

Vivo Participacoes S.A.
Form 6-K
May 10, 2006

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of the
Securities Exchange Act of 1934

For the month of May, 2006

Commission File Number 1-14493

VIVO PARTICIPAÇÕES S.A.

(Exact name of registrant as specified in its charter)

VIVO Holding Company

(Translation of Registrant's name into English)

Av. Roque Petroni Jr., no.1464, 6th floor part, "B"building

04707-000 - São Paulo, SP

Federative Republic of Brazil

(Address of principal executive office)

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

Form 20-F Form 40-F

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

Yes No

VIVO PARTICIPAÇÕES S.A.

CNPJ/MF nº 02.558.074/0001-73 - NIRE 35.3.001.587.9-2

Publicly-held Company

**MINUTES OF THE SPECIAL MEETING OF SHAREHOLDERS
HELD ON APRIL 24, 2006**

1. **DATE, TIME AND PLACE OF THE MEETING:** Meeting instated and held, upon second calling, on April 24, 2006, at 02:00 p.m., on Av. Roque Petroni Junior, 1464, térreo, Auditório, Morumbi, in the Capital of São Paulo State.
2. **CALL NOTICE:** First call notice published in the State of São Paulo Official Gazette (Corporate Chapter – pages 8, 9 and 114, respectively) and in Gazeta Mercantil (pages A-7, A-15 and A-11, respectively), on March 08, 09 and 10, 2006, and second call notice published in the State of São Paulo Official Gazette, on April 13, 14 and 18, 2006 (Corporate Chapter – pages 90, 13 and 78, respectively), Jornal Valor Econômico (pages A13, B3 and A3) and in Gazeta Mercantil (pages A-11, A-5 and A-17, respectively), on April 13, 17 and 18, 2006.
3. **AGENDA:** To resolve on the following proposals submitted by the Board of Directors:
 - (1) to amend the following articles of the Articles of Incorporation of the Company: (a) Art. 4: to increase the limit of the authorized capital up to 3,000,000,000 shares; (b) Art. 17: to insert the following duties of the Board of Directors: (i) to approve the internal bylaws of the Company and of its subsidiaries, defining their organizational structure, name, working place and detailing their respective duties, up to the level of non-statutory executive officers, as proposed by the Board of Executive Officers, with due regard to legal and statutory provisions; and (ii) to elect and dismiss, at any time, the members of the Board of Executive Officers, establishing their duties, with due regard to legal and statutory provisions; (c) Art. 20: to reduce to six (6) the number of Executive Offices, extinguishing the Vice-President Office for IT and Product and Services Engineering and the Vice-President Office for Customers, as well as to rename the Vice-President Office for Technology and Networks and the Vice-President Office for Compliance and Institutional Relations; (d) Art. 22: (i) to insert the following duties to be performed by collegiate decision of the Board of Executive Officers: to resolve on the internal bylaws of the Company, with due regard to the limits provided for in these Articles of Incorporation, defining the organizational structure, name, working place and detailing the respective duties of the hierarchic levels beneath non-statutory executive officers; and (ii) to resolve on branches, agencies, offices, departments and representation offices, in any part of the domestic territory or abroad; (e) Art. 23: to update the specific duties of each of the members of the Board of Executive Officers; and
 - (2) to restate the Articles of Incorporation of the Company.
4. **ATTENDEES:** The meeting was attended by shareholders representing more than 61.39% of the voting capital, pursuant to the records and signatures in the Shareholders' Attendance Book.
5. **PRESIDING BOARD:** Breno Rodrigo Pacheco de Oliveira – Chairman, and Simone Wilches Braga – Secretary

6. **RESOLUTIONS:**

6.1 Starting with the works, the Chairman explained that the minutes of the meeting would be drawn-up as a summary of the facts, merely containing a transcript of the resolutions made therein, as set forth in article 130, § 1 of the Corporation Law, informed that the documents or proposals, statements of vote or dissenting vote regarding the matters to be resolved should be presented in writing to the presiding board of the meeting which, for such purpose, would be represented by the Secretary of the Meeting. Therefore, as for item “1” of the agenda, the shareholders have **unanimously** approved the amendment to the following articles of the Articles of Incorporation of the Company: (a) Art. 4: to increase the limit of the authorized capital up to 3,000,000,000 shares; (b) Art. 17: to insert the following duties of the Board of Directors: (i) to approve the internal bylaws of the Company and of its subsidiaries, defining their organizational structure, name, working place and detailing their respective duties, up to the level of non-statutory executive officers, as proposed by the

Board of Executive Officers, with due regard to legal and statutory provisions; and (ii) to elect and dismiss, at any time, the members of the Board of Executive Officers, establishing their duties, with due regard to legal and statutory provisions; (c) Art. 20: to reduce to six (6) the number of Executive Offices, extinguishing the Vice-President Office for IT and Product and Services Engineering and the Vice-President Office for Customers, as well as to rename the Vice-President Office for Technology and Networks and the Vice-President Office for Compliance and Institutional Relations; (d) Art. 22: (i) to insert the following duties to be performed by collegiate decision of the Board of Executive Officers: to resolve on the internal bylaws of the Company, with due regard to the limits provided for in these Articles of Incorporation, defining the organizational structure, name, working place and detailing the respective duties of the hierarchic levels beneath non-statutory executive officers; and (ii) to resolve on branches, agencies, offices, departments and representation offices, in any part of the domestic territory or abroad; (e) Art. 23: to update the specific duties of each of the members of the Board of Executive Officers”.

6.2 As for item “2” of the agenda, the shareholders have **unanimously** approved the proposal to restate the Articles of Incorporation of the Company, containing the amendments resolved at the meeting, which Articles of Incorporation are attached to these minutes, duly initialed by all the attendees.

7. APPROVAL AND SIGNATURES: After all the items of the agenda were voted, the minutes of the meeting were read, approved and signed by the attendees. It has been further recorded that, pursuant to §2 of article 130 of Law 6404/76, they authorize the publication of the minutes without showing the signatures of the shareholders

Signatures: Breno Rodrigo Pacheco de Oliveira – Chairman of the Meeting; Simone Wilches Braga – Secretary of the Meeting; Brasilcel, N.V., Tagilo Participações Ltda., Avista Participações Ltda., Sudestecel Participações Ltda., TBS Celular Participações Ltda. - by Breno Rodrigo Pacheco de Oliveira; Portelcom Participações S/A - by Simone Wilches Braga; Caixa de Previdência dos Funcionários do Banco do Brasil – PREVI - by Camila Cristina Anello; Barclays Global Investors N.A., CNA-Capital International Emerging Markets Equity Trust, IBM Tax Deferred Savings Plan, Bell Atlantic Master Trust, The Pension Reserves Inv Mana Board, Brazil Value and Growth Fund, FDC Portfolios Fund – F&C Global Emerging Markets, The California State Teachers Retirement System, State of Connecticut Retirement Plans and Trust Fund, Teacher Retirement System of Texas, The Master Trust Bank of Japan Ltd Re MTBC400035147, OCM Emerging Markets Fund, LP, Kansas Public Employees Retirement System - by Daniel Alves Ferreira; Vanguard Emerging Markets Stock Index Fund, Aegon/Trans.SF 1 – VKA International Alloc., Ishares MSCI Brazil Free Index Fund, Capital Guardian Emerging Markets Equity DC Master Fund, Capital Guardian Emerging Markets R.Equity Fund for tax.e.ts, Capital Guardian Emerging Markets Equity Master Fund - by Daniel Alves Ferreira; Genesis Condor Fund Limited, Norges Bank, The New York Stat Common Retirement, Morgan Stanley Fund Inc. Act Intenational Alloc Port, Morgan Stanley Offshore Emerging, The Universal Inst. F I Emerging Markets Equity, Morgan Stanley Emerging Markets Fund, The Latin American Discovery Fund, Morgan Stanley Inst Fund Inc Emerging Markets - by Daniel Alves Ferreira.

I hereby certify that this is a true copy of the original minutes that were drawn-up in the proper Book

Breno Rodrigo Pacheco de Oliveira
General Secretary– OAB/RS nº 45.479

VIVO PARTICIPAÇÕES S.A.

CNPJ/MF (Tax ID) nº 02.558.074/0001-73 - NIRE (State ID) 35.3.001.587

Publicly-Held Company

COMPANY BY-LAWS

CHAPTER I – CHARACTERISTICS OF THE COMPANY

LEGAL FORM

Art. 1 – *VIVO Participações S.A.* is a joint stock corporation governed by Law No. 6.404/76, as amended, by these By-Laws and by other applicable legal provisions, being established for an indefinite period of time.

CORPORATE PURPOSE

Art. 2 – The Company’s corporate purposes are:

I – to control companies engaged in cellular mobile service, personal mobile service and other kinds of telecommunication services in general, pursuant to concessions, authorizations and permits granted to it;

II – to promote, through controlled or subsidiary companies, the expansion and implementation of telecommunication services, in the respective concession, authorization and permit areas granted to it;

III – to promote, carry out or guide the raising of foreign or domestic funds to be invested by the Company or by its controlled companies;

IV – to promote and stimulate study and research activities for the development of the telecommunications industry;

V – to perform, through its controlled or subsidiary companies, specialized technical services concerning the telecommunication area;

VI – to promote, stimulate, perform and coordinate, through its controlled or subsidiary companies, the formation and training of the staff necessary for the telecommunications industry;

VII – to perform or promote the importation of products and services for its controlled and subsidiary companies;

VIII – to perform other activities related to its corporate purposes;

IX – to hold interests in the capital stock of other companies; and

X - to market equipment and materials required for or useful to the operation of telecommunication services.

HEAD OFFICE

Art. 3 - The Company has its head office in the Capital of São Paulo State and may, by decision of the Executive Committee, open and close branches, agencies and branch offices, offices, departments and representation offices in any part of the Brazilian territory or abroad.

CHAPTER II - CAPITAL STOCK

AUTHORIZED CAPITAL

Art. 4 – The Company may increase its capital stock up to the limit of three billion (3,000,000,000) shares, whether common or preferred, regardless of amendment to the articles of incorporation, the Board of Directors being the competent body to make resolutions on the increase and consequent issuance of new shares within the referred limit.

Paragraph One – No requirement exists as to keeping any proportion between the number of shares of each class, the maximum proportion of two thirds (2/3) of the number of preferred shares with no voting rights or with restricted voting rights in relation to the total of shares issued may be maintained.

Paragraph Two – The shareholders shall have preemptive rights upon the subscription of increases in the capital stock, in proportion to the number of shares held by them.

Paragraph Three - By resolution of the Board of Directors, (i) the preemptive right may be excluded upon issues of shares, debentures convertible into shares and warrants, the placement of which is made at Stock Exchanges or by public subscription, exchange of shares in a public offering for acquisition of control, under the terms of the Articles 257 and 263 of the Corporations Act, as well as for benefiting from tax incentives, under the terms of specific laws, as permitted by Article 172 of Law No. 6404/76; and, (ii) upon issuance of common shares intended for adaptation to the provisions in article 15, paragraph 2 of Law No. 6404/76, the preemptive right set forth in article 171, paragraph 1 (b) of the Corporations Act regarding the subscription of shares of kinds and classes different from the ones held by the shareholders may not be extended to the holders of preferred shares, as provided for in article 8, paragraph 2 of Law No. 10.330/01.

SUBSCRIBED CAPITAL

Art. 5 – The subscribed and fully paid-up capital is six billion, one hundred and fifty three million, five hundred and six thousand, nine hundred and fifty two reais and seventy-three cents (R\$6,153,506,952.73), divided into one billion, four hundred and twenty-six million, four hundred and twelve thousand, two hundred and seventeen (1,426,412,217) shares, of which five hundred and nine million, two hundred and twenty-six thousand, one hundred and thirty-seven (509,226,137) are common shares and nine hundred and seventeen million, one hundred and eight-six thousand, and eighty (917,186,080) are preferred shares, all of them of book-entry type, with no face value.

Sole Paragraph – The shares shall be held in a depository account with a financial institution on behalf of their respective holders, with no issuance of certificates, and the institution may charge from the shareholders the cost of transfer of their respective shares.

CHAPTER III – SHARES

COMMON SHARES

Art. 6 – Each common share entitles the holder thereof to one vote in the Shareholders' Meetings.

PREFERRED SHARES

Art. 7 – Preferred shares have no voting rights, except in the cases provided for in Articles 9 and 10 below, and are assured priority upon reimbursement of capital, with no premium, right to receive the dividend to be distributed, corresponding to at least 25% of the net profit for the year, calculated in conformity with article 202 of the Corporations Act, with priority upon the receipt of non-cumulative, minimum dividends of six percent (6%) per annum on the amount resulting from the division of the subscribed capital for the total number of shares of the

Company or three per cent (3%) per annum on the amount resulting from the division of the net worth for the total number of shares of the Company, as well as the right to share the distributed profit under equal conditions as those provided for the common shares, after the minimum priority dividend distributed to the preferred shares is ensured to the latter.

Sole Paragraph – Preferred shares will be granted full voting rights in the event the Company shall fail to pay the minimum dividends to which they are entitled for three (3) consecutive fiscal years, which right they shall retain until such dividends are paid.

CHAPTER IV – GENERAL SHAREHOLDERS’ MEETING

Art. 8 – General Shareholders’ Meetings shall be held: (i) on a regular basis, once a year, within the first four (4) months following the end of each fiscal year, for resolution of the matters mentioned in Article 132 of Law No. 6.404/76 and, (ii) on a special basis, whenever necessary, be it as a function of corporate interests, or due to a provision in these By-Laws, or when applicable legislation should so require.

Sole Paragraph – General Shareholders’ Meetings shall be called by the Board of Directors, it being incumbent upon the Chairman of the mentioned body to provide support to the relevant act.

Art. 9 – The execution of agreements with related parties, under terms and conditions more burdensome for the Company than market terms for agreements of the same nature shall require prior approval by the General Meeting of Shareholders, with due regard, in any case, to the provisions in article 117 of Law 6.404/76.

Art. 10 – Without prejudice to the provisions of Paragraph One of Article 115 of Law No. 6.404/76, the holders of preferred shares shall be entitled to voting rights in resolutions of the general Meeting referred to in Article 9, as well as in those resolutions related to amendment or revocation of the following provisions of these Bylaws:

I - article 9;

II - sole Paragraph of article 11; and

III - article 30.

Art. 11 – The General Shareholders’ Meetings shall be chaired by the Chairman the Board of Directors, who shall appoint the Secretary from among those present to the meeting. In the absence of the Chairman of the Board of Directors, the shareholders shall choose the chairman and the secretary of the meeting.

Sole Paragraph – In the cases provided for in Article 136 of Law No. 6.404/76, the first call notice for the General Shareholders’ Meetings shall be published at least thirty (30) days in advance and the second call notice shall be published at least ten (10) days in advance.

Art. 12 – Only shareholders of record up to seventy-two (72) hours prior to the date scheduled for the relevant Meeting, may attend and vote in the General Shareholders’ Meetings.

Paragraph One – The call notice may require that the attendance of the shareholder at the Meeting be contingent upon filing, with the Company’s head office, of proof of his/her/its qualifications as a shareholder, issued by the Company itself or by the depositary institutions of the Company’s shares, up to seventy-two (72) hours prior to the scheduled date of the General Shareholders’ Meeting.

Paragraph Two – The call notice may also require that representation of the shareholder by a proxy in a Meeting be contingent upon filing of the relevant power of attorney with the Company’s head office, at least seventy-two (72)

hours prior to the date scheduled for the General Shareholders' Meeting.

CHAPTER V – MANAGEMENT OF THE COMPANY

Art. 13 – The Company shall be managed by the Board of Directors and by the Executive Committee, with the duties conferred to them by law and by these By-Laws. The relevant members shall be elected for a term of office of three (3) years, re-election being permitted, and they are released from posting bond for the performance of their duties.

Paragraph One - All members of the Board of Directors and of the Executive Committee shall take office by signing the relevant instruments, remaining in their respective offices up to the time their successors effectively take office.

Paragraph Two – The General Shareholders' Meeting shall set the overall compensation of the Company's officers, including benefits of any kind and entertainment allowances, the Board of Directors having the competent authority to distribute the compensation among its members and the members of the Executive Committee.

Paragraph Three – The General Shareholders' Meeting may grant profit sharing to the officers of the Company, with due regard to the provisions of Article 152, Paragraph One and Paragraph Two of Law No. 6.404/76, following a proposal presented by the Company's management.

BOARD OF DIRECTORS

COMPOSITION

Art. 14 – The Board of Directors shall comprise at least three (3) and at most twelve (12) members, all of them shareholders of the Company, who may be elected to and removed from the board by a General Shareholders' Meeting, including in such number the members of the Board elected by the minority shareholders, if any, with due regard, concerning the number of members established in this article, to the provisions in paragraph 7 of article 141 of the Corporations Act.

Sole Paragraph – The Board of Directors shall appoint, from among its members, the Chairman and the Vice-Chairman of the Board.

SUBSTITUTION

Art. 15 – In the event of impediment or absence of the Chairman of the Board of Directors, he/she shall be replaced by the Vice-Chairman. In the absence of the Vice-Chairman, the Chairman shall be replaced by another member of the Board appointed by said Board.

Paragraph One – In the event of impediment or absence of any other member of the Board of Directors, the member thus impeded or absent may appoint his/her substitute, in writing, from among the other members of the Board of Directors, to represent him/her and make resolutions at the meeting to which he/she is not able to attend, under the terms of the provisions in Paragraph Three of Article 19 of these By-Laws.

Paragraph Two – Members of the Board of Directors may take part in any meeting of said Board through conference call, video conference or any other means allowing all of the Directors to see and hear each other and, in such case, they shall be deemed to have attended the same and shall confirm their vote by a written statement sent to the Chairman of the Board by mail or fax, promptly after the meeting. The resolutions taken in said meetings shall be confirmed at the next first meeting of the Board of Directors, which is physically attended by its members.

Art. 16 – In the event of vacancy in the offices of director, the substitute shall be appointed by the remaining directors for the remaining term of office of the substituted member or until a general meeting for the election of the substitute

is held. In the event of vacancy in most offices of the members of the Board of Directors, as provided for in Article 14 above, a General Shareholders' Meeting shall be called to elect the substitutes.

INCUMBENCIES

Art. 17 – It is incumbent upon the Board of Directors, in addition to the duties provided for in article 142 of the Corporations Act, to:

- I - to approve the internal regimen of the Company and of its subsidiaries, up to the level of non-statutory executive officers, with due regard to legal and statutory provisions;
- II - approve and amend the internal bylaws of the Board of Directors;
- III - resolve as to the issuance of shares by the Company, involving capital increase, within the limit of the authorized capital, defining the terms and conditions of such issuance;
- IV - resolve as to the issuance of warrants and to the issuance of simple, unsecured debentures, non convertible into shares;
- V - resolve, by delegation of the General Shareholders' Meeting, as to following aspects upon issuance of debentures by the Company: (i) timing of the issuance, (ii) time and maturity, amortization or redemption terms, (iii) time and interest payment, profit sharing and reimbursement premium terms, if any, (iv) form of subscription or placement, and (v) type of debentures;
- VI - resolve as to the issuance of promissory notes for public distribution (“Commercial Papers”) and as to the submission of the Company's shares to a depository system for trading of the respective certificates (“Depository Receipts”);
- VII - authorize the acquisition of shares issued by the Company, for cancellation or custody in Treasury for subsequent sale;
- VIII - authorize the sale of fixed assets, the creation of in rem guarantees and the granting of guarantees of third parties obligations, in an amount greater than three hundred million Reais (R\$ 300,000,000.00);
- IX - approve the assumption of any obligation not provided for in the Company's budget for an amount greater than three hundred million Reais (R\$ 300,000,000.00)
- X - authorize the execution of agreements not provided for in the Company's budget, for an amount greater than three hundred million Reais (R\$ 300,000,000.00);
- XI - approve investments and acquisition of assets not provided for in the Company's budget, for an amount greater than three hundred million Reais (R\$ 300,000,000.00);
- XII - authorize the acquisition of equity interest on a permanent basis in other companies in an amount greater than three hundred million Reais (R\$ 300,000,000.00), not provided for in the Company's budget and the encumbrance or sale of equity interests;
- XIII - approve the distribution of interim dividends;
- XIV - select or remove the independent auditors, with due regard to the provisions of paragraph 2 of article 142 of the Corporations Law;

XV - appoint or remove the internal auditors, the General Secretary and the General Counsel; and

XVI - to elect and dismiss, at any time, the members of the Board of Executive Officers, with due regard to legal and statutory provisions;

Art. 18 – The specific duties of the Chairman of the Board of Directors are: (a) to call the General Shareholders’ Meetings when deemed necessary or as provided by law; (b) to chair the General Shareholders’ Meetings and appoint the Secretary among those present to the meeting; (c) to call and chair the meetings of the Board of Directors whenever deemed necessary or when requested by any director; (d) to ensure that the resolutions taken at the general shareholders’ meetings and at the meetings of the Board of Directors are duly implemented.

MEETINGS

Art. 19 – The Board of Directors shall meet, (i) on a regular basis, once every three months, and (ii) on a special basis, upon calling by the Chairman of the Board, who shall designate the matters to be discussed, with minutes being drawn up on its resolutions.

Paragraph One – The meetings of the Board shall be called in writing, at least seventy-two (72) hours in advance and the call notice shall indicate the agenda and the matters to be discussed in the relevant meeting.

Paragraph Two – The Board of Directors shall make resolutions by majority of votes, provided the majority of its members in office are present.

Paragraph Three – Any Member of the Board may be represented by another Director at meetings which he/she is not able to attend, provided such powers are granted in a written and signed document.

EXECUTIVE COMMITTEE

COMPOSITION

Art. 20 – The Executive Committee shall comprise six (6) members, either shareholders or not, who are resident in Brazil, elected by the Board of Directors, to take the following offices:

- a) Chief Executive Officer;
- b) Executive Vice-President for Operations;
- c) Executive Vice-President for Finance, Planning and Control;
- d) Executive Vice-President for Marketing and Innovation;
- e) Vice-President for Networks;
- f) Vice-President for Regulation;

Sole Paragraph - One same Executive Officer may be elected to perform the duties of more than one office in the Executive Committee, the members of the Executive Committee not to comprise the Board of Directors.

Art. 21 – In the event of absences or temporary impediments, the Chief Executive Officer shall be replaced by the Executive Vice-President for Finance, Planning and Control. In the event of any vacancy in an Executive Committee office, the relevant substitution shall be decided by the Board of Directors; in case of impediment, the Chief Executive

Officer shall appoint the substitute of the impeded Executive Officer from among the other Executive Officers.

COLLEGIATE AUTHORITY OF THE EXECUTIVE COMMITTEE
AND REPRESENTATION OF THE COMPANY

Art. 22 – The Executive Committee is the competent body for active and passive representation of the Company, with the body and its members performing all the acts that are necessary and convenient for the management of corporate business. It is incumbent upon the Executive Committee, collectively, without limitation, to perform the following acts:

- I. propose to the Board of Directors the Company’s general plans and programs, specifying the investment plans for expansion of the operating plant;
- II. authorize, within the limits established in these By-Laws, the sale or encumbrance of fixed assets, the creation of in rem guarantees and the granting of guarantees of third parties’ obligations;
- III. prepare the financial statements, the results for the fiscal year and the dividend distribution proposal, including interim dividends, as well as the application of the surplus, to be submitted for examination by the Audit Committee, by the Independent Auditors and by the Board of Directors;
- IV. whenever applicable, perform the following acts, within the limits set in these By-Laws: (a) to ratify the purchase of materials and equipment and the contracting of assets, construction and services; (b) ratify the sale of current assets; and (c) authorize the contracting by the Company of financing and loans;
- V. approve the execution of other agreements not mentioned above, within the limits of its duties;
- VI. define the duties and organizational structure of the hierarchic beneath non-statutory executive officers;
- VII to resolve on branches, agencies, offices, departments and representation offices, in any part of the domestic territory or abroad;
- VIII. propose to the Board the duties for each of the Non-Statutory Officers and being the Board responsible for determining them in the internal regimen of the Company.

Paragraph One – The resolutions of the Executive Committee shall be taken by majority vote, provided the majority of its members is present.

Paragraph Two – With due regard to the provisions of these By-Laws, in order to bind the Company it is necessary to obtain (i) the joint signature of two (2) Executive Officers, except in emergency situations, when the individual signature of the Chief Executive Officer or, in his absence or temporary impediment, of the Executive Vice-President for Finance, Planning and Control, shall be permitted, in any event subject to approval by the Executive Committee; (ii) the signature of one (1) Executive Officer jointly with one (1) Attorney-in-Fact; or (iii) the signature of two (2) Attorneys-in-Fact jointly, provided they are vested with specific powers.

Paragraph Three – Powers of attorney granted in the name of the Company shall always be executed by two (2) Executive Officers and must specify the powers granted and, except for those granted for legal purposes, must have a maximum effective term of one (1) year.

INCUMBENCIES OF THE EXECUTIVE OFFICERS

Art. 23 – The following are the specific incumbencies of each member of the Executive Committee:

I- Chief Executive Officer:

- a) to follow up on and supervise the implementation of the resolutions of the General Shareholders' Meetings and the Board of Directors;
- b) to follow up on and supervise the implementation of the Company's strategic policy;
- c) to coordinate and supervise the duties of the other Statutory Officers, representing the Executive Committee at the General Shareholders' Meeting and before the Board of Directors;
- d) to perform other duties determined by the Board of Directors, directly or through the internal regimen of the Company.

II – Executive Vice-President for Operations:

- a) to carry out the sale of products and services;
- b) to manage and develop sale channels (ex.: own stores, resale, reload and retail networks);
- c) to manage statistics about client base; and
- d) to perform other duties determined by the Board of Directors, directly or through the internal regimen of the Company.

III - Executive Vice-President for Finance, Planning and Control:

- a) to identify political, economic, social and technological scenarios and monitor the share market;
- b) to develop a relationship strategy and interact with market entities and shareholders performing Investor Relations duties, to give information to the investing public, to the CVM (Securities Commission) and the entities with which the company shall have its securities listed and keep the company's registration updated;
- c) to define and manage the company's financial structure;
- d) to manage the billing system;
- f) to perform other duties determined by the Board of Directors, directly or through the internal regimen of the Company.

IV - Executive Vice-President for Marketing and Innovation:

- a) to define a marketing strategy and plan for all market segments;
- b) to develop and implement advertising strategy and trademark management;
- c) to define the criteria and means to develop the CRM system;
- d) to perform other duties determined by the Board of Directors, directly or through the internal regimen of the Company.

V - Vice-President for Networks:

- a) to coordinate the strategy for network technological evolution, development and growth;
- b) to plan, size and develop the cellular radio network, switching, interconnection and service platforms; and
- c) to perform other duties determined by the Board of Directors, directly or through the internal regimen of the Company.

VI - Vice-President for Compliance:

- a) to monitor the regulation environment;
- b) to implement relationship and negotiation with the regulating agencies;
- c) to perform other duties determined by the Board of Directors, directly or through the internal regimen of the Company.

CHAPTER VI – AUDIT COMMITTEE

Art. 24 – The Audit Committee, operating on a permanent basis, shall be made up of at least three (3) and at most five (5) regular members and an equal number of deputy members.

Paragraph One – The remuneration of the members of the Audit Committee, in addition to the reimbursement of travel and lodging expenses for performance of the function, shall be set by the General Shareholders’ Meeting that elects the members and may not be less than, for each member in office, ten percent of that attributed on average to each Executive Officer, without computing benefits of any nature, entertainment allowances or profit sharing.

Paragraph Two – In the event of a vacancy for an office on the Audit Committee, the substitute shall be the respective deputy. If there is vacancy in the majority of the offices, a general shareholders’ meeting shall be called in order to elect the substitutes.

Paragraph Three – The Audit Committee shall meet (i) on a regular basis, once every quarter, and (ii) on a special basis, by call notice from the Chairman of the Board of Directors, or from two (2) members of the Audit Committee, with minutes being drawn up for its resolutions.

Paragraph Four – The meetings of the Audit Committee shall be called for in writing at least forty-eight (48) hours in advance, with the call notice showing the agenda and a list of the matters to be discussed during the relevant meeting.

CHAPTER VII – FISCAL YEAR AND FINANCIAL STATEMENTS

FISCAL YEAR

Art. 25 – The fiscal year shall coincide with the calendar year, and the balance sheets shall be prepared on an annual, semi-annual or quarterly basis.

ALLOCATION OF PROFITS

Art. 26 – Together with the financial statements, the Board of Directors shall submit to the General Shareholders’ Meeting a proposal on (i) profit sharing by the employees and officers and (ii) full allocation of net income.

Paragraph One – From the net income for the fiscal year: (i) five percent (5%) shall be allocated to the legal reserve, with the aim of ensuring the integrity of the capital stock, limited to twenty percent (20%) of paid-in capital stock; and

Investor Relations Officer

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.
