustees.

Paragraph 1. Fundação João Pinheiro activities shall aim mainly at the development of the State and at the objectives of the Conselho Estadual de Desenvolvimento, having priority the works of the interest of the latter.

Paragraph 2. Fundação can operate with the private sector in what concerns the objectives of Fundação.

Paragraph 3. Fundação will render services on a contractual basis.

Article 6. Being an Institution of cooperation with the State Public Power, it is conferred to FJP and to the institutions supported or maintained by Fundação priority for specific service rendering to agencies or entities which belong to the Public Administration.

Article 7. To achieve its permanent objectives, FJP shall be able to:

- I. create, maintain or participate in institutions which are oriented towards the accomplishment of the permanent objectives indicated in the sub-paragraphs of Article 5;
- II. stimulate, support, sign agreements and join, by any means, agencies or entities which have objectives similar to FJP's.

CHAPTER III

Of the Capital, its Constitution and Use

Article 8. FJP original capital is constituted of equipment and fixtures and real state which were donated to Fundação free of charges as provided by the public document recorded in the notes of the 1st Office Registry on page 1, Book 296, in the City of Belo Horizonte.

Article 9. Besides the resources derived from FJP capital, the following items also constitute revenues of Fundação or of the institutions maintained by Fundação:

- I. budgetary endowments;
- II. aids and subsidies granted by private and public agencies and entities which may be national or multinational;
- III. donations and legacy;
- IV. loans;
- V. resources provided by fiscal incentives according to the provisions of the specific legislation;
- VI. income resulting from servicing and other gains.

Article 10. The assets, rights and incomes of FJP shall only be used to maintain and develop its objectives being permitted, as stated in the legal provisions, and in the by-law provisions concerning the formation of Fundação and the donations that may be made to Fundação, the following:

- I. their leasing;
- II. their onerous contract or onerous alienation and investments for obtaining other incomes;
- III. their donation for constituting capital and for maintaining other institutions formed or supported by Fundação.

Single Paragraph. The alienation or the onerousness of the State of Minas Gerais assets, as provided in article 3, sub-paragraph III, Law number 5,399 of December 12, 1969, can only occur after having the legislative authorization.

Article 11. In case of extinction of Fundação João Pinheiro, the real state donated to FJP by the State of Minas Gerais will return to the State of Minas Gerais and the other assets will have the destination stated in the public document of institution of Fundação or in the previous donation document or in case of missing these documents, these assets will return to the dominion of the State of Minas Gerais.

CHAPTER IV

Of the Constitutional Structure

SECTION I

Of the Deliberation and Management Offices

Article 12. FJP offices are:

- I. The Board of Trustees;
- II. The Presidency.

SECTION II

Of the Board of Trustees

Article 13. The Board of Trustees is the office for financial capital and accounting control of FJP.

Article 14. The Board of Trustees is constituted of twelve effective members and twelve alternates. These members shall hold their offices without receiving any remuneration.

Paragraph 1. The native members of the Board of Trustees are: The State Secretary for Planning and General Coordination, who will be the Chairman of the Board, the State Secretaries of the Government, the Secretary of Treasury, and the Secretary of Agriculture, the Industry, Commerce and Tourism Superintendent, The President of Banco de Desenvolvimento de Minas Gerais and the President of Centrais Elétricas de Minas Gerais. These members shall nominate their respective alternates.

Paragraph 2. The other members of the Board of Trustees and their respective alternates will be selected among citizens who enjoy a recognized experience in relation to the objectives of Fundação, being observed the following:

I. their mandate will last for three years, being impeded a new mandate in the subsequent year;

II. before the end of their mandate, the members of the Board of Trustees shall nominate, by the majority vote, their substitutes and respective alternates;

III. The Counselors mentioned in this paragraph and their respective alternates will be nominated by the Governor of the State of Minas Gerais.

Article 15. The entrance into office of the members of the Board of Trustees, as stated in paragraph 2 of the previous article, will take place before the Chairman of the Board of Trustees as provided in the property book.

Article 16. The Board of Trustees shall:

I. define the Entity general policy as well as its activity areas;

II. approve and submit to the Governor of the State for review, conciliation or consolidation, the general working plans and programs of the Entity;

III. approve and submit to the Governor of the State for homologation:

a) the annual budget needed per programs;

b) the internal regulations of the Entity;

c) the plans of offices and salaries and the personnel admission criteria.

IV. elaborate the internal regulations for the Entity operations, ascribing the President of Fundação the means for operating within his competence;

V. discuss and approve the budget for the subsequent year according to the working plans and programs and within fifteen days after the budget has been submitted by the President of FJP;

VI. discuss and approve the changes proposed by the President of FJP within fifteen days;

VII. deliberate on the annual submittance of accounts by the President of FJP up to thirty days after the accounts have been submitted by the President;

VIII. propose to the Governor of the State any changes in this Statute;

IX. contract, if needed, physical or legal person of known competence to assist the Board of Trustees in the performance of its controlling activities;

X. inform the Governor of the State against any irregularity that is proven in the operations of Fundação and indicate the necessary corrective measures;

XI. submit to the Governor of the State the threefold list referred to in article 23, paragraph 1;

XII. propose to the Governor of the State the exoneration of the President of Fundação.

Article 17. The Board of Trustees' meetings shall be held in the Head Office of FJP when the absolute majority of its members is present, and the subjects discussed in the assembly which have the majority of the votes of the present members will be considered approved.

Paragraph 1. The alternates will also be called for the Board of Trustees' meetings and they will be entitled to vote, if the respective member is not present or if he leaves before the end of the session.

Paragraph 2. The President of FJP shall participate in the meetings but he shall not be entitled to vote.

Article 18. The Board of Trustees' sessions shall be secretaried by an individual designated by the Chairman of the Board and in case this individual is an employee of Fundação, the President of FJP shall be consulted.

Article 19. There shall be a record written down for each session of the Board of Trustees.

Article 20. The Board of Trustees shall have a regular meeting at least once in three months and may meet extraordinarily to discuss subjects which have been called either by the Chairman of the Board, or by one third of the members of the Board or by the President of FJP.

Single paragraph — The decisions made in the sessions shall be considered a Resolution.

Article 21. Among the attributions of the Chairman of the Board of Trustees are included:

- I. to call and preside the sessions;
- II. to represent the Board of Trustees in the acts of its competence;
- III. to decide upon the matter in question, "ad referendum" of

the Board of Trustees.

Single paragraph — The Chairman shall be replaced, when impeded to perform his functions, by the eldest member of the Board of Trustees as provided in article 14, paragraph 1.

Article 22. The unjustified absence of the Counselor, as referred to in article 14, paragraph 2, from three consecutive sessions or of six interposed sessions, in the period of twelve consecutive months, shall automatically mean the loss of the condition of member of the Board of Trustees and also mean the effectiveness of his respective alternate.

SECTION III

Of the Presidency

Article 23. Fundação João Pinheiro shall have a President as its executive.

Paragraph 1. The President will be nominated by the Governor of the State among individuals having university courses related to the main activities of Fundação João Pinheiro and whose names are in the threefold list organized by the Board of Trustees.

Paragraph 2. The President will be exonerated by the Governor of the State if proposed by the Board of Trustees.

Paragraph 3. In case the President's office is vacant, the Governor of the State will nominate an individual who can fulfill the requirements stated in paragraph 1 of this article to hold the President's office temporarily until the investing in office of the nominated individual as provided in this same paragraph.

Paragraph 4. The holding of the President's office will be free of remuneration.

Article 24. The President of FJP shall:

I. represent Fundação actively or passively in court and outside;

II. manage and direct Fundação observing the Board of Trustees' deliberations and performing the necessary activities for the supervision of services and management of the capital.

III. elaborate and submit to the Board of Trustees:

a) yearly until November 15, the general working plans and programs for the next year which must be elaborated according to the directions of the Conselho Estadual de Desenvolvimento, and the budgetary proposal for the subsequent year;

b) annually until February 28, the submittance of accounts of the previous year supported by the general balance sheets and a detailed report;

c) monthly, the interim balance sheets and summarized information on the activities of Fundação;

d) in the course of the year, the proposal for budgetary changes, duly proven, and if needed, supported by the respective changes in the working plan;

e) the proposal for changes in the Statute, stating the reasons for each change;

f) other subjects which depend on the Board of Trustees' deliberation;

IV. comply the Board of Trustees' requests for information;

V. represent the Board of Trustees in the subjects that are of FJP interest;

VI. hire, promote, transfer, remove, praise, punish and dismiss FJP's employees, give them vacations and leave of absence and perform other acts concerning the management of the personnel;

VII. comply the requests for information of the State Secretary for Planning and for General Coordination;

VIII. request direct or indirect State servants to be at the disposal of Fundação.

IX. decide on urgent matters "ad referendum" of the Board of Trustees.

CHAPTER V

Of the Financial Regulations and its Control

Article 25. The financial year will be the same as the civil year.

Article 26. FJP's budget will be sole, annual and will include all the incomes and expenditures in form of budget per programs and will comprise:

I. the estimate for revenues, specified by sources;

II. the analytical specification of the expenditures, so that the expenditures can be allocated for each department, sub-department, project or working program.

Single paragraph. For the elaboration and execution of the budget of Fundação, the general regulations of financial law shall be observed.

Article 27. The annual submittance of accounts of Fundação, among other items will comprise:

I. capital balance sheets emphasizing analytically the assets and liabilities;

II. economic balance sheets;

III. financial balance sheets;

IV. comparative table of the projected and incurred expenditures;

V. detailed report written by the President of FJP including and specifying the operations of the year.

Article 28. If the Board of Trustees does not express any opinions about the budget proposals, concerning the budgetary changes and about the submittance of accounts within the established period of time, as stated in sub-paragraphs V, VI and VII of article 16, the budget proposals and the submittance of accounts shall be considered implicitly approved for all purposes.

Article 29. In case of investment programs whose accomplishment extends for over one financial year, the necessary funds to meet the expenditures needs for the accomplishment of these programs in the subsequent years shall be obligatorily granted in accordance with the respective schedule.

Article 30. FJP shall have its own and internal control system including the control of the regularity of the use of funds by the stimulated, supported and maintained institutions in order to point out the results of each project or program and to orient their management providing, on the other hand, conditions for an efficient external control.

Article 31. FJP financial contributions of any kind and for any purpose, as well as the resources granted in advance to the maintained institutions, depend upon the previous presentation of well defined projects which shall be elaborated according to the criteria established by the Board of Trustees in order to prevent the commitment of human resources and materials in isolated undertakings which are not included in the global planning of Fundação.

CHAPTER VI

Of the Personnel

Article 32. The rights and obligations of FJP's personnel shall be ruled by the labor legislation, and the disciplinal regulations of the Entity for remuneration and work will be applied to the public servant at the disposal of Fundação.

CHAPTER VII

Temporary, General and Final Provisions

Article 33. Will be declared benefactors of Fundação the physical or legal persons whose donations or subsidies are considered significant by the Board of Trustees.

Article 34. Besides the internal control provided in this Statute, Fundação shall annually submit accounts to the Court of Audit of the State of Minas Gerais.

1972

