

COMPANHIA DE SANEAMENTO BASICO DO ESTADO DE SAO PAULO-SABESP

Form 6-K

June 03, 2016

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**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, DC 20549**

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**FORM 6-K**

**REPORT OF FOREIGN ISSUER**  
**PURSUANT TO RULE 13a-16 OR 15d-16 OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**

**For May 17, 2016**  
**(Commission File No. 1-31317)**

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**Companhia de Saneamento Básico do Estado de São Paulo - SABESP**  
*(Exact name of registrant as specified in its charter)*

**Basic Sanitation Company of the State of Sao Paulo - SABESP**  
*(Translation of Registrant's name into English)*

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**Rua Costa Carvalho, 300**  
**São Paulo, S.P., 05429-900**  
**Federative Republic of Brazil**  
*(Address of Registrant's principal executive offices)*

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Indicate by check mark whether the registrant files or will file  
annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K  
in paper as permitted by Regulation S-T Rule 101(b)(1) .

Indicate by check mark if the registrant is submitting the Form 6-K  
in paper as permitted by Regulation S-T Rule 101(b)(7) .

Indicate by check mark whether the registrant by furnishing the  
information contained in this Form is also thereby furnishing the  
information to the Commission pursuant to Rule 12g3-2(b) under  
the Securities Exchange Act of 1934.

Yes  No

If "Yes" is marked, indicated below the file number assigned to the  
registrant in connection with Rule 12g3-2(b):

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**COMPANHIA DE SANEAMENTO BÁSICO DO ESTADO DE SÃO PAULO – SABESP**

PUBLICLY-HELD COMPANY

**CORPORATE TAXPAYER’S ID (CNPJ):  
43.776.517/0001-80**

**STATE REGISTRY NUMBER (NIRE):  
35.3000.1683 -1**

**MINUTES OF THE ANNUAL AND EXTRAORDINARY SHAREHOLDERS’ MEETING**

**HELD ON APRIL 29, 2016**

**DATE, TIME AND VENUE:** On April 29, 2016, at 11 a.m., at the headquarters of Companhia de Saneamento Básico do Estado de São Paulo ("Company"), at Rua Costa Carvalho, nº 300, Pinheiros, in the City of São Paulo, State of Sao Paulo, CEP 05429-000.

**CALL NOTICE:** The Call Notice was published in the "Official Gazette of the State of São Paulo", on: (i) March 30, 2016, (ii) March 31, 2016, and (iii) April 1, 2016, on pages 454, 366 and 94, respectively, and in the newspaper "Valor Econômico", (i) March 30, 2016, (ii) March 31, 2016, and (iii) April 1, 2016, on pages B3, A10 and C5, respectively.

**ATTENDANCE:** Shareholders representing 79.45% (seventy-nine point forty-five per cent) of the voting and total capital stock of the Company, as per the records and signatures in the Shareholders’ Attendance Book.

Also attended the meeting: Mr. Jerônimo Antunes, independent Board Member and Coordinator of the Audit Committee, Mr. Roberto Torres, representing the independent auditors Deloitte Touche Tohmatsu, Mr. José Alexandre Pereira de Araújo, member of Sabesp's Fiscal Council, Mr. Rui de Britto Álvares Affonso, Chief Financial Officer and Investor Relations Officer, Mr. Marcelo Miyagui, Head of Accounting, Mr. Mário Azevedo de Arruda Sampaio, Head of Capital Markets and Investor Relations, Mrs. Angela Beatriz Airoidi, Manager of Investor Relations, Mrs. Priscila Costa da Silva and Mr. John Emerson da Silva, Management Analysts of Investor Relations, Mrs. Beatriz Helena de Almeida, Mrs. Silva Lorenzi and Mrs. Ieda Nigro Nunes Chereim, lawyers of the Legal Department.

**PRESIDING BOARD:** Chairman: Jerônimo Antunes. Secretary: Marialve de S. Martins.

**PUBLICATION:** Management's Report and Financial Statements, together with the Fiscal Council's legal opinion, the Independent Auditors' Report and the Summary Version of the Annual Report of the Audit Committee for the fiscal year ended on December 31, 2015,

published in the Official Gazette of the State of São Paulo , Corporate Section 2, pages 02-42, in the edition of March 29, 2016, and in the newspaper Valor Econômico, São Paulo Regional Section, pages E3-E24, in the edition of March 29, 2016. The above documents were also made available to the shareholders at the Company's registered office and at the *websites* of the Company, of CVM and of BM&FBOVESPA, together with the management's proposal and other relevant documents, as applicable by law.

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**AGENDA: ANNUAL SHAREHOLDERS' MEETING:**

**I.** Take the management accounts, examine, discuss and vote on the Company's Financial Statements for the fiscal year ended on December 31, 2015, as follows: Balance Sheet and the related Income Statement, the Comprehensive Income Statement, the Changes in Owner's Equity, Cash Flow, in Added Value and in Explanatory Notes, together with the Independent Auditors' Report, the Fiscal Council's Legal Opinion and the Audit Committee's Summary Annual Report.

**II.** Resolve on the allocation of the net income of the 2015 year.

Annual Profit	R\$	536,279,394.86
(-) Legal reserve – 5%	R\$	26,813,969.74
(-) Minimum Mandatory Dividends	R\$	127,366,356.27
(-) Additional Dividends Proposed	R\$	22,527,358.00
Accumulated Profits	R\$	359,571,710.85

**III.** Establish the number of members to compose the Board of Directors.

**IV.** Elect the members of the Board of Directors with term of office until the 2018 Annual Shareholders' Meeting and appoint the Chairman of the Board of Directors.

**V.** Elect the members of the Fiscal Council with term of office until the 2017 Annual Shareholders' Meeting. **VI.** Establish the overall compensation for the member of the Board of Directors and the members of the Fiscal Council for the 2016 fiscal year.

**EXTRAORDINARY SHAREHOLDERS' MEETING:**

**I.** Rectify the overall compensation for the members of the Board of Directors and of the Fiscal Council for the 2015 financial year, which had been approved at the Extraordinary Shareholders' Meeting of the Company, held on July 21, 2015.

**II.** Proposal to amend the Company's Bylaws to include three new articles: Article 51, paragraphs: first and second; Article 52, paragraphs: first and second, and Article 53, as follows:

**ARTICLE 51** - Is prohibited the election, to the statutory bodies of the company, of people who fall into the causes of ineligibility established in federal law.

**First paragraph** - The prohibition present in this article's "caput" extends to admissions for positions in commission and to designations for positions of trust.

**Second Paragraph** - The company will comply with the Article 111-A of the Constitution of the State of São Paulo and the rules laid down in the State Decree No. 57970 from April 12, 2012 and No. 58076 from May 25, 2012, as well as any changes that may be edited.

**Article 52** - The investiture of the members of the statutory bodies and the admission of employees by the company are restricted to the presentation of a statement of the goods and values which make up its private equity.

**First paragraph** - The declaration referred to by the "caput" of this Article shall be updated annually, as well as during the public officer's termination.

**Second paragraph** - The company will comply with the rules laid down in Article 13 of Federal Law No. 8,429, from June 2, 1992, and the State Decree No. 41,865, from June 16, 1997, as well as any changes that may be edited.

**ARTICLE 53** – The Company will comply with the provisions of the Binding Precedent No. 13 and of the State Decree No. 54,376, from May 26, 2009, as well as any changes that may be edited.

**CLARIFICATIONS:** The matters on the agenda were examined by the State Capital Defense Council Board - CODEC (Conselho de Defesa dos Capitais do Estado), pursuant to the Legal Opinion No. 051/2016 of April 28, 2016, whose voting instructions were presented by the representative of the shareholder Department of Finance.

## **ANNUAL SHAREHOLDERS' MEETING**

**RESOLUTIONS:** Submitted to discussion and then to voting, the attending shareholders resolved on the following:

**I.** To approve, by majority of votes, with 475,697,169 votes cast in favor; 536,073 votes cast against it; and 11,769,436 abstentions, the Management accounts and the Company's Financial Statements for the fiscal year ended on December 31, 2015, as follows: Balance Sheet and the related Income Statement, the Comprehensive Result, the Changes in Owner's Equity, in Cash Flow, in Added Value and in Explanatory Notes, together with the Independent Auditors' Report, the Fiscal Council's Legal Opinion and the Audit Committee's Summary Annual Report.

**II.** To approve, by majority of votes, with 479,564,101 votes cast in favor; 77,347 votes cast against it; and 8,361,230 abstentions, the allocation of the net income of the 2015 fiscal year, amounting to five hundred thirty-six million, two hundred seventy-nine thousand, three hundred ninety-four reais and eighty-six cents (R\$536,279,394.86), as follows:

(a) Allocation of 5% of the net income in the amount of R\$26,813,969.74, to the Legal Reserve;

(b) Ratification of the declaration of interest on own capital approved by the Board of Directors' Meeting held on March 24, 2016, totaling one hundred forty-nine million, eight hundred ninety-three thousand, seven hundred and fourteen reais and twenty-seven cents (R\$149,893,714.27), being the amount of R\$127,366,356.27, corresponding to 25% of the adjusted net income, computed as Mandatory Minimum Dividends and the amount of R\$22,527,358.00 computed as Additional Dividends;

(c) Allocation of the outstanding balance in the amount of R\$359,571,710.85, to the Investment Reserve, as provided for in Article 28, Paragraph 4 of the Company's Bylaws.

The interest on own capital indicated in item (b) above will be paid on June 28, 2016 to those who were holders of the Company's shares on the base date of April 5, 2016.

**III.** Considering that the presiding board received a request of minority shareholders for the election of one (1) member of the Board of Directors in a separate vote, as provided for in Article 239 of Federal Law 6404/76 ( "Brazilian Corporations Law"), to approve, by majority of votes, with 479,168,224 votes cast in favor; 193,409 votes cast against it; and 8,641,045 abstaining votes, setting the composition of the Board of Directors within six (6) members, being five (5) members elected in majoritarian election and one (1) member elected separately by minority shareholders.

**IV.** To elect the following members of the Board of Directors to fulfill a term of office until the 2018 Annual Shareholders' Meeting and to appoint the Chairman of the Board of Directors:

a) Was elected, in a majoritarian election, the coalition consisting of the following candidates, which received 452,737,204 votes cast in favor; 27,053,885 votes cast it; and 7,840,796 abstaining votes,

Mr. **BENEDITO PINTO FERREIRA BRAGA JUNIOR**, Brazilian citizen, married, civil engineer, Identity Card (RG) No. 3.415.725-6 SSP/SP and Individual Taxpayer's ID (CPF) No. 550.602.698-68, domiciled at Bela Cintra nº 847, 14º andar, Cerqueira Cesar, São Paulo/SP, designated as **Chairman of the Board of Directors**, pursuant to the second paragraph of Article 8 of the Company's Bylaws;

Mr. **JERSON KELMAN**, Brazilian citizen, married, civil engineer, Identity Card (RG) No. 59.995.351-2 SSP/SP and Individual Taxpayer's ID (CPF) No. 155.082.937-87, domiciled at Rua Costa Carvalho nº 300, Pinheiros, São Paulo/SP under the first paragraph of Article 8 of the Company's Bylaws;



Mr. **FRANCISCO VIDAL LUNA**, Brazilian citizen, married, economist, Identity Card (RG) No. 3.500.003-x SSP/SP and Individual Taxpayer's ID (CPF) No. 031.950.828-53, domiciled at Rua dos Pinheiros nº 870, 20º andar, Pinheiros, São Paulo/SP;

Mr. **JERÔNIMO ANTUNES**, Brazilian citizen, married, accountant and business administrator, Identity Card (RG) No. 7.988.834-3 and Individual Taxpayer's ID (CPF) No.901.269.398-53, domiciled at Rua Diogo de Faria nº 775, Vila Clementino, São Paulo/SP;

Mr. **REINALDO GUERREIRO**, Brazilian citizen, married, accountant, Identity Card (RG) No. 6.156.523-4 SSP/SP and Individual Taxpayer's ID (CPF) No. 503.946.658-72, domiciled at Avenida Prof. Luciano Gualberto nº 908, Cidade Universitária, São Paulo/SP; and

b) Elected in a separate vote, as provided for in Article 239 and Article 141, Paragraph 4, both of the Brazilian Corporations Law, with 7,664,092 votes cast in favor, Mr. **LUÍS EDUARDO ALVES DE ASSIS**, Brazilian citizen, separated, economist, Identity Card (RG) No. 5.906.923 and Individual Taxpayer's ID (CPF) No. 033.426.558-44, domiciled at Avenida Santo Amaro nº 48, 6º andar, Itaim Bibi, São Paulo/SP.

The board members shall perform their duties in accordance with the Company's Bylaws, with an unified term of office until the 2018 Annual Shareholders' Meeting, subject to the provisions of the *head* of Article 140 of the Brazilian Corporations Law, and their compensation will be determined in accordance with the guidelines of the State Capital Defense Council - CODEC, pursuant to CODEC's Legal Opinion No. 001/2007, conditioning the receipt of the compensation to the compliance with CODEC's Legal Opinion No 116/2004, and also entitled to a "*pro rata temporis*" bonus mentioned on CODEC's Legal Opinion No. 057/2003 and Article 4 of CODEC's Resolution 01/91. Furthermore, the members of the Board of Director may be entitled to an eventual premium, pursuant to CODEC's Legal Opinion 150/2005. The investiture in the position as members of the Board of Directors shall comply with the requirements and procedures in the Bylaws, in the Brazilian Corporations Law and in other statutory requirements, including the submission of the Statement of Assets, which must comply with the applicable state regulation, and the signing of the Instrument of Investiture, drawn up in proper book, the Clearance Certificate and the Statement of Consent provided for in the New Market Listing Rules of São Paulo's Stock Exchange. And, in accordance with item 4.3, Section IV of the Listing Rules of Novo Mercado of BM&FBOVESPA, it is clarified that Mr. Francisco Vidal Luna, Mr. Jerônimo Antunes, Mr. Reinaldo Guerreiro and Mr. Luís Eduardo Alves de Assis are considered independent board members.



V. To elect the following sitting and alternate members of the Fiscal Council to fulfill a term of office until the 2017 Annual Shareholders' Meeting:

a) Was elected, in a majoritarian election, the coalition consisting of the following candidates, which received 459,230,515 votes cast in favor; 19,056,641 votes cast it; and 9,344,729 abstaining votes,

**Sitting Members:** Mr. **HUMBERTO MACEDO PUCCINELLI**, Brazilian citizen, divorced, economist, Identity Card (RG) No. 9.211.361-8 SSP/SP, Individual Taxpayer's ID (CPF) No. 022.759.188-76, domiciled at Av. Rangel Pestana, 300, 6º andar, Centro, São Paulo/SP; Mr. **JOALDIR REYNALDO MACHADO**, Brazilian citizen, married, economist, Identity Card (RG) No. 4.116.666-8 SSP/SP, Individual Taxpayer's ID (CPF) No. 430.403.148-15, domiciled at Rua Bela Cintra, 847, 14º andar, Cerqueira Cesar, São Paulo/SP; Mr. **JOSÉ ALEXANDRE PEREIRA DE ARAÚJO**, Brazilian citizen, married, business administrator, Identity Card (RG) No. 21.586.420-7 SSP/SP and Individual Taxpayer's ID (CPF) No. 102.435.868-25, domiciled at Av. Morumbi, 4500, 1º andar, Morumbi, São Paulo/SP; Mr. **RUI BRASIL ASSIS**, Brazilian citizen, married, civil engineer, Identity Card (RG) No. 6.355.316-8 SSP/SP, Individual Taxpayer's ID (CPF) No. 923.245.258-87, domiciled at Rua Bela Cintra, 847, 1º andar, Cerqueira Cesar, São Paulo/SP; and

**Alternate Members**, respectively, Mr. **TOMÁS BRUGINSKI DE PAULA**, Brazilian citizen, single, economist, Identity Card (RG) No. 1.554.630-1 SSP/PR, Individual Taxpayer's ID (CPF) No. 092.553.068-98, domiciled at Av. Rangel Pestana, 300, 5º andar, Centro, São Paulo/SP; Mr. **JOSÉ RUBENS GOZZO PEREIRA**, Brazilian citizen, married, economist, Identity Card (RG) No. 4.610.935-3 SSP/SP, Individual Taxpayer's ID (CPF) No. 309.106.178-72, domiciled at Av. Rangel Pestana, 300, Centro, São Paulo/SP; Mr. **ENIO MARRANO LOPES**, Brazilian citizen, married, business administrator, Identity Card (RG) No. 8.385.865-9 SSP/SP, Individual Taxpayer's ID (CPF) No. 021.526.678-16, domiciled at Alameda Santos, 1165, 9º andar, Cerqueira Cesar, São Paulo/SP; Mrs. **SANDRA MARIA GIANNELLA**, Brazilian citizen, married, economist and business administrator, Identity Card (RG) No. 8.539.613-8 SSP/SP, Individual Taxpayer's ID (CPF) No. 901.639.078-20, domiciled at Rua Bela Cintra, 847, Cerqueira Cesar, São Paulo/SP; e

b) Were elected in a separate vote, as provided for in Article 240 of the Brazilian Corporations Law, with 2,036,564 votes cast in favor, Mr. **MASSAO FABIO OYA**, Brazilian citizen, married, accountant, Identity Card (RG) No. 34.872.970-4 SSP/SP and Individual Taxpayer's ID (CPF) No. 297.396.878-06, domiciled at Rua Particular s/nº, Condomínio Chácara Bela Vista, Vila Machado, Mairiporã/S, as a sitting member, and Mrs. **MARIA ELVIRA LOPES GIMENEZ**, Brazilian citizen, divorced, economist, Identity Card (RG) No. 19.114.234-7 SSP/SP and Individual Taxpayer's ID (CPF) No. 136.012.018-10, domiciled at Particular s/nº, Condomínio Chácara Bela Vista, Vila Machado, Mairiporã/SP, as his alternate member.



The Members of the Fiscal Council elected will fulfill a term of office until the 2017 Annual Shareholders' Meeting and, if the sitting member is not able to attend a meeting, the respective alternate member must be convened to attend the meeting. The members of the Fiscal Council will receive a monthly compensation corresponding to 20% (twenty percent) of the monthly compensation of the member of the Company's Board of Directors, conditioning the receipt of the compensation to their attendance in at least one meeting per month. The investiture in the position as members of the Fiscal Council shall comply with the requirements and procedures in the Bylaws, in the Brazilian Corporations Law and in other statutory requirements, including the submission of the Statement of Assets, which must comply with the applicable state regulation, and the signing of the Instrument of Investiture, drawn up in proper book, the Clearance Certificate and the Statement of Consent provided for in the New Market Listing Rules of São Paulo's Stock Exchange.

**VI.** To approve, by majority of votes, with 459,324,139 votes cast in favor; 21,117,969 votes cast against it; and 7,557,555 abstaining votes, the annual compensation for the members of the Board of Directors and of the Fiscal Council for the 2016 financial year, set in the maximum amount of five million, two thousand, two hundred and six reais and two centavos (R\$5,002,206.02) comprising the corresponding individual fixed monthly compensation in the amount of twenty thousand five hundred and ninety reais (R\$20,590.00) for the Directors; the amount of six thousand one hundred and seventy-seven reais (R\$6,177.00) for the members of the Board of Directors, the amount of R\$10,086.49 for the members of the Audit Committee and four thousand one hundred and eighteen reais (R\$4,118.00) for the members of the Fiscal Council, and other benefits, in addition to the corresponding charges, pursuant to CODEC's guidelines in force and considering the current composition of the statutory bodies.

### **EXTRAORDINARY SHAREHOLDERS' MEETING:**

**RESOLUTIONS:** Submitted to discussion and then to voting, the attending shareholders resolved on the following:

**I.** To approve, by majority of votes, with 507,945,323 votes cast in favor; 996,146 votes cast against it; and 16,192,665 abstaining votes, the rectification of the overall compensation for the members of the Board of Directors and of the Fiscal Council for the 2015 financial year, which had been approved at the Extraordinary Shareholders' Meeting of the Company, held on July 21, 2015, totaling four million, five hundred thirty-six thousand, thirty-four reais and eighty-nine cents (R\$4,536,034.89), and with the rectified value of that overall compensation for the 2015 fiscal year totaling four million, five hundred ninety-eight thousand, seven hundred and sixteen reais and eighty six cents (R\$4,598,716.86), representing a difference of

R\$62,681.97 in the compensation amount previously approved, due to the change in the compensation of the Directors-Employees, as they received an increase based on the percentage of the 8.29% collective bargaining, while the estimate which used to establish the overall amount was of 6.65% .

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II. To approve, by majority of votes, with 514,937,860 votes cast in favor; 1,051,708 votes cast against it; and 9,144,566 abstaining votes, to amend the Company's Bylaws, to include Article 51, first and second paragraphs; Article 52, first and second paragraphs, and Article 53, therefore **the Consolidated Bylaws** will read as follows:

## CHAPTER I

### NAME, TERM, HEADQUARTERS, JURISDICTION AND PURPOSE

**ARTICLE 1** - The joint stock company called Companhia de Saneamento Básico do Estado de São Paulo – SABESP is an integral part of the indirect management of the State of São Paulo, being ruled by these Bylaws, by Federal Law 6,404/76 and other applicable legal provisions.

**Paragraph 1** -With the company's listing on the *Novo Mercado* special segment of BM&FBOVESPA S.A. – Securities, Commodities and Futures Exchange (“BM&FBOVESPA”), the company, its shareholders, managers and members of the Fiscal Council are subject to the provisions of the *Novo Mercado* Listing Rules of BM&FBOVESPA (“*Novo Mercado* Rules”).

**Paragraph 2** – The provisions of the *Novo Mercado* Listing Rules shall prevail over bylaws provisions, in case of any damage to the recipients' rights in the public tender offers provided for herein.

**Paragraph 3** - The Company shall exist for an indefinite term.

**Paragraph 4** - The Company's headquarters are located at Rua Costa Carvalho, 300, in the capital of the state of São Paulo.

**Paragraph 5** -Whenever necessary to achieve the corporate purpose and in view of its operation area, the Company may open, institute, maintain, transfer or close down branches, facilities, agencies, offices, main branches, representation or yet designate representatives, in respect to the legal provisions and regulations.

**ARTICLE 2** –The Company’s main corporate purpose is to render basic sanitation services in view of its universal service in the state of São Paulo, without losing long-term financial sustainability, comprising the following activities: water supply, sanitary sewage, drainage and handling of urban rain water, urban cleaning and handling of solid waste, in addition to other related activities, including the planning, operation and maintenance of production systems, storage, preservation and trading of energy, to itself or third parties and trading of services, products, benefits and rights that, direct or indirectly, result from its assets, projects and activities, and it may also operate as a subsidiary anywhere in the country or abroad providing the services mentioned above.

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**Sole Paragraph** – In order to carry out the corporate purpose, the Company may constitute wholly-owned subsidiaries, have a stake in investment funds and enter into a joint venture with, by any mean, other public or private corporations, including upon the acquisition of consortium or subscription of a minority or majority installment of the capital stock.

## **CHAPTER II**

### **CAPITAL STOCK AND SHARES**

**ARTICLE 3** – The capital stock is ten billion reais (R\$10.000,000,000.00), fully subscribed and paid-up, divided in six hundred and eighty-three million, five hundred and nine thousand, eight hundred and sixty-nine (683,509,869) exclusively one-class common shares, all registered, book-entry and with no par value.

**Paragraph 1** –Regardless of a statutory amendment, the capital stock may be increased up to the limit of fifteen billion reais (R\$15,000,000,000.00), upon resolution of the Board of Directors and authorization of the Fiscal Council.

**Paragraph 2** –The issuance of founder’s shares and preferred shares are forbidden.

**Paragraph 3** –The Company may directly charge the shareholder the cost for the share transferring service, in view of the maximum limits established by the legislation in force, as well as authorize the very collection per trustee in charge of the maintenance of book-entry shares.

**ARTICLE 4** –Each common share is entitled to one vote at the Shareholders’ General Meeting’s resolutions.

## **CHAPTER III**

### **SHAREHOLDERS’ GENERAL MEETING**

**ARTICLE 5** –The Shareholders’ General Meeting shall be called, instated and shall resolve, pursuant to the law, on all matters of the Company’s interest.

**Paragraph 1** – The Shareholders’ General Meeting shall also be called by the Chairman of the Board of Directors or by the majority of acting board members.

**Paragraph 2** – The Shareholders’ General Meeting shall be chaired by the Chairman of the Board of Directors or, in case of absence, by any other attending member; the Board of Director’s Chairman is responsible for appointing the member who shall replace him at presiding the Shareholders’ General Meeting.

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**Paragraph 3** –The chairman of the general meeting will choose, among the attendees, one or more secretaries, being allowed the use of own advisement in the company.

**Paragraph 4** –The minutes of the general meeting shall be drawn up in the summary format, as provided for in article 130, paragraph 1, of Law 6,404/76.

**Paragraph 5** –All documents to be analyzed or discussed at the general meeting must be available to the shareholders at the Company’s headquarters and at the BM&FBOVESPA as from the publishing date of the first call.

**Paragraph 6** – The proof of the conditions of shareholder may occur at any moment until the start of the general meeting, by means of the presentation of the identity document, the receipt issued by the depositary financial institution of the book-entry shares informing the respective number and, in the event of constitution of an attorney-in-fact, of the competent power of attorney with the notarized signature and granted for less than one year.

## **CHAPTER IV**

### **MANAGEMENT**

**ARTICLE 6** –The Company may be managed by the Board of Directors or by the Executive board.

## **CHAPTER V**

### **BOARD OF DIRECTORS**

**ARTICLE 7** – The board of directors is the joint resolution committee responsible for the superior guidance of the company.

**Members, investiture and term of office**

**ARTICLE 8** – The Board of Directors shall be composed of a minimum of five (5) and maximum of fifteen (15) members, elected and removed from office by the General Meeting, all with a two (2)-year unified term of office as from the election date. Reelection is allowed.

**Paragraph 1** – The Company’s CEO shall integrate the board of directors, upon election of the general meeting.

**Paragraph 2** – It will be incumbent upon the general meeting electing the board of directors to establish the total number of positions to be filled, within the maximum limited provided for in these Bylaws, and to appoint its chairman, who may not be the company’s CEO elected as board member.

**Paragraph 3** – At least twenty percent (20%) of the board of directors’ members shall be independent, as per *Novo Mercado* Rules, being also considered an independent board member the one elected by minority shareholders, pursuant to Article 141, Paragraphs 4 and 5 and Article 239 of Law 6,404/76.

**Paragraph 4** – When the application of the minimum percentage referred to in the previous paragraph result in a fraction number of board members, such number shall be rounded to the immediately higher number, when the fraction is equal to or greater than zero point five (0.5), or immediately lower number, when the fraction is lower than zero point five (0.5).

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**Paragraph 5** – The condition of independent board of directors’ member shall be expressly stated at the minutes of the Shareholders’ General Meeting that elect him.

**ARTICLE 9** – The participation of a representative of the employees in the Company’s Board of Directors, with the same term of office as the other Members, is ensured.

**Paragraph 1** – The representative member of the employees shall be chosen by the employees’ votes, in a direct election organized by the unions that represent them, with the collaboration of the Company whenever requested.

**Paragraph 2** – The internal regulation of the board of directors may set forth the eligibility requirements and other conditions for the exercise of the representative of employees position.

**ARTICLE 10** – The investiture in the position of board of directors member is subject to the execution of the Instrument of Commitment before the State, by means of the *Conselho de Defesa dos Capitais do Estado* (“CODEC”), State Council for the Protection of the Capital of the State, for purposes of article 118, paragraphs 8 and 9, of Law 6,404/76.

**Sole paragraph** – The provisions in this article do not apply to the board of directors’ member who represents employees, to that elected by minority shareholders and to that, notwithstanding elected by the State, is considered independent pursuant to these bylaws or the specific legislation.

### **Vacancy and Replacements**

**ARTICLE 11** – In the event of vacancy in any position of board of directors’ member before the end of the term of office, the general meeting shall be called to elect the substitute, who shall complete the term of office of the replaced person.

**Operation**

**ARTICLE 12** – The board of directors will meet, on an ordinary basis, once a month and, on an extraordinary basis, whenever necessary to the company’s interests.

**Paragraph 1** – The board of directors’ meetings shall be called by its chairman, or by the majority of acting members, upon writing or electronic correspondence to all board members and also to the State, by means of the CODEC, in, at least, ten (10) days in advance and the agenda shall be pointed.

**Paragraph 2** – The chairman of the board of directors shall supervise so that the board members individually receive, with the due antecedence in relation to the date of the meeting, the documentation with the necessary information to allow the discussion and resolution of the agenda, including, when the case may be, the proposal of the executive board and the manifestation of technical and legal character.

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**Paragraph 3** – The board of directors’ meetings shall be instated upon the attendance of the majority of its acting members, being the Chairman incumbent of presiding the activities or, in his absence, another board member appointed by him.

**Paragraph 4** – In the event of urgency, the chairman of the board of directors may call the extraordinary meeting with any antecedence, and the meeting is allowed to be held by means of teleconference, videoconference or other qualified means of will manifestation of the absent board member, whose vote will be considered valid for all effects, without adverse effects to the subsequent drawing up and execution of the respective minutes.

**Paragraph 5** – The Board of Directors shall resolve by majority of votes of the attending members, prevailing, in case of tie, the proposal that counts on the vote of the board member presiding the activities.

**Paragraph 6** – The meetings of the board of directors will have as secretary whoever their chairman appoints and all resolutions will be recorded in minutes drawn up and registered in the company’s records, and a copy of them must be submitted to the State, by means of the CODEC, within five (5) days counted from their approval.

**Paragraph 7** – The extract of the minutes shall be filed in the trade board and published, whenever it has resolutions destined to produce effects before third parties.

## **Duties**

**ARTICLE 13** – In addition to the duties set forth by the Law, the Board of Directors is also responsible for:

- I. to approve the strategic planning with the action guidelines, result targets and performance evaluation indexes;
- II. to approve annual and multi-year programs, with indication of the respective projects;
- III. to approve the budget of expenditures and investment of the company, with indication of the sources and uses of funds;

- IV. to supervise the execution of the plans, programs, projects and budgets;
  - V. to define goals and priorities of public policies compatible with the company's operation area and its corporate purpose;
  - VI. to resolve on the policy of prices and tariffs of goods and services rendered by the company, respecting the regulatory framework of the respective sector.
  - VII. to authorize, the opening, installation and extinguishment of branches, facilities, agencies, mains branches, offices and representations;
  - VIII. resolve on the capital stock increase within the limit authorized by these bylaws, establishing the respective subscription and payment conditions;
  - IX. to establish the maximum indebtedness limit of the company;
  - X. resolve on the issuance of common debentures non-convertible into shares and without real security and, the other types of debentures, on the conditions mentioned in paragraph 1 of article 59 of Law 6,404/76;
  - XI. to resolve on the declaration of interest on own capital or distribution of dividends due to the result for the current year, for the year ended or profit reserve, without adverse effects to the subsequent ratification of the general meeting;
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- XII. to resolve on the personnel policy, including the determination of the staff, plan of positions and salaries, general collective negotiation conditions, opening of a selective process to fill positions vacant and Profit Sharing Program;
- XIII. to previously authorize the execution of any legal businesses when the amount involved exceeds seventy million reais (R\$70,000,000.00), including the acquisition, sale or encumbrance of assets, the obtainment of loans and financings, the assumption of obligations in general and also the association with other legal entities;
- XIV. to authorize the incorporation of a wholly-owned subsidiary or the interest in the capital of other companies, except the competence of the general meeting provided for in article 256 of Law 6,404/76;
- XV. to approve the hiring of civil liability insurance in favor of the members of the statutory bodies, employees, agents and mandatories of the company;
- XVI. to grant licenses to officers, in compliance with the pertinent regulation;
- XVII. to approve its internal regulation and the internal regulation of the executive board and of the audit committee;
- XVIII. to authorize the company to acquire its own shares, in compliance with the legislation in force and previously listening to the fiscal council;
- XIX. to previously express itself about any proposal of the board of executive officer or issues to be submitted to the general meeting;
- XX. to call the examination of any issues comprised in the competence of the executive board and issue a binding guidance on it;
- XXI. to determine the guidance to be followed by the representative of the company at the general meetings of the companies in which it holds an interest;
- XXII. to evaluate the main risks of the company and verify the efficiency of the management and control procedures.
- XXIII. to express favorably or contrary to any public offer for the acquisition of shares aiming the Company's shares through substantiated opinion, released within fifteen (15) days as of the publication of the call notice for the public offer, which shall include, at least, (i) the convenience and the appropriateness of the public offer as to the interest of group of shareholders and in relation to the liquidity of their securities; (ii) the repercussions of the public offer over the company's interests; (iii) the strategic plans revealed by offeror in relation to the company; (iv) other issues the Board of Directors deems relevant, as well as the information required by CVM's applicable rules.
- XXIV. to define a three-name list of companies specialized in institutions and/or companies economic valuation to prepare a valuation report on the Company's shares, in cases of public offer for the company's deregistering as a publicly-held company or its delisting from *Novo Mercado*.

## CHAPTER VI

### EXECUTIVE BOARD

#### **Members and term**

**ARTICLE 14** – The Executive Board shall be composed of six (6) members, all with a two (2)-year unified term of office, reelection is allowed.

**Paragraph 1** –The CEO is responsible for:

I. representing the Company, as plaintiff or defendant, in or out of court, and may initial summons and notifications, pursuant to article 18 of these bylaws;

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- II. call and preside the executive board's meetings;
- III. coordinate the executive board's activities;
- IV. issue acts and resolutions that are related to or resulting from the executive board's resolutions;
- V. coordinate the Company's ordinary management, including the implementation of policies and the execution of resolutions taken by the shareholders' general meeting, board of directors and joint executive board;
- VI. coordinate the activities of other executive officers;
- VII. preside over the Regulatory Affairs Committee;
- VIII. coordinate, evaluate and control duties related to:
  - a) CEO office;
  - b) integrated planning, corporate management and structuring;
  - c) communication;
  - d) regulatory matters;
  - e) auditing; and
  - f) ombudsman.

**Paragraph 2** – The Corporate Management Officer is responsible for:

- I. marketing;
- II. Human resources, quality and social responsibility;
- III. information technology;
- IV. property;
- V. legal affairs;
- VI. supplies and contracts; and
- VII. new business.

**Paragraph 3** – The Chief Financial Officer and Investor Relations Officer shall be responsible for:

- I. planning, raising and allocating financial resources;
- II. control department;

III. accounting;

IV.