

BYLAWS ABRACOM

CHAPTER I

ABOUT SOCIAL DENOMINATION, PRINCIPAL PLACE OF BUSINESS, SUBJECT MATTER AND TERM

Article 1. The Brazilian Association of Communication Agencies (**ABRACOM**) is a private-law, non-profit civil organization with legal, administrative and financial autonomy, principal place of business at Avenida Cidade Jardim, 427, 12th, suite 124, Jardim Europa, ZIP #01453-000, Sao Paulo, state of Sao Paulo, and indefinite term.

§ Sole Paragraph. The Association may open or close Regional Chapters in other locations upon decision from the Board of Directors to that matter.

Article 2. The Association's basic purposes include: defend all and any member interest; represent member industry interests with Government and Society organizations in public and private cases; as well as contributing to and acting towards the industry organization, to support professional education, and in ethical issues.

Article 3. The subject matter of the Association is to disseminate the corporate and business communication activity with public and private organizations, and the overall society to expand the Association's potential market; upkeep a good image of the segment with stakeholders; stimulate the industry professionalization always with the objective to assure a high quality standard of their activities.

CHAPTER II

ABOUT MEMBERS

Article 4. The Association will gather companies with headquarters in the national territory, which have as objective an effective dedication to the purposes stated in Articles 2 and 3 herein; as well as those companies that develop activities that are directly or indirectly related to those activities that corporate communication agencies conduct, and that apply for ABRACOM membership.

§ Sole Paragraph. For the purpose of ABRACOM membership, the Association defines as potential corporate communication agencies those that provide services in the following fields: communication diagnostics and planning, media relationship programs, investor relationship programs, in-house audience relationship program, community relationship programs, crisis management programs, institutional (marketing) advertisement, measurement and assessment of results, media training for spokespeople, editing of publication, interactive communication, visual programming, corporate videos, government relationship programs, public relation programs, market and public surveying, and event organization.

Article 5. Members are broken down as follows:

a) Founders: legal entities that, through their legal representatives, attended the Association Founding General Meeting, noting that they are subject to contributions as provided for herein;

b) Effective Contributors: legal entities that have become ABRACOM members by the means set forth herein, and that, therefore, are subject to paying the membership fee as set forth by the Board of Directors.

c) Non-Contributors or Symbolic Contributors: legal entities that have become ABRACOM members by the means set forth herein, that are not subject to make any contribution (non-contributor member) or that contribute only in a symbolic fashion by paying a substantially reduced annual fee (symbolic contributor), however, they shall pay any service that ABRACOM may have made available.

Sole Paragraph – Should any Non-Contributor or Symbolic Contributor member wish to apply for Effective Contributor membership then it shall apply, in writing, to the Board of Directors, which may approve or not the membership application.

Article 6. Any membership application for effective contributor or non-contributor will only be submitted to the Board of Directors upon completion of the appropriate form and accompanied with the following documents :

- a) Copy of the agency's Bylaws and amendments duly filed with legal registries;
- b) Copy of the CNPJ Card, issued by the Brazilian Internal Revenue Service.

Article 7. About Member's Exclusive Rights :

(i) Founders and Effective Contributors:

- a) Attend meetings, General and Special Meetings, vote and be voted, always pursuant to the terms herein;
- b) Request a Special Meeting together with others totaling two-thirds of all members, by submitting a justification to that and;

(ii) All Members:

- a) Visit headquarters, enjoy benefits and services that the Association provides, however, non-contributors members shall bear the costs of benefits and services they enjoy; and finally, study and discuss any issue that has been brought up;
- b) Request ABRACOM to take action with public powers in regard to affairs that are acknowledged as being of general interest of the Association's members.

Article 8. About Member's Duties:

- (i) Founders and Effective Contributors:
 - a) Pay the fees that the Board of Directors has set "ad referendum" by the General Meeting ;
 - b) Attend to General Meetings;
- (ii) All Members:
 - a) Comply with these bylaws , the Board of Directors, and the General Meetings decisions ;
 - b) Participate in the meetings of study groups or commissions to which each member was assigned;
 - c) Excel by applying the best professional and ethical principles.

Article 9. Effective Contributor Members are not entitled to their rights if they are in debt with the Association for more than 6 (six) consecutive months .

Article 10. Members who do not comply with the terms herein will be subject to admonition and membership termination.

I. In this regard the following applies:

- a) Members who, for the first time, fail to comply with the Board of Directors or the Fiscal Council, or any bylaw herein, or the General Meeting decisions, or for any reason whatsoever, take an action in disagreement with any of the Association's objectives, will be initially admonished, in writing ;
- b) Members who relapse into any of the above-mentioned non-compliances will have their membership terminated;
- c) It is for the Board of Directors to set forth the penalties;
- d) Any penalty shall only be enforced after a hearing with the Board of Directors and the member in breach who is entitled to full defense, otherwise subject to annulment;
- e) The defense, mentioned in item "d", shall take place within 15 (fifteen) days after said hearing, otherwise the charges and the imposed penalties will be enforced;
- f) The imposed penalty can be appealed to the Meeting within 60 (sixty) days as of member is notified of the imposed penalty.

e) After the appeal, mentioned in item “f”, is submitted, the Board of Directors shall convene a Meeting to rule on said appeal within thirty (30) business days as of the day the appeal is submitted.

Article 11. Members whose membership was terminated may only join the Association after they support their rehabilitation, and at the Board of Directors' sole discretion.

§ Sole Paragraph. Should termination be derived from failing to pay the fees, membership shall only be restored after the settlement of the outstanding balance, which shall be updated using the index indicated by the administration.

Article 12. Members are not accountable on an individual, jointly or subsidiary basis for the obligations or debts that the Association has incurred, even if their representatives perform any effective job.

CHAPTER III

ABOUT THE MEETINGS

Article 13. It is for Founder Members and Contributor Members to attend General Meetings exclusively.

Article 14. The General Meeting shall be held every year to:

a) Verify the Board of Directors' accounts, and examine, discuss and vote the financial statements and reports submitted by the Board of Directors;

b) Examine, discuss and vote the proposed budget for the next fiscal year.

Article 15. A Special Meeting may be convened by the Board of Directors should it deem it convenient, or by voting members (Founders and Effective Contributors) if they total two-thirds (2/3) by submitting a request to the Board of Directors where they state the reasons for convening such meeting.

§ Sole Paragraph. The Special Meeting is empowered to decide on all matters but is entitled only to deliberate on the matter for which it was convened.

Article 16. To convene a General Meeting a Call shall be published in a State or Union official gazettes, or in leading newspapers and mailed to every member.

Article 17. Any General Meeting shall be held at ABRACOM principal place of business, or in a location set out in the Call, and shall have an attendance of at least two-thirds (2/3) of all members, for the first Call. At a second Call, half hour later, the meeting will be held with any attendance, and decisions will be made by simple majority, however, complying with the provisions in the following items.

I. Absentees can be represented by an individual with a specific proxy that will be filed with the Association's Secretary Office;

II. To amend the bylaws, however, the number of voting members (Founders and Effective Contributors) may represent simple majority but they shall be vested with their full rights;

III. Termination of the Association requires approval by two-thirds (2/3) of voting members (Founders and Effective Contributors), present and vested with their rights.

Article 18. It is for the President to chair the General Meeting. If the President prevented from doing it, the individuals mentioned in item a, Article 23, shall replace the President successively.

Article 19. To be entitled to vote at the Meetings members shall have performed their obligations, and particularly have made at least twelve (12) successive monthly payments.

Article 20. Every member is entitled to one (1) vote at the General Meetings.

CHAPTER IV

ABOUT MANAGEMENT

Article 21. Management of the Association is the responsibility of the Board of Directors that is made up by twelve (12) members, elected by a General Meeting.

§ Sole Paragraph. The Association's Board of Directors will include the following directors:

- I. President Director
- II. Vice President Director
- III. Second Vice President Director

- IV. General Secretary Director
- V. Director of Institutional Affairs
- VI. Director of Legal Affairs
- VII. Director of Professional Education
- VIII. Director of Communication
- IX. Director of Expansion and Mobilization
- X. Financial Director
- XI. Director of Image and Events
- XII. Director of International Relations

Article 22. It is for the Board of Directors to:

- a) Convene the General Meeting;
- b) Represent the Association in an official capacity;
- c) Establish the overall organization and administrative structure;
- d) Submit to the General Meeting the proposed budget for the next fiscal year, and the financial report for the previous fiscal year;
- e) Grant membership, expel and admonish members pursuant to the provisions herein;
- f) Make agreements with other organizations;
- g) Propose amendments to the bylaws;
- h) Execute the decisions rendered by the General Meetings;
- i) Prepare balance sheets, financial statements, and any proposal to General Meetings;
- j) Write the Association Internal Regulations setting out each Director's specific assignments;
- k) Set out the Association's guidelines, programs and budget;
- l) Appoint a temporary replacement should a position in the Board of Directors open by choosing a director from one of the Association's members until the General Meeting convenes to fill in the open position;
- m) Replace the Director should the holder of the position not be available.

Article 23. The Board of Directors shall convene regularly at least once a month, at a time, day and location previously agreed on.

§ 1. Decisions shall be made by voting majority provided that at least three (3) Directors are present, and minutes shall be recorded in the appropriate book;

§ 2. The President Director is entitled to a quality vote;

§ 3. Any Director that fails to attend three (3) consecutive ordinary sessions without justification shall have his/her term terminated, regardless of any formality, and the Board of Directors shall appoint his/her replacement temporarily until the General Meeting;

§ 4. Special Meetings will be convened exclusively by the President Director and shall previously called for, in writing, by all Directors.

Article 24. It is for the President Director to:

- I. Chair the General Meetings;
- II. Chair the meetings of the Board of Directors, with a quality vote;
- III. Represent the Association legally or out of court.

a) In case of vacancy, impediment or absence of the President Director, the Vice President Director, the General Secretary Director and the Financial Director shall replace the President successively, and in this order.

Article 25. The signature of the President Director and the Financial Director is required to open and transact bank accounts; issue bank checks; and undertake obligations in agreements, trade notes and any kind of security.

§ Sole Paragraph. The Board of Directors can appoint a representative by means of a proxy, if the case may be, to carry out the Association's technical, bureaucratic and administrative functions.

Article 26. Directors, whether individually or jointly, may not compromise the Association in any deal foreign to its objectives.

Article 27. The Board of Directors term shall last for two (2) years, and they are entitled to reelection. The term shall extend until the inauguration of the newly elected Directors.

§ Sole Paragraph. Any Director inauguration shall be documented by recording it in the minutes.

Article 28. The positions in the Board of Directors may only be filled in by member's legal representatives, and up to two (2) from any company can be elected.

CHAPTER V

ABOUT THE FISCAL COUNCIL

Article 29. The Fiscal Council will include three (3) effective members and one (1) deputy, and they will be elected with the Board of Directors, and its competence is restricted to oversee the Association's financial management.

§ 1. It is for the Fiscal Council to check accountings and approve the Association's accounts, budgets and balance sheets.

§ 2. The Fiscal Council shall convene as many time as it deems necessary, and at least once every two months to examine accounts, initial books, and approve financial statements, as well as render the Council opinion on the annual balance sheet and proposed budget for the next fiscal year to be submitted to the General Meeting .

Article 30. The job of any member in the Fiscal Council may not be delegated.

CHAPTER VI

ABOUT THE ADVISORY COUNCIL

Article 31. The Advisory Council will include an undetermined number of members who are directly chosen by the Board of Directors, and its term shall be the same as the Board of Directors, with the following assignments:

- I. Provide guidance for the political definition made by the Board of Directors;
- II. As an advisory body, provide opinion about all matters submitted to them;
- III. Suggest actions for the Board of Directors to develop the Association's businesses;
- IV. Elect among the council members the chairman; and
- V. Meet ordinarily and exceptionally when convened by the Association's President Director.

CHAPTER VII

ABOUT APPROPRIATION, ASSETS AND RESOURCES

Article 32. The Association's financial life shall be governed by the budget that is approved by the General Meeting every year.

§ Sole Paragraph. Should it be required to review the budget during a fiscal year, such revision shall be subjected to a General Meeting that is specially convened by the Board of Directors to that end.

Article 33. The fiscal period will extend from January 1st to December 31st every year.

Article 34. Should the Association be terminated, a Special Meeting, specially convened to that end, shall decide how the Association's assets will be disposed of.

Article 35. The following is considered as Association's assets and resources :

§ 1. Any voluntary contribution made by communication agencies that are herein defined and designed as member company.

§ 2. Any subvention from public or private, national or international organizations.

§ 3. Any donation, legacy, aid, assignment, contribution, and sponsorship granted, including fiscal incentives and other sponsorships.

§ 4. Association's revenue from provided services.

§ 5. Earnings from financial investments with available balance on the domestic and international markets.

§ 6. Goods and rights, chattels and properties that the Association may have acquired for any reason.

CHAPTER VIII

ABOUT ELECTIONS

Article 36. The elections for the Board of Directors and the Fiscal Council shall take place every two (2) years, by means of secret ballot, and it is for the President to appoint the board or boards to preside the elections; they will be made up by a President and two Secretaries who are chosen from the Association's members.

§ 1. The boards will be installed at the Association's headquarters or in any other designed location.

§ 2. Elected members will be inaugurated within thirty (30) days following the election day.

§ 3. The President will call for elections by publishing a Call with an anticipation of no more than the ninety days and no less than sixty days from the Election date.

§ 4. The Call shall include: (i) date, time and location; (ii) deadline for registering the slates and appointing one (01) representative for each competing slate to take part in the election committee, set business hours for the secretary office; and (iii) deadline to contest any candidate.

§ 5. Copies of the Call shall be affixed at the Association's headquarters and local offices, if any, and published in major newspapers in their respective locations.

§ 6. An election commission shall be created with one (01) representative from each slate, and from the Association's Board to ensure the legitimacy of the election process.

§ 7. In case of any irregularity in the election process, such irregularity must be presented to the election commission before the election result is confirmed so that the commission can rule whether the irregularity is plausible.

§ 8. If the irregularity is justified, the election commission shall make a statement whether validating the result or requiring that new elections are called for, by simple majority.

§ 9. Candidates can be contested within five (5) days as of the day the registered slates are published, and such contestation shall be submitted by the President Director to the Board of Directors that will render the final decision within fifteen (15) days.

§ 10. Those who were elected will automatically lose their office if they leave the company member where they work or those who work with a company member that has its membership terminated, as provide for herein.

§ 11. Office is granted to those who have been elected in personal terms, and their member companies may not appoint any replacement.

§ 12. Board of Directors and Fiscal Council members will lose their office if they violate any of these Bylaws.

I. Termination of any administrative position shall be previously notified to ensure the interested party the right of full defense.

II. If the Board of Directors or Fiscal Council resigns collectively, resignee President shall immediately convene new elections, and the Board of Directors shall remain in office until the newly elected Board is inaugurated.

CHAPTER IX

GENERAL AND TEMPORARY PROVISIONS

Article 37. Any action that implies mismanagement or dissipation of the Association's assets shall be punished pursuant to the penal law.

Article 38. Any act conducted with the purpose of misrepresenting, impeding or defrauding the precepts herein shall be rightfully deemed null and void.

Article 39. Any occurrence or situation that is not provided for herein and that regard the Association will be reviewed and voted by the Board of Directors at ordinary meetings.

Article 40. ABRACOM will not take part in any activity or manifestation whether of political parties or religious.

Article 41. These Bylaws may only be amended or terminated by a Special Meeting that was especially convened for this purpose.

Article 42. The Founding General Meeting will elect the Board of Directors and the Fiscal Council for the first term, pursuant to legal provisions.

Article 43. These Bylaws shall be effective on the date they are approved by the General Meeting.