

NON-ECONOMIC CIVIL ASSOCIATION BYLAWS
ASSOCIAÇÃO CIVIL INSTITUTO ESCOLHAS

Chapter I

NAME, HEADQUARTERS AND PURPOSE

Art. 1. **Associação Civil Instituto Escolhas**, in this bylaws simply called **Instituto Escolhas**, is a non-economic civil association, with headquarters and venue in the capital of the State of São Paulo at Rua Teodoro Sampaio, no. 1.629 - Pinheiros, CEP: 05405-150.

Art. 2. **Instituto Escolhas**, with an indefinite duration, has the purpose and mission of promoting the debate qualification on socio-environmental sustainability, numerically translating the economic, social and environmental impacts of public and private decisions, supporting new readings and arguments that overcome the ideological polarization that prevents the construction of proposals for concrete solutions to enable the sustainable development full realization.

Art. 3. The **Instituto Escolhas** aims to:

- I - Conduct studies that contribute to the identification and numerical translation of the economic, social and environmental costs of public and private policies and initiatives.
- II - Qualify the arguments and overcome the ideological polarization that prevents the construction of proposals for concrete solutions for the full realization of a truly sustainable development model.
- III - Gather, process and systematize available data and information and, when necessary, create new databases and metrics, capable of enabling innovative analyzes, which are recognized and valued by the community of policy makers in Brazil, including political class, companies, unions, research centers and NGOs.
- IV - Develop products and services for research, analysis and strategies, on their own or in partnership with other institutions, as long as are aligned with its mission.
- V - Offer scholarships in areas of knowledge related to the association's corporate purpose.

Sole Paragraph - **Instituto Escolhas** does not distribute among its members, directors, officers, employees or donors, any operational, gross or net surplus, dividends, bonuses, shares or portions of its assets, earned through the exercise of its activities, and apply them entirely in achieving its corporate objectives.

Art. 4. In the development of its activities, **Instituto Escolhas** shall follow the principles of legality, impersonality, morality, publicity, economy and efficiency and will not make any discrimination of race, color, gender or religion.

Art. 5. **Instituto Escolhas** will have an Internal Regulation that, approved by the Board of Directors, will regulate its operation, including the procedures of its management and internal audit systems.

Art. 6. In order to fulfill its purposes, **Instituto Escolhas** will organize itself in as many units as are necessary, which will be governed by statutory provisions, being able to open branches with the approval of the General Meeting.

Chapter II

ASSOCIATE MEMBERS

Art. 7. **Instituto Escolhas'** membership will comprise an unlimited number of associate members, individuals and/or legal entities, admitted to the General Meeting to exercise rights and duties under equal conditions.

Sole Paragraph - The admission of new members may be proposed by at least a simple majority of the founding members and must be approved by a simple majority of the Members present at the General Meeting.

Art. 8. Members are divided into the following categories:

- I - Founding members: those who participate in the Association's founding meeting, signing the respective minutes and committing themselves to its purposes;
- II - Effective members: those who were incorporated by the approval of the General Meeting, based on the indication of the majority of the founding members;

III - Honorary members or benefactors: natural or legal persons who excel in promoting sustainable development in Brazil.

Art. 9. All members in good standing with their duties are entitled to:

- I - vote for elective positions;
- II - be part of the General Meetings;
- III - call a General Meeting, observing the minimum quorum of 1/5 of the members;
- IV - become aware of projects and work in progress.

Art. 10. The positions of the bodies of **Instituto Escolhas** may be held by any of the founding and permanent members who are regularly approved by the General Meeting.

Art. 11. The following are the duties of all members:

- I - comply with statutory and regulatory provisions;
- II - accept the decisions of the General Meeting and the Board of Directors;
- III - contribute to the achievement of the entity's objectives and take care of its name and integrity.

Art. 12. Members are not responsible, not even in the alternative, for the Association's charges.

Art. 13. Membership shall be lost:

- I - by compulsory exclusion;
- II - by voluntary dismissal;
- III - by extinction of **Instituto Escolhas**.

Art. 14. The reasons for exclusion from membership are:

- I - the practice of an act that is prejudicial to the interests and purposes of **Instituto Escolhas**, or that may dishonor or harm it;
- II - the intentional violation of the bylaws and regulations of **Instituto Escolhas** and the failure to comply with the social obligations imposed and fixed by the Board of Directors or the General Meeting;

- III - the repeated non-payment of contribution, if it has been fixed in the meeting if it fails to do so after notice from the Board of Directors;
- IV - failing the member to attend two Meetings and or two consecutive meetings of any board for which he has been elected.

Paragraph One - The exclusion of the member will be made upon approval of a simple majority of the members at the General Meeting.

Paragraph Two - The decision that approves the exclusion of the member will be subject to a non-suspensive appeal directed to the General Meeting, within 15 days, in which case, for exclusion, there must be approval by a simple majority of those present at the subsequent General Meeting.

Art. 15. In the cases provided for in Art. 14, the defendant will be guaranteed a defense, informing him 10 (ten) days in advance so that he can present a defense to the General Meeting that will deal with his exclusion.

Art. 16. The exclusion being approved under the terms of art. 14, only the General Meeting can reinstate the excluded member with the approval of 2/3 of the General Meeting.

Art. 17. Any member may request his voluntary resignation from **Instituto Escolhas** by simply submitting a written request to the Board of Directors.

Chapter III

MANAGEMENT, ORGANIZATION AND BOARDS

Art. 18. The governing bodies of **Instituto Escolhas** are:

- I - General Meeting;
- II - Board of Directors;
- III - Supervisory Board; and
- IV - Executive Coordination.

Art. 19 - **Instituto Escolhas** may, subject to legal criteria and limits, remunerate its directors.

Chapter IV

GENERAL MEETING

Art. 20. The General Meeting, the association's sovereign body, is composed of members enjoying their statutory rights.

Art. 21. It is incumbent upon the General Meeting:

- I - elect and remove the Board of Directors and the Supervisory Board;
- II - elect and remove the President of the Association;
- III - elect and remove members;
- IV - decide on amendments to the Bylaws by an absolute majority of its members, pursuant to art. 44;
- V - decide on the desirability to sell, settle, mortgage or exchange property;
- VI - decide on the Association termination, under the terms of Article 43;
- VII - discuss and ratify at the Annual General Meeting, held once a year, the accounts and balance sheet approved by the Supervisory Board, for the year ended.

Sole Paragraph - The removal of the members of the Board of Directors and Supervisory Board will depend on the vote of 2/3 of those present at the meeting specially convened for this purpose, requiring the presence of an absolute majority of members.

Art. 22. The General Meeting will be held, extraordinarily, when called:

- I - by the Board of Directors;
- II - by application submitted by the Founding Members;
- III - by the President of the Association.

Art. 23. The General Meeting will be convened by means of a simple letter, fax, e-mail or any other means of communication, sent to all members, at least 8 (eight) days in advance, and it will be held with a quorum of at least an absolute majority of its participants on the first call and, with any number of attendees, on the second call, unless the matter to be resolved requires a specific quorum.

Sole Paragraph - The General Meeting may be called by at least 1/5 (one fifth) of the members.

Art. 24. The General Meeting decisions will be taken by simple majority, observing that among these the vote of the majority of the founding members is represented, observing the limits of this bylaws, unless a different quorum is required due to the matter.

Art. 25. **Instituto Escolhas** will adopt necessary and sufficient administrative management practices to restrain the obtaining, individually or collectively, of personal benefits and advantages by the entity's directors.

Chapter V

BOARD OF DIRECTORS

Art. 26. The Board of Directors will be composed of at least 03 members and will be elected by the General Meeting with a term of 03 (three) years, being able to be renewed once or, upon approval of the Meeting, for an additional term, and will have beyond the position of the President, the other positions and functions required in each management, to be defined by the General Meeting.

Art. 27. It is incumbent upon the Board of Directors:

- I - hire and dismiss the members of the Executive Coordination, supervising and evaluating the execution of the annual activity schedule;
- II - prepare and present the annual report to the General Meeting;
- III - meet in public and private institutions for mutual collaboration with activities of common interest;

- IV - regulate the Normative Orders of the General Meeting and issue Executive Orders to discipline the internal functioning of the Association;
- V - propose the installation, opening and closing of branches and offices in other locations, as well as taking the necessary measures to materialize the decision taken, with the prior authorization of the General Meeting;
- VI - constitute and appoint members to the Scientific Board;
- VII - approve the Association's annual programming proposal, including its budgets;
- VIII - appreciate and approve the annual report of the Executive Coordination management;
- IX - instruct and amend codes of conduct and Internal Regulations.

Art. 28. The members of the Board of Directors will deliberate in collegiate, with the vote of a simple majority of its members, meeting as many times as necessary, observing the minimum of a semiannual meeting, under the convocation of the President of **Instituto Escolhas** or by a majority of its members.

Art. 29. It is incumbent upon the President:

- I - represent the **Instituto Escolhas** actively and passively, judicially and extrajudicially, jointly or separately with the Executive Coordination;
- II - contract and cancel, open, operate and close bank accounts jointly or separately with the Executive Coordination;
- III - comply with and enforce this Bylaws and the Internal Regulations;
- IV - preside over the General Meeting;
- V - call and preside over the meetings of the Board of Directors and the General Meeting;
- VI - appoint special purpose attorneys on behalf of **Instituto Escolhas**.

Chapter VI

SUPERVISORY BOARD

Art. 30. The Supervisory Board will be constituted by 03 (three) members elected by the General Meeting.

Sole Paragraph - The term of the Supervisory Board shall coincide with the term of the Board of Directors.

Art. 31. It is incumbent upon the Supervisory Board:

- I - examine the Association's bookkeeping books;
- II - give an opinion on the balance sheet and financial and accounting performance reports and on property transactions, issuing opinions to the top management of the entity;
- III - request, at any time, documentation proving the economic-financial operations carried out by the Institution;
- IV - monitor the work of any independent external auditors;

Sole Paragraph - The Supervisory Board will meet ordinarily once a year and, extraordinarily, whenever necessary or convened by the President of the Association or by the General Meeting.

Chapter VII

SCIENTIFIC BOARD

Art. 32. The Scientific Board is an advisory body, designed to guide the preparation of opinions and provide opinions on the programs and subjects of interest to **Instituto Escolhas** that are forwarded by any of its deliberative bodies. Recommend research topics and research evaluation.

Paragraph One - The Scientific Board will be composed of persons invited by the members of the Board of Directors, by the General Meeting or by the Executive Coordination, and may be composed of members or non-members.

Paragraph Two - The Scientific Board will meet at least once a year, or when called by the President of the Association.

Chapter VIII

EXECUTIVE COORDINATION

Art. 33. Executive Coordination is a professional structure that must be instituted by the Board of Directors to carry out activities related to the operational, financial and administrative management of **Instituto Escolhas**, in accordance with the Institute's Internal Regulations.

Sole Paragraph. The Executive Coordination will be composed of a staff hired and remunerated in accordance with industry standards, by the association in number and attributions in line with the needs of executing the plans, projects and actions developed by **Instituto Escolhas**.

Art. 34. The acts of the Executive Coordination will always be exercised in pairs.

Sole Paragraph: The management acts, including those relating to the representation of the association actively and passively, as well as the representation of the Association, in or out of court, including for the contracting and cancellation, handling and closing of bank accounts, will be jointly performed by the Executive Coordination or separately with the President of the Association.

Art. 35. It is incumbent upon the Executive Coordination:

- I - hire and organize the staff necessary to carry out the plans, projects and actions of **Instituto Escolhas**.
- II - detail and execute goals of the annual activity schedule approved by the Board of Directors;
- III - render accounts of the work performed and the financial management under its execution before the Board of Directors and the Supervisory Board;
- IV - open and operate bank accounts, request checkbooks, issue checks, authorize money transfers by letter, authorize financial investments of available resources, and also endorse checks and money orders in the country or abroad, for deposit in a bank account of **Instituto Escolhas**;
- V - establish agreements, contracts and partnership terms with national and international entities, public and private, with a view to implementing programs and projects that meet the objectives and interests of **Instituto Escolhas**;
- VI - contracts in general.

Chapter IX

FINANCIAL RESOURCES

Art. 36. The financial resources needed to maintain the **Instituto Escolhas** can be obtained by:

- I - Partnership Terms, Agreements and Contracts signed with the government to finance projects in their area of expertise;
- II - Contracts and agreements signed by national and international companies and agencies;
- III - Donations, legacies and inheritances;
- IV - Income from investments of its financial and other assets, pertinent to the equity under its management;
- V - Contribution from members;
- VI - Receipt of copyrights, provision of consultancy, research, onerous transfer of data and information, etc.

Chapter X

ASSETS

Art. 37. The **Instituto Escolhas'** assets will consist of:

- I - donations of property and rights;
- II - property and rights arising from equity income;
- III - property and rights derived from the activities carried out by the association;
- IV - movable and immovable property, vehicles, stocks and bonds.
- V - other equity sources.

Art. 38. All the assets and revenues of **Instituto Escolhas** must be invested in the objectives for which the association is intended, with the exception of expenses spent and assets necessary for its administrative operation.

Art. 39. In the event of the dissolution of **Instituto Escolhas**, its equity shall be transferred to another legal entity qualified under the terms of Law 9.790/99, preferably having the same corporate purpose.

Art. 40. In the event of **Instituto Escolhas** to obtain and subsequently lose the qualification established by Law 9.790/99, the net assets available, acquired with public funds during the period that such qualification lasted, will be accounted for and transferred to another qualified entity under the same law, preferably one with the same social objectives.

Chapter XI

ACCOUNTABILITY

Art. 41. The accountability of **Instituto Escolhas** shall observe at least:

- I - basic accounting principles and Brazilian Accounting Standards;
- II - disclosure, by any effective means, at the end of the fiscal year, the activity report and the entity's financial statements, including Certificates of Good Standing with the INSS and the FGTS, making them available to be reviewed by any citizen;
- III - carry out an audit, by independent external auditors, if applicable, including for the hypothesis of application of any resources subject to the Partnership Agreement, as provided for in the regulation;
- IV - the accounting of all investments and assets of public origin received will be made as determined by the sole paragraph of Article 70 of the Federal Constitution.

Chapter XII

GENERAL PROVISIONS

Art. 42. **Instituto Escolhas'** fiscal year will coincide with the calendar year, ending on December 31 of each year.

Art. 43. The extinction of **Instituto Escolhas** will only be possible by decision of the Extraordinary General Meeting, specially called for this purpose, with the minimum consent of (two thirds) of its members.

Art. 44. This Bylaws may be amended, at any time, by decision of the absolute majority of the members, observing the positive favorable vote of the majority of the Founding Members in a General Meeting specially convened for this purpose, and shall enter into force on the date of its registration in the Notary's Office.

Art. 45. Omitted cases will be resolved by the Board of Directors and endorsed by the General Meeting.

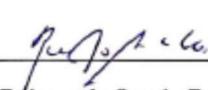
Art. 46. It is the elected venue of the Central Court of São Paulo - SP to settle any doubts arising from these Bylaws.

São Paulo, January 10, 2019.



Ricardo Ubiraci Sennes
Presidente





Raimundo Sergio Barros Leitão
Secretário



Visto do Advogado:



Thais de Ricardo Chueiri
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