

ASSOCIAÇÃO PINACOTECA ARTE E CULTURA

ARTICLES OF INCORPORATION

Section I

OF THE NAME AND REGISTERED OFFICE

ARTICLE 1 - The **ASSOCIAÇÃO PINACOTECA ARTE E CULTURA** (hereinafter called "Association" or "APAC") is a private socio-cultural non-profit association governed by its articles of incorporation, by the Brazilian Constitution and statute law and by other relevant legal and administrative rules, in particular Complementary Law no. 846 of June 4, 1998, as well as State Decree no. 43.493 of September 29, 1998 and other related documents.

Paragraph One. The Association is based in the city of São Paulo, state of São Paulo, at the Pinacoteca Luz building, located in Praça da Luz, nº 02, Bom Retiro, CEP 01120-010, with the aim of fulfilling its purposes, which will be governed by these ARTICLES OF INCORPORATION (hereinafter called "ARTICLES").

Paragraph Two. The Association has 03 (three) branches, located at the following addresses: (1) Pinacoteca, located at Praça da Luz, nº 02, Bom Retiro, CEP: 01120-010, São Paulo - SP; (2) Estação Pinacoteca, located at Largo General Osório, nº 66, Santa Efigênia, CEP 01213-010, São Paulo - SP and (3) Pinacoteca Contemporânea, located at Avenida Tiradentes, 273, Bom Retiro, CEP 01101-010, São Paulo - SP.

ARTICLE 2 - The Association is governed by these ARTICLES, by its Bylaws, by the resolutions adopted by the General Assembly, by the Executive Board, by the Presidency and by the relevant legislation in force.

Chapter II

TERM OF EXISTENCE

ARTICLE 3 - The Association shall have perpetual existence.

Chapter III

PRINCIPLES

ARTICLE 4 - The Association shall abide by ethical and moral principles in the achievement of its corporate objectives, such as:

- (a)** The principles of legality, impersonality, morality, publicity, economy and efficiency;
- (b)** The zeal for improvement and implementation of corporate governance practices aimed primarily at preventing the obtaining of individual benefits or advantages by members, administrators, employees and third parties, to the detriment of the Association's objectives;
- (c)** Inspection and transparency of financial and accounting transactions; and
- (d)** No discrimination on ethnic, religious, sexual and political grounds.

Chapter IV

THE OBJECTIVES

ARTICLE 5 - The purpose of the Association is to promote cultural activities, primarily by means of technical, material and financial collaborative efforts that seek to ensure the preservation and conservation of the artistic, documentary and bibliographic collections of the PINACOTECA DO ESTADO DE SÃO PAULO ("PINACOTECA"), as well as making it widely known as a reference center for civic, educational, artistic and cultural activities and research. The Association has the following responsibilities:

- (i)** To promote public enlightenment campaigns about the artistic and cultural importance of the PINACOTECA collection, mobilizing public opinion to ensure its conservation and protection, as well as to participate in its activities;
- (ii)** To carry out, sponsor and promote, together with PINACOTECA, exhibitions, courses, conferences, seminars, debates, congresses and meetings of various kinds to ensure people's access to culture, education and citizenship, and to foster exchange between art professionals, students and public authorities;
- (iii)** To broker agreements with public authorities and the private sector for the acquisition of works of art and the publicization of PINACOTECA's artistic and cultural heritage;
- (iv)** To manage spaces for the sale of products related to the objectives of PINACOTECA, as well as to explore coffee shops, bars, restaurants and/or parking areas both inside and outside its premises to serve museum visitors, provided that all income thus generated is used to support PINACOTECA's activities;
- (v)** To sign contracts, covenants, terms or agreements with the public authorities at all levels, or with the private sector, for the management and operation of cultural equipment and the

implementation and development of government programs in the areas of education and culture;

(vi) To maintain or assist in the maintenance of the cultural heritage put together as a result of its objectives;

(vii) To assist federal, state and municipal authorities with the aim of proposing or improving legal rules relevant to the artistic-cultural area;

(viii) To provide technical support services through operational agreements or other arrangements with public and private institutions, both domestic and foreign, in the field of research and implementation of cultural projects, focused on the objectives of the Association;

(ix) To promote training, professional qualification, continuing education and technical specialization programs for people in the museological and educational areas, encouraging artistic and cultural development;

(x) To encourage socio-cultural and study activities, seminars, courses, lectures and other activities related to the Association's objectives;

(xi) To raise resources for the achievement of its objectives from individuals and private and public legal entities, both at the national and international levels;

(xii) To provide services to its members and to third parties, always for specific purposes approved by the Assembly and consistent with the Association's objectives;

(xiii) To encourage dialogue with society with regard to the production of artistic and cultural knowledge, promoting education in art and culture;

(xiv) To communicate, by means of exhibitions, educational activities and artistic publicity, themes related to art and culture, using a transdisciplinary approach;

(xv) To acquire, maintain, research, communicate and display collections and information that contribute to the fulfillment of its objectives and mission;

(xvi) To support PINACOTECA's activities;

(xvii) To manage budgetary resources and public property derived from management contracts;

(xviii) To manage PINACOTECA spaces;

(xix) To promote PINACOTECA's activities; and

(xx) To ensure good service to PINACOTECA's visitors, among other cultural activities.

Paragraph one. In the fulfillment of its objectives, the Association may, by itself or in cooperation with third parties:

(a) Develop and implement projects and programs related to the entity's objectives;

(b) Stimulate and carry out diagnostic, prospective or evaluative studies in the cultural area;

(c) Stimulate partnerships with scientific, artistic and cultural museums in order to exchange experiences and material resources;

- (d) Implement, manage and guide the constitution of museological systems and networks, with the aim of encouraging the creation of museums similar to PINACOTECA in the main cities of Brazil;
- (e) Promote and carry out research on matters of public interest in its main operational areas and related areas;
- (f) Promote actions to defend and preserve arts and culture through educational campaigns;
- (g) Organize and implement professional training projects, courses, campaigns and activities in various fields related to culture, art and museology;
- (h) Promote volunteering;
- (i) Participate in and finance campaigns, projects and studies for cultural and artistic development, in order to improve the living conditions of the people and inside cities;
- (j) Promote seminars, lectures, publications, congresses, courses, workshops, cultural events in general, advertising campaigns, fundraising campaigns and other economic activities, as long as the proceedings thus generated are used to finance its own activities and major purposes;
- (k) Represent the fields of art, culture and museology in public and private associations and institutions;
- (l) Organize and encourage the participation of professionals who work in the Association's areas of activity in technical, scientific and cultural events, both in Brazil and abroad;
- (m) Promote, organize, sponsor and/or perform cultural, artistic and educational activities related to manifestations on the Association's operational areas;
- (n) Stimulate the development of new concepts, means, methods and practices in all its areas of operation, fostering their broad application to promote Brazilian citizens' and institutions' socio-cultural development; and
- (o) Promote theoretical and applied studies aimed at managing and evaluating public policy programs in areas related to the objectives of the Association.

Paragraph two. In carrying out its tasks, the Association will seek to work in partnership with related entities, avoiding duplication of efforts.

Paragraph three. The Association and its members, acting on its behalf, shall not engage in religious, political, military or any other activities that are not in accordance with its institutional objectives.

Paragraph four. The Association, in achieving its objectives, may extend its activities to other public facilities whose principles and museological character are related to PINACOTECA, subject to the Assembly's approval mentioned in Article 22, subparagraph h, below.

ARTICLE 6 - In order to fulfill its purpose, the Association shall act, among other ways, by means of:

- (a)** The creation, development, establishment, execution and participation in programs, projects and actions in the public or private spheres, in collaboration with national and international organizations related to artistic, educational and cultural activities which constitute the objectives of the Association;
- (b)** Obtaining and managing resources, sums and public or private national and foreign funds for the performance of its programs, projects and actions;
- (c)** The development of research, training, education and consultancy activities and projects in support of private or public initiatives related to the above-mentioned purposes;
- (d)** The direct execution of projects, programs or action plans, donation of material and financial resources and provision of final, partial or support services to other institutions or to the government;
- (e)** The development of institutional sustainability plans, continuous evaluation methods and systems and integrated management programs for Brazilian and international institutions.

Paragraph One. In order to achieve its objectives, the Association may enter into compacts or agreements, sign management and cooperation contracts, as well as engage in other acts and negotiations with national and international public or private bodies and entities.

Chapter V

OF THE ASSOCIATION'S ESTATE, REVENUES AND EXPENSES

ARTICLE 7 - The Association's estate shall consist in all its assets, including movable and immovable property, as well as rights, shares and securities, including public debt securities, among others.

ARTICLE 8 - In the event of dissolution of the Association's estate, the remaining net assets shall be transferred, preferably, to another qualified social organization within the State of São Paulo, in the same area of activity.

ARTICLE 9 - The Association's estate, income and resources may only be used for the attainment of its social objectives; their leasing, rent, cession, alienation, investment or assignment to a specific use, however, may be allowed with a view to obtaining further income, as long as the provisions of these ARTICLES and related legislation are abided by.

ARTICLE 10 - The assets, income and financial resources of the Association shall be obtained through:

- (a)** Management contracts, agreements and other contracts signed with any government entity;
- (b)** Agreements and contracts entered into with public or private institutions, agencies and

funds, both domestic and foreign;

(c) aids, contributions, sponsorships and grants from public or private entities, both domestic and foreign;

(d) Donations, rights, credits, legacies and inheritances from private individuals or public or private legal entities, both domestic and foreign;

(e) Earnings from the investment of financial assets and other assets managed by the Association;

(f) Social contributions from members and supporters, as defined by the Executive Board;

(g) Copyright earnings;

(h) Rights of usufruct conferred on the Association;

(i) Income conferred by third parties on the Association's behalf, or arising from the investment of its assets;

(j) Marketing of products related to the objectives of PINACOTECA, as well as the commercial exploitation of coffee shops, bars, restaurants and/or parking areas both inside and outside its premises;

(k) interest and income arising from the Association's activities; and

(l) Others, in the form and under the limits of the law, arising from any activity performed by the Association and aimed at increasing its assets in the short, medium or long term.

ARTICLE 11 - The Association's estate and income shall always bear a close and specific relationship to the Association's principles and objectives.

Paragraph one. The Association shall not in any event distribute among its directors, members, board members and employees any gross or net operational surpluses, dividends, interests or portions of its estate and its assets, earned through the exercise of its activities, including those due to the withdrawal or death of any of its members, and all assets shall be applied fully to the achievement of its corporate objectives.

Chapter VI

MEMBERS

Section I - Membership

ARTICLE 12 - The Association is composed of an unlimited number of members, either private individuals over the age of eighteen or legal entities, classified under the following categories:

I - Founding Members: Private individuals who have signed the minutes of the founding meeting of the Association at the Ordinary General Assembly held on December 22, 1992;

II - Beneficent Members: Individuals or legal entities that render significant services to the Association, or to culture in general and whose names have been approved by the Executive Board; and

III - Contributing Members: All private individuals or legal entities that work together towards the achievement of the Association's objectives, contribute an amount set by the Executive Board for a minimum, uninterrupted period of at least 04 (four) years and have been nominated by the Executive Board.

Paragraph One. Persons qualified to be listed as **Contributing Members** may be invited by the Association's Executive Board to be listed in this category, and the Board shall decide, by simple majority vote, about extending an invitation to a particular individual or legal entity.

Paragraph Two. Only contributing members shall be entitled to speak and vote at general meetings. These members may also apply for a place on the Executive Board.

ARTICLE 13 – Anyone who is no longer interested in remaining a member of the Association shall apply to the Presidency with a written request for the withdrawal of their name at least five (5) days before the withdrawal date, stating why they made their decision.

Section II – Of the Rights and Duties of Members

ARTICLE 14 – Subject to paragraph one of article 12 above, all members who are up to date with their associational obligations shall be entitled to:

- (a) Vote and be voted for all elective offices inside the Association;
- (b) Attend and vote at the Ordinary and Extraordinary General Assemblies;
- (c) Enter the headquarters of the Association and participate in all events sponsored or organized by the Association;
- (d) Present matters for discussion at the General Assemblies;
- (e) Nominate new members, who shall be appointed by the Executive Board in accordance with these ARTICLES;
- (f) Make spontaneous financial contributions to the Association;
- (g) Renounce their membership by means of a written request addressed to the Executive Board, provided that they are up to date with their contributions; and
- (h) Speak out about the activities of the Association.

Paragraph one. It is incumbent upon the General Assembly to check that members present at the

Assembly are up to date with their associational obligations.

ARTICLE 15 - Subject to the classification laid out in article 12, all members are duty-bound:

- (a) To comply with the provisions laid out in these ARTICLES and in all rules relating to the Association;
- (b) To respect the resolutions of the Assembly, the Executive Board and the Presidency;
- (c) To work towards the accomplishment of the Association's objectives;
- (d) To promote the objectives of the Association with their greatest efforts;
- (e) To care for the name and image of the Association and obey its principles, by means of attitudes consistent with its objectives and that do not discredit its good reputation;
- (f) To pay the monthly contributions in accordance with the terms established by the Executive Board;
- (g) Not to use the name of the Association for any purpose other than its own purposes;
- (h) To attend the General Assemblies when convened, to participate in the groups designated to promote activities sponsored by the Association and to be part of the commissions for which they are appointed; and
- (i) To inform the governing bodies about any abnormality or irregularity of which they are aware and which could harm the Association.

Paragraph One. It is also the duty of all members to inform the Association, in writing, about all changes in their registration data. For all purposes related to these ARTICLES, including the exercise of the right to vote, the data contained in the Association's files shall be considered valid until the General Assembly is convened.

Paragraph Two. A contributing member who fails to pay their contribution may cease to be a member by simple majority vote of the Executive Board.

Paragraph Three. A contributing member who fails to pay the monthly fees established by the Executive Board for a period of more than six (6) consecutive months shall automatically cease to be a member.

ARTICLE 16 - The members, directors or board members shall not be liable, jointly or subsidiarily, for the obligations contracted by the Association.

Section III - Penalties

ARTICLE 17 - Members who fail to comply with the provisions of article 15 of these Articles and the Association's Bylaws, as well as the relevant Brazilian legislation, shall be subject to the following penalties:

- (a) Verbal or written reprimand;
- (b) Suspension; or
- (c) Exclusion.

Paragraph one. The exercise of the right of defense will always be assured for the member subject to penalty procedures; likewise, the member who has been reprimanded, suspended or excluded will have the right to an appeal.

Paragraph two. The member who has been reprimanded, suspended or excluded will be notified of the cause of their reprimand, suspension or exclusion at least 10 (ten) days before the General Assembly which will deliberate on the penalty to be applied. They shall be summoned to said General Assembly and will be given the right to speak in self-defense for a maximum period of 30 (thirty) minutes, with the possibility of presenting defense documents; but they shall not have the right to vote on the reprimand, suspension or exclusion itself.

Paragraph three. The reprimanded, suspended or excluded member shall be allowed to lodge a written appeal to the General Assembly within 10 (ten) days from the receipt of the notification of the decision. The appeal shall be subject to the opinion of the Executive Board and a new judgment of the General Assembly, which may reform the first decision by unanimous decision of the members present.

ARTICLE 18 - Penalties shall be applied according to the seriousness of the acts performed by the member in question, as determined by the General Assembly.

ARTICLE 19 - The reprimand, suspension or exclusion of any member shall be proposed by the Presidency or the Executive Board and shall be decided by the General Assembly, or shall be proposed and decided by the General Assembly itself.

Paragraph one. The member who has been reprimanded, suspended or excluded for any reason whatsoever shall not have the right to seek compensation of any kind.

Paragraph two. Excluded members may request their return to membership after five (5) years of their exclusion.

Chapter VII OF THE ASSOCIATION'S ORGANS

ARTICLE 20 – The organs of the Association are:

- (a) The General Assembly;
- (b) The Executive Board;
 - (b.1) Executive Board Committees;
- (c) The Presidency
- (d) The Advisory Board; and
- (e) The Fiscal Board.

Section I – The General Assembly

ARTICLE 21 - The General Assembly is the supreme collective body of the Association and shall be constituted by all members in full enjoyment of their associative rights.

ARTICLE 22 - The General Assembly shall have the exclusive right:

- (a) to elect up to 55% of the members of the Executive Board from among the members of the Association in accordance with the criteria set forth in these ARTICLES and to dismiss the members of the Executive Board and the Fiscal Board;
- (b) to deliberate about and approve changes to these ARTICLES, including those proposed by the Executive Board;
- (c) to check the accounts of the Presidency and to examine and deliberate about financial statements corresponding to the previous Fiscal Year, taking into account the opinions of the Fiscal Board;
- (d) to present projects and proposals for action aimed at the fulfillment of the Association's objectives;
- (e) to deliberate on the dissolution/extinction of the Association and the procedures involved therein;
- (f) to deliberate on applying penalties to members;
- (g) to approve of the Association's managing other public facilities, as long as these facilities bear a relationship of principles and museological action with PINACOTECA;
- (h) to deliberate on matters presented at the General Assembly itself;
- (i) to appoint a possible liquidator;
- (k) to deliberate on cases not provided for in the law or in these ARTICLES.

Paragraph one. To approve the financial statements, the General Assembly will rely on a prime external audit company.

ARTICLE 23 - Ordinarily, the General Assembly shall meet annually, in the first quarter of each year, to:

- (a) review the Presidency's annual report;
- (b) check the accounts and analyze the balance sheet of the Association approved by the Fiscal Board;
- (c) elect the members of the Fiscal Board based on the Executive Board's nomination.

ARTICLE 24 - The General Assembly, convened according to the provisions laid down in these ARTICLES, shall meet extraordinarily to deal with any other matters of interest of the Association besides those listed in article 23.

Paragraph One. The General Assembly shall adopt its resolutions with its members present in person, through Skype or via any other means of communication by voice, video or online.

ARTICLE 25 - The General Assembly shall adopt its resolutions by the members' simple majority vote, except as regards the cases expressly provided otherwise in these ARTICLES or in the law.

Paragraph One. Each member shall be entitled to one (1) vote, subject to the provisions of article 12 above.

Paragraph Two. In the event of a tie in the General Assembly deliberations, the Chairperson shall have the casting vote.

ARTICLE 26 - For decisions about (i) the election and dismissal of the members of the Executive Board; (ii) changes to the ARTICLES; and (iii) the dissolution/extinction of the Association, the approval of 2/3 (two thirds) of the members present at the General Assembly meeting will be necessary, with the proviso that no vote shall be taken if the absolute majority of the members is not present at first call or at least 1/3 (one third) is present in the following calls.

ARTICLE 27 - All proposals for (i) dismissal of the members of the Executive Board and (ii) dissolution/extinction of the Association shall only be submitted to the General Assembly after prior consultation with the Executive Board.

Section II - Convening the General Assembly

ARTICLE 28 - The General Assembly may be convened:

- (a) By the Chairperson of the Executive Board and/or the absolute majority of the Executive Board; or
- (b) By 1/5 (one fifth) of the members in good standing with the Association.

ARTICLE 29 - The General Assembly shall be convened by means of a notice to be posted at the headquarters of the Association and on its website WWW.PINACOTECA.ORG.BR, or by any other efficient means of communication (such as e-mail or other digital means), at least 10 (ten) days before the appointed date; a written summons may also be sent to each member of the Association at the electronic or land addresses provided by them.

Paragraph one. The convening provided for in the caption of this article may be waived in the event that all members are present at the General Assembly.

ARTICLE 30 - The General Assemblies shall be opened in first call with the presence of at least 50% (fifty percent) of the members and in second call, after 30 (thirty) minutes, with any number of members present, following also the provisions of article 25 of these ARTICLES.

ARTICLE 31 - The General Assembly shall be presided by the Chairperson of the Executive Board and, in his or her absence or impediment, by the Vice-Chairperson of the Executive Board. The Chairperson of the General Assembly shall appoint, from among those present, a Secretary responsible for organizing the proceedings and drafting the minutes of the Assembly.

Paragraph one. In the absence of the Chairperson and Vice-Chairperson of the Executive Board, the General Assembly shall elect its Chairperson from among the members present.

ARTICLE 32 – Each member's vote is personal and cannot be committed or entrusted to anyone else.

Section III - Management

ARTICLE 33 - The Association shall be managed by the Executive Board and the Presidency.

ARTICLE 34 - The Association adopts all necessary and sufficient administrative management practices to prevent any individuals or groups from obtaining benefits and personal advantages as a result of their participation in decision-making processes.

Title I

The Executive Board

ARTICLE 35 - The Executive Board is the highest decision-making body in the Association and shall be composed of at least 11 (eleven) members which are elected and may be dismissed by the General Assembly. Members will be chosen according to the standards provided for in the law and in the Association's Bylaws, with the proviso that their stances must be compatible with the purposes of the

Association and that they enjoy recognition for the performance of activities related to the objectives of the Association.

Paragraph one. The members of the Executive Board shall remain in office for 04 (four) years and only one re-election is permitted, so that each member may serve on the Executive Board for no more than 02 (two) consecutive full terms, up to a total of 08 (eight) years.

Paragraph two. If the event of an elected or appointed member of the Executive Board's term of office being interrupted by any cause prior to its end date, the time served by such board member shall not be counted as a term of office for the purposes set forth in paragraph one of this article.

Paragraph three. The Executive Board may only receive up four (04) new directors in the same year, not considering as new those directors who have been reappointed.

Paragraph four. The Chairperson and the Vice-Chairperson shall be elected by the members of the Executive Board for a term that does not exceed the term of office of the elected Board Members.

Paragraph five. The Executive Board shall be composed as follows:

I - up to 55 % (fifty-five percent) of members elected by the General Assembly from among its own members;

II - thirty-five percent (35%) of members elected by the other members of the Executive Board from among persons of outstanding professional capacity and recognized moral standing; and

III - 10% (ten percent) of members elected by the Association's employees.

Paragraph six. The Executive Board shall have the exclusive right:

(1) To fulfil the normative functions of the Association's activities, being thus able to examine and deliberate on any matter that does not fall under the exclusive jurisdiction of the General Assembly or the Presidency;

(2) To elect its Chairperson and Vice-Chairperson at the beginning of each term of office;

(3) To approve Management Contract proposals;

(4) To elect the members of the Advisory Board;

(5) To propose to the General Assembly the amendment of these ARTICLES, to be approved by a majority of at least two-thirds (2/3) of its members;

(6) To establish the general orientation of the Association's social actions for growth and expansion;

(7) To define the functions and duties and stipulate limits to the authority of the Presidency's Directors in any matters not specified in these ARTICLES, according to the respective areas of activity assigned

to each Director;

(8) To elect and dismiss the Presidency's Directors, overseeing their management activity, examining at any time the Association's books and papers and requesting information on contracts entered into or about to be entered into, as well as any other acts;

(9) To set the compensation of the members of the Executive Board;

(10) To assess the results of the Association's operations;

(11) To hire external audits and call independent auditors to provide the clarifications it deems necessary;

(12) To approve and forward the Management and Activity Reports prepared by the Presidency, as well as the financial statements, independent auditors' reports and proposals for allocation of surplus revenue in the previous year;

(13) To approve and monitor the implementation of: (i) the Association's annual budget proposal; (ii) the Association's annual action plans and programs; (iii) the Association's expansion and investment projects and programs;

(14) To authorize the Association to provide guarantees for its own obligations or those of third parties;

(15) To approve any acquisition or disposal of assets not provided for in the annual budget;

(16) To approve the creation of any restrictions on the immovable property of the Association or the granting of guarantees to third parties due to obligations incurred by Association itself, not provided for in the annual budget;

(17) To present to the General Assembly a request for dissolution and liquidation of the Association;

(18) To approve a plan for the creation or closure of any other establishment of the Association;

(19) To deliberate and ratify, as the case might be, the Association's annual program proposal prepared by the Presidency;

(20) To approve by a majority of at least two-thirds (2/3) of its members the internal rules contemplating the procedures to be adopted for contracting works and services and for purchasing and disposing of assets, as well as the plan for positions, salaries and benefits of the entity's employees;

(21) To oversee compliance with guidelines and targets defined in the annual plan and approve the entity's financial and accounting statements;

(22) To approve new members, justifying any ineligibility for membership; to establish membership dues and to stipulate the conditions for the acceptance of beneficent members when applicable;

(23) To approve the Association's Bylaws, which shall provide for the Association's structure, management and offices and the purview of their respective areas of authority;

(24) To appoint and dismiss the members of the Association Committees; and

(25) To recommend, with due justification and rationale, the creation of Permanent or Temporary Committees.

ARTICLE 36 - The Executive Board shall meet ordinarily at least 04 (four) times a year and extraordinarily as many times as necessary, as required by its Chairperson or by any of its members.

Paragraph one. The Executive Board's meetings may be held in person or remotely, by means of teleconferencing, videoconferencing or any other more effective technological means that ensures the Board members' participation.

Paragraph two. The Chairperson is responsible for convening and presiding over the meetings of the Executive Board, as well as appointing, among those present, someone to act as secretary.

Paragraph three. The meetings of the Executive Board may also be convened by 1/5 (one fifth) of its members in good standing with the Association.

Paragraph four. A Board member who is absent, without justification, from 2 (two) consecutive ordinary meetings or 3 (three) alternate meetings during a term of office shall lose his or her place in the Board.

ARTICLE 37 - The Executive Board's meetings shall be opened in the presence of at least 50% (fifty percent) of its members in first call and, in second call, after 30 (thirty) minutes, with any number of members present, also following the provisions of article 25 of these ARTICLES.

Paragraph one. Calls for meetings shall be made in writing, at least seven (7) days in advance, by land mail, telegram, e-mail, fax or any other written medium allowing proof that the recipient effectively received the call.

Paragraph two. The Vice-Chairperson shall be responsible for replacing the Chairperson in the event of his or her absence, vacancy or impediment.

Paragraph three. Members elected or appointed to the Executive Board may not be related by blood or marriage, up to the third (third) degree of kinship, to the Governor, Vice-Governor and Secretaries of the State of São Paulo.

Paragraph four. Members of the Board must provide statements that they do not hold an office or a position of trust in the Secretariat of Culture of the State of São Paulo, as provided in article 4 of State Decree No. 43493/98 as amended by State Decree No. 50611/06.

Paragraph five. The Directors of the Association shall participate in the meetings of the Executive Board, but shall not have the right to vote.

ARTICLE 38 - No member of the Executive Board may receive any compensation for his or her participation.

Paragraph one. Board members elected or appointed to the Association's Presidency must resign their Board membership when taking up their executive functions.

The Committees

ARTICLE 39 - The Executive Board shall be supported by two (2) Standing Committees, which shall be responsible for advising the Board and supporting the Presidency, as the case may be:

I - Operational, Strategy and Innovation Committee; and

II - PINACOTECA CONTEMPORÂNEA Committee.

ARTICLE 40 - The Committees shall be composed of at least three (3) and at most six (6) members, elected and potentially dismissed by the simple majority vote of the Executive Board for a term of office of two years. Two (2) members should come from the Board itself and the others should be chosen among professionals with an unblemished reputation and professional experience and widely recognized for their knowledge relating to the activities to be developed.

ARTICLE 41- The Committees shall hold at least four (4) annual meetings with any number of their members and shall submit the results of their activities to the Executive Board, with the purpose of instructing the Board in regard to the Committees' areas of expertise.

Paragraph One. The members of the Committees, duly installed, will elect from among their peers, by simple majority vote, a President with a term of office of two (2) years, who will have the exclusive right to convene and to chair the Committee's meetings.

ARTICLE 42- It shall be incumbent upon the **Operational, Strategy and Innovation Committee**:

(1) To analyze, discuss and issue a position on policies and strategic guidelines for the short, medium and long term, in order to identify new demands and business activities aimed at the growth and expansion of the Association and the public equipment under its management;

(2) To monitor the Association's plan of activities on strategic actions aimed at compliance with established short, medium and long-term guidelines, as well as to ensure greater effectiveness in complying with the plan of activities itself;

(3) To monitor projects and initiatives related to the creation and performance of cultural activities and events by the Association;

(4) To analyze and declare its position about proposals of strategic activities presented by the Executive Board for the growth and expansion of the Association and the public facilities under its

management;

(5) To evaluate trends and scenarios, as well as their bearings on the Association's activities, in addition to monitoring projects and initiatives from the perspective of innovation and formulating possible recommendations to the Executive Board;

(6) To carry out, on an annual basis, a self-assessment of its activities and identify possibilities for improvement in the way it operates;

(7) To analyze and issue recommendations on other matters that may be requested by the Executive Board;

(8) To analyze and issue recommendations on complementary operational rules for the functioning of the Committee itself, subject to the approval of the Executive Board.

ARTICLE 43 - It shall be incumbent upon the **PINACOTECA CONTEMPORÂNEA Committee**:

(1) To monitor all steps related to the Project to be developed for the construction of the PINACOTECA CONTEMPORÂNEA;

(2) To provide all necessary support to the Executive Board regarding meetings, documents to be signed, analysis of the positions of the State of São Paulo and other acts related to PINACOTECA CONTEMPORÂNEA;

(3) To analyze, structure and guide expenses and funding related to the PINACOTECA CONTEMPORÂNEA;

(4) To analyze and issue recommendations on other matters requested by the Executive Board with a bearing on the PINACOTECA CONTEMPORÂNEA;

(5) To support projects related to PINACOTECA CONTEMPORÂNEA;

(6) To carry out, on an annual basis, a self-assessment of its activities and identify possibilities for improvement in the way it operates;

(7) To analyze and issue recommendations on complementary operational rules for the functioning of the Committee itself, subject to the approval of the Executive Board.

Title II

The Presidency

ARTICLE 44 - The Presidency of the Association is a collective body made up of qualified professionals hired through a selection process conducted by a reputed specialized company. It shall comprise:

I – a General Director;

II – a Financial Administrative Director; and

III – an Institutional Relations Director.

Paragraph one. The Presidency shall comply with and enforce these ARTICLES and the Association's Bylaws and shall further the Association's objectives in accordance with the guidelines and plans approved by the Executive Board.

Paragraph two. The directors shall have a term of office of four (4) years and may be reinstalled in their offices. Each director shall be individually responsible for his or her actions.

Paragraph three. In the event of a vacancy in one of the positions, due to death, incapacity, resignation or definitive dismissal, a meeting of the Executive Board shall be immediately convened for the election of a new director whose term of office shall complement that of the vacant member. If the vacant position is that of Institutional Relations Director or Financial Administrative Director, until a new director is regularly elected the functions of his or her position shall be performed provisionally by the General Director. If the vacant position is that of General Director, until a new director is regularly elected the functions of his or her position shall be performed, provisionally and always jointly, by the Financial Administrative Director and Institutional Relations Director.

Paragraph four. The Directors of the Association may not cumulatively perform any other remunerated activity within the scope of the Association, nor any activity outside the Association that conflicts with their directive functions or impact on the best performance of the services rendered.

Paragraph five. The possibility of establishing compensation for the Association's directors and for those who render specific services to it, pursuant to the law and respecting current market salaries, is authorized upon approval of the Executive Board.

ARTICLE 45 - It's incumbent upon the General Director:

- (a)** To supervise and guide, in the most appropriate way, always protecting and respecting the objectives of the Association, all internal and external activities and relationships maintained by APAC, as well as the activities of the Financial Administrative Director and the Institutional Relations Director;
- (b)** To take responsibility for the content of institutional programs, guiding the establishment of goals that contemplate the institution's mission and vision;
- (c)** To develop and program museological projects, exhibitions and cultural actions of the Pinacoteca and other institutions managed by the Association, coordinating all activities in the museological technical area;
- (d)** To manage the collections of Pinacoteca and other institutions administered by the Association, coordinating and guiding the activities of safeguarding, conserving, moving and using the works that make up the collection, as well as establishing priorities for the acquisition of new works;
- (e)** To lead the strategic planning of the Association;

- (f)** To coordinate the implementation of the annual plan of activities as regards his or her own area of competence;
- (g)** To participate in the meetings of the Administrative Board, without the right to vote;
- (h)** To represent the institution before the press, cultural institutions and artists;
- (i)** To appoint attorneys who shall **always** perform acts in conjunction with a director, with specific powers and a fixed term of office of up to one (1) year;
- (j)** To appoint attorneys *ad judicium*, with power of attorney to represent the Association in the court system for an indefinite period;
- (k)** To prepare the annual plan of activities of the Association and its budget;
- (l)** To prepare and present to the Executive Board the annual report of the Association;
- (m)** To represent the Association, in the form of these ARTICLES, actively or passively, in court or out of court, before third parties, including federal, state or municipal authorities or officers of the direct or indirect public administration, self-governing state entities, mixed economy companies and public companies, as well as financial institutions; and
- (n)** To represent the Association before national and foreign public and private companies, forums, cultural and museological entities in Brazil and abroad.

ARTICLE 46 – It is incumbent upon the Administrative and Financial Director:

- (a)** To manage the Association's financial planning and execution and all necessary procedures to meet accounting, tax and labor standards;
- (b)** To manage all activities related to the administration of human resources, manage the staff, prepare the plan of positions and salaries and submit it to the Executive Board;
- (c)** To prepare and present the financial statements and the accounts of the administration related to all activities of the Association developed in the financial year, or whenever requested by the Executive Board or Fiscal Board;
- (d)** To coordinate the implementation of the annual plan of activities as regards his or her own area of competence;
- (e)** To care for the maintenance of the buildings and infrastructure of public facilities managed by the Association and oversee the control of assets and supplies according to policies and criteria approved by the institution;
- (f)** To participate in the meetings of the Administrative Board, without the right to vote;
- (g)** To abide by the guidelines established by the General Director.

ARTICLE 47 – It is incumbent upon the Institutional Relations Director:

- (a)** To coordinate the implementation of the annual plan of activities as regards his or her own area of competence;

- (b)** To participate in developing, executing and monitoring the Association's strategic plan;
- (c)** To develop, execute and monitor the Association's marketing strategy, including procuring sponsorships from individuals and companies, taking care of external and internal relationship and communication projects, conducting profile and public satisfaction surveys, and defining products to be sold in the institutional store;
- (d)** To participate in the meetings of the Administrative Board, without the right to vote;
- (e)** To abide by the guidelines established by the Chief Executive Officer.

ARTICLE 48 - It is incumbent upon the General Director, **always** together with one other director, to sign all contracts, checks and documents by means of which the Association takes on financial commitments.

Paragraph One. Should the General Director be unable to sign a document that generates financial commitments for the Association, the document may be jointly signed by the Financial Administrative Director and the Institutional Relations Director, and any such operation should be immediately informed to the General Director.

ARTICLE 49 - The Presidency shall, at all times, respect the definitions of the Executive Board as to the maximum amounts to be spent on activities that entail, in any way, financial obligations for the Association.

Title III

The Advisory Board

ARTICLE 50 - The Advisory Board is a consultative and counseling body and is responsible for assisting the Presidency and the Executive Board in the achievement of the purposes assigned to them by these ARTICLES, mainly by giving opinions on significant issues in the areas in which the Association operates.

Paragraph one. The Advisory Board shall be composed of up to 20 (twenty) members.

Paragraph two. The members of the Advisory Board shall serve for a renewable term of two (2) years.

ARTICLE 51 - The Advisory Board shall meet whenever convened by its President, who shall be elected by his or her peers. The meeting shall be convened at least 5 (five) days in advance.

Paragraph one. The minutes of the Advisory Board meetings shall be drawn up by a Secretary designated by the President and shall be signed by those present.

Paragraph two. The Advisory Board shall adopt its resolutions by simple majority vote.

Paragraph three. In the event of a tie, the Chairperson of the Advisory Board shall have the casting vote, which in this case shall be counted as two votes.

Title IV

The Fiscal Board

ARTICLE 52 - The Fiscal Board shall be comprised of up to three (3) members and their respective substitutes, elected by the Executive Board among members or non-members.

Paragraph one. The members of the Fiscal Board shall be in office for 4 (four) years and their term may be renewed once; the Chairperson and the Vice-Chairperson shall be elected from among the members at the beginning of each term.

Paragraph two. In the event of a vacancy, the office shall be assumed by the respective substitute until the end of the term.

Paragraph three. The Fiscal Board shall meet ordinarily in the first quarter of each year to analyze the accounts of the previous year, or extraordinarily when necessary and so requested by its Chairperson or by the Chairperson of the Executive Board.

Paragraph four. The Chairperson of the Fiscal Board shall convene and chair the Board's meetings, as well as appoint, among those present, a board member to act as secretary.

Paragraph five. The Vice-President shall be responsible for replacing the President in the event of his or her absence, vacancy or impediment.

Paragraph six. Calls for meetings shall be made in writing, at least three (3) days in advance, by land mail, telegram, e-mail, fax or any other written medium allowing proof that the recipient effectively received the call.

Paragraph seven. The compensation of any member of the Fiscal Board, effective or substitute, is forbidden.

Paragraph eight. Only those who have experience and knowledge in finance, accounting and tax auditing and who do not belong to the Presidency may join the Fiscal Board.

ARTICLE 53 – It is incumbent upon the Fiscal Board:

- (a) To meet in the first quarter of each year in order to review financial movements and the general balance sheet of the previous year, issuing an opinion;
- (b) To examine the Association's books;
- (c) To declare its position on and approve the balance sheets and reports of financial and accounting performance and equity operations, issuing opinions to the Association's higher bodies within the period defined for such purpose;
- (d) To request from the Presidency, at any time, documents that substantiate the economic-financial operations carried out by the Association;
- (e) To monitor the work of external auditors;
- (f) To convene an Extraordinary General Assembly; and
- (g) To oversee the acts of the Presidency and verify their compliance with its legal and organizational duties.

Chapter VIII

THE FINANCIAL YEAR AND THE RENDERING OF ACCOUNTS

ARTICLE 54 - The Financial Year shall start on January 1st of each year and end on December 31st, when the financial statements required by law shall be prepared; the statements shall be submitted to the Executive Board and the General Assembly.

ARTICLE 55 - The Association's accounting shall abide by:

- (a) the fundamental principles of accounting and the Brazilian Accounting Standards;
- (b) the annual advertising in the Official Gazette of the State of São Paulo or by any other effective means, at the end of the fiscal year, of the Association's activities report and financial statements, as well as the reports on the execution of management contracts with the State of São Paulo; and
- (c) the performance of audits by external auditors.

Chapter IX

ON THE DISSOLUTION OF THE ASSOCIATION

ARTICLE 56 - In case of dissolution or disqualification of the Association, under the terms of the specific legislation, its net assets, the legacies or donations that were destined to it, as well as the financial surplus resulting from its activities, shall devolve on another qualified social organization within the State of São Paulo, in the same area of activity, or on the State's own assets, in proportion to the resources

and assets allocated by it.

Chapter X
THE GENERAL PROVISIONS

ARTICLE 57 - Any and all cases left unstated in these ARTICLES shall be decided by the Association's General Assembly on the basis of the national legislation relevant to the matter.

ARTICLE 58 – Specific rules for contracting works and services, as well as for purchases made with resources provided by the government of the State of São Paulo, shall be published in the press and in the Official Gazette of the State of São Paulo within a maximum period of ninety (90) days as from the signing of the specific management contract, as provided for in Complementary Law No. 846.

ARTICLE 59 - These ARTICLES shall be effective from the date of their signature and shall be registered before the appropriate bodies, in accordance with the legislation in force.

São Paulo, October 28, 2019.