

Corporations (“S/A”), unlike limited liability companies (“Ltda.”), are entities designed to ensure distinction and organization of management and full protection of shareholders’ equity. There are two types of S/A:

PUBLICLY TRADED

The shares and bonds issued by the company are traded on the stock exchange and the like.

PRIVATELY HELD

Participation in the company’s share capital is not distributed to the public.

AGENCIES AND MANAGEMENT

The company’s organizational chart is made up of several agencies (mandatory or not), with a defined hierarchy, distinct powers and obligations, and a defined role of action:

• ASSEMBLEIA GERAL

The general meeting is the company’s highest decision-making body. During the meeting, the main determinations of the company’s structure will be decided.

There are two types of general meetings, depending on the frequency of holding and the matters to be dealt with at the meeting:

ORDINARY

Which are the shareholders’ councils that must take place every year between January and the end of April to discuss and decide especially

- I. analyze the management accounts and approve the financial statements for the previous year;
- II. the allocation of net income (and if there will be, how much and how the distribution of dividends will occur);
- III. elect the company’s managers.

EXTRAORDINARY

Which despite the name, are not exceptional meetings, but only the shareholders’ council whose matters for deliberation are not those provided for above.

Typically, a company conducts several extraordinary meetings throughout the year.



BOARD

It is the strategic body of the company elected by the general meeting, which defines the planning, and the parameters of the company's performance supervises the activity of the directors and defends the interests of the shareholder (or group of shareholders) that elected it.

The Board must have at least three members. It is recommended, of course, as in any collegiate body, that the number is always odd (to deadlocks), elected, generally, for periodic terms (which cannot be longer than three years and may be re-elected), and sworn in in unified mandates.

FISCAL COUNCIL AND COMMITTEES

It can be a temporary or permanent organ. In general, it is an organ only formed when there is a need. Its function is to supervise the administration and analyze its reports and oversee the company's financial compliance. It is a more technical body than the others, and it is mandatory by law to be formed by specialists or qualified for the position who have proven dependence on the company's management. In addition, there are clear rules for the remuneration of its members to ensure the board's exemption.

The company may also install other committees to deal with specific topics relevant to the company, deliberate and execute or indicate to the board of directors' action plans, such as audit committee, ESG, corporate governance, compensation, etc.

OFFICES

It is the operating arm of the company. Despite being a marker of social status, placing the soup of acronyms of C-Level positions on your LinkedIn profile (CEO, CFO, COO, etc.) is a highly responsible position that can have direct consequences on the officer's personal assets!

