LUZONE
Legal

CORPORATE TYPES IN BRAZILIAN LAW

TIPOS SOCIETÁRIOS NA LEI BRASILEIRA

LEGAL GUIDE

CORPORATE TYPES IN BRAZILIAN LAW

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I- INTRODUCTION

AS A BUSINESS CORPORATION, A LEGAL ENTITY IS A COMPANY FORMED BY PARTNERS AND LEGALLY REGISTERED IN THE COMPETENT BODY, THE PUBLIC REGISTER OF MERCANTILE COMPANIES, TO EXPLORE BUSINESS ACTIVITIES,
CONSTITUTED AS A LIMITED COMPANY IN THE MAJORITY OF CASES IN BRAZIL. THERE IS NO BEST WAY TO INCORPORATE A COMPANY OR CONSTITUTE OF LEGAL PERSON BECAUSE, IN THE END, ALL WILL DEPEND OF WHICH IS MORE APPROPRIATE TO EACH SITUATION.

IN BRAZIL, AN INDIVIDUAL ENTREPRENEUR OR A LEGAL ENTITY CAN EXPLOIT THE BUSINESS AS A COMPANY OR THE ENTERPRISE AS ECONOMIC ENTITY SINCE ITS ACTIVITIES AS ENTREPRENEUR ARE SUBJECT TO REGISTRATION. BAED ON THIS, IT IS CONSIDERED ENTREPRENEUR THE COMPANY THAT HAS FOR OBJECT THE EXERCISE OF OWN ACTIVITY. THUS, IF THE COMPANY DOES NOT EXPLORE BUSINESS-RELATED ACTIVITIES, IT WILL BE CONSIDERED IN ACCORDANCE WITH BRAZILIAN AS SIMPLE PARTNERSHIPS.

REGARDLESS OF ITS ACTIVITIES, THE REGISTRATION IS COMPULSORY IN THE PUBLIC REGISTER OF MERCANTILE COMPANIES OF THE RESPECTIVE HEADQUARTER, BEFORE THE COMPANY EFECTIVILY START ITS ACTIVITY. THE NAME IN BRAZIL IS “JUNTA COMERCIAL” AND IT IS THE COMPETENT BODY THAT MAKES THE REGISTRATION OF THE COMPANY IN ORDER THAT IT CAN START ITS ACTIVITIES.

BRAZILIAN LAW PROVIDES FOR SOME FORMS OF JOINT EFFORTS IN WHICH SOME OF THEM LEAD THE INTERESTED PARTIES TO THE ORGANIZATION OF CORPORATIONS PROVIDED WITH LEGAL CHARACTER, WHILE OTHERS ARE NOT INCORPORATED AND THUS, NOT ALWAYS LEAD TO THE ORGANIZATION OF A COMPANY.

IN RELATION TO THE LATTER SPECIES, CONSORTIA AND OTHER FORMS OF LEGAL BUSINESSES CAN BE HIGHLIGHTED WHERE THE PARTIES DO NOT DETACH FROM THEIR INDIVIDUAL CORPORATE STATUS. BY CONTRAST, THE COMPANIES ARE ORGANIZED BY MERE WRITTEN AGREEMENT, EITHER PRIVATE OR PUBLIC, IN WHICH THE WISH OF THE CONTRACTING PARTIES MAY LEAD THEM TO ORGANIZE INCORPORATED OR UNINCORPORATED ENTITIES. AS TYPES OF THE LATTER WE HAVE “SOCIEDADE EM COMUM” AND “SOCIEDADE EM CONTA DE PARTICIPAÇÃO”.

I- INTRODUCTION

IN THIS WAY, IN RELATION TO INCORPORATED ENTITIES, THE BRAZILIAN LEGISLATION PROVIDES FOR THE FOLLOWING TYPES: SOCIEDADE SIMPLES, SOCIEDADE EM NOME COLETIVO, SOCIEDADE EM COMANDITA SIMPLES, SOCIEDADE LIMITADA, SOCIEDADE ANÔNIMA AND SOCIEDADE EM COMANDITA POR AÇÕES.

AFTER THE REGISTRATION WITH THE COMPETENT PUBLIC REGISTRY OFFICE, THE LAW GIVES CORPORATE STATUS TO SUCH COMPANIES, WHICH THUS BECOME LEGAL ENTITIES WITH ASSETS SEPARATED FROM THOSE OF THEIR PARTNERS AND DIFERENTS LEVELS OF RESPONSIBILITY FOR THE SOCIAL OBLIGATIONS.

DIFFERENT FROM BUSINESS CORPORATIONS, BRAZILIAN LAW ALSO PROVIDES FOR THE ASSOCIATIONS, FOUNDATIONS AND CO-OPERATIVES, FORMS OF ASSOCIATION WHICH, EITHER DUE TO THE FACT THAT THEY ARE NOT AIMED TO OBTAIN PROFIT TO DISTRIBUTE, OR BECAUSE OF THE PARTICULAR CHARACTERISTICS OF THEIR FORMATION
OR BY THEIR CORPORATE PURPOSE.

IT'S IS IMPORTANTE TO CONSIDER THAT, APART FROM SOCIEDADES ANÔNIMAS, ALL THE CORPORATE TYPES FORESEEN UNDER BRAZILIAN LEGISLATION MAY INDISTINCTLY FUNCTION AS SOCIEDADES SIMPLES OR OF BUSINESS CORPORATIONS, WHICH, MUST HOWEVER, BE EXPRESSED IN THEIR ARTICLES OF ASSOCIATION SINCE THEIR
ORGANIZATION, AND SOCIEDADES SIMPLES SHALL BE FILED IN THE CIVIL REGISTRY OF LEGAL ENTITIES AND BUSINESS CORPORATIONS SHALL BE FILED WITH THE BOARDS OF TRADE (JUNTA COMERCIAL).

II- SOCIEDADE ANÔNIMA

CHARACTERIZED UNDER ARTICLE 1088 OF BRAZILIAN CIVIL CODE AND REGULATED BY LAW NO. 6,404 OF DECEMBER 15, 1976 (PARTIALLY AMENDED BY LAW NO. 9.457 OF JUNE 5, 1997, LAW NO. 10,303, OF OCTOBER 31, 2001, LAW NO. 11,638/2007, OF DECEMBER 28, 2007 AND LAW NO. 11,941/09, OF MAY 27, 2009)
THE SOCIEDADE ANÔNIMA OR COMPANHIA CAN BE CONSIDER AS A BUSINESS CORPORATION BY LEGAL DEFINITION, WITH ITS CAPITAL REPRESENTED BY PREVIOUSLY OUTSTANDING SHARES. IT IS, IN ITSELF, A BUSINESS CORPORATION HAVING AS PURPOSE TO EARN PROFITS TO BE DISTRIBUTED TO ITS SHAREHOLDERS AS DIVIDENDS OR ACTUALLY AS INTERESTS OVER OWN CAPITAL.

IN THE CORPORATE NAME, IT IS POSSIBLE TO USE A PROPER NAME, THE NAME OF THE FOUNDER OR THE NAME OF SOMEONE WHO ONE WISHES TO HOMAGE ABD THE CORPORATE NAME CAN DESCRIBE THE CORPORATE PURPOSES OR THE ACTIVITY CARRIED OUT, BUT THIS DESCRIPTION IS NOT MANDATORY BY LAW. IN ANY WAY, SOCIEDADE ANÔNIMA IS IDENTIFIED BY A NAME, AND THE CHOSEN NAME MUST BE PRECEDED OR SUCCEEDED BY THE EXPRESSION “SOCIEDADE ANÔNIMA”, IN FULL OR ABRIDGED (S/A), OR PRECEDED BY THE WORD “COMPANHIA”, IN FULL, OR “CIA.”.

WE HAVE TWO TYPES OF SOCIEDADES ANÔNIMAS IN BRAZIL: A PUBLICLY HELD COMPANY WHICH OBTAINS FUNDS THROUGH PUBLIC OFFERS AND SUBSCRIPTIONS AND IS SUPERVISED BY THE BRAZILIAN SECURITIES COMMISSION (CVM), AND A CLOSED COMPANY WHICH OBTAINS CAPITAL FROM ITS OWN SHAREHOLDERS OR SUBSCRIBERS, HAVING THE OPTION OF A SIMPLER ACCOUNTING AND ADMINISTRATION SYSTEM.

II- SOCIEDADE ANÔNIMA

THE LAW PREDICTS DIFERENTE TYPES OF SHARES ON THE CAPITAL STOCK. THE SHARES MAY BE COMMON, PREFERRED OR FRUITION SHARES DEPENDING ON THE RIGHTS OR ADVANTAGES CONFERRED TO THEIR HOLDERS. COMMON SHARES ENTITLE ITS HOLDER, BESIDES THE ESSENTIAL RIGHTS, TO THE RIGHT OF VOTE, WHEREAS PREFERRED SHARES, WHICH GRANT SPECIAL RIGHTS TO ITS HOLDER, MAY RESTRICT OR SUPPRESS THE RIGHT OF VOTE. FRUITION SHARES RESULT IN THE RIGHT TO CONTINUE UPON THE AMORTIZATION TAKING PART IN THE CORPORATE INCOME FROM THE PAYING OFF OF COMMON OR PREFERRED SHARES, WITHOUT REDUCTION IN CAPITAL. THE SHAREHOLDERS' AGREEMENT IS THE DOCUMENT THAT PROVIDES THE PURCHASE AND SALE OF THE SHARES, TO ESTABLISH PRE-EMPTIVE RIGHTS FOR THEIR ACQUISITION, AND ALSO AS TO THE MANNER IN WHICH THEY EXERCISE THE VOTING RIGHTS. THE OBLIGATIONS SET FORTH IN THE SHAREHOLDERS AGREEMENT ARE ENFORCEABLE BY SPECIFIC PERFORMANCE AND MUST BE RESPECTED BY THE COMPANY.

IN ORDER TO BE BETTER ORGANIZED, THE SOCIEDADE ANÔNIMA MAY BE MANAGED BY A BOARD OF DIRECTORS AND BY A MANAGEMENT BOARD OR ONLY BY A BOARD OF DIRECTORS, DEPENDING ON WHAT LAW OR THE BYLAWS DETERMINE. AS A PERMANENT OR TEMPORARY FORM, THE SHAREHOLDERS ARE ENTITLED TO PERFORM THE INSPECTION THROUGH AN AUDIT COMMITTEE, THAT IS THE BODY WHICH POLICES THE COMPANY'S ACCOUNTS AND ADMINISTRATION. AFTER INSTALLED, IT IS COMPOSED OF AT LEAST THREE AND, AT MOST, FIVE MEMBERS, WITH AN EQUAL NUMBER OF SUBSTITUTES, WHO MAY BE SHAREHOLDERS OR NOT, ELECTED BY THE GENERAL MEETING. IN SPECIAL CASES, THERE MAY BE SPECIFIC REPRESENTATIONS FOR A CERTAIN TYPE OF SHAREHOLDERS.

III- SOCIEDADE LIMITADA

IN SOCIEDADE LIMITADA EVERY PARTNER HAS ITS RESPONSIBILITY LIMITED TO THE VALUE OF THEIR SHARES. THIS TYPE OF COMPANY IS ORGANISED THROUGH THE ARTICLES OF ASSOCIATION AND HAS LIMITED LIABILITY PARTNERS. ALL OF THEM ARE JOINTLY LIABLE FOR THE PAYMENT OF THE CAPITAL STOCK, WHILE IT IS NOT PAID IN FULL.

THE LAWS THAT GOVERN SOCIEDADE LIMITADA IS THE BRAZILIAN CIVIL CODE ON ARTICLES 1052 TO 1087 AND, SUBSIDIARILY, THE LAW OF SOCIEDADES ANÔNIMAS. IT MAY ADOPT THE FORM OF SOCIEDADE SIMPLES OR SOCIEDADE EMPRESÁRIA, ACCORDING TO THE CORPORATE PURPOSE, AS WELL AS, ITS DEFINITION OF BUSINESS COMPANY.

THE CORPORATE BODIES ARE THE MEETING OF SHAREHOLDERS, THE MANAGEMENT AND THE AUDIT COMMITTEE ALL OF THEM FIXED BY THE PARTNERS IN THE ARTICLES OF ASSOCIATION THEMSELVES. THE MEETING OF SHAREHOLDERS IS THE COLLEGIATE DECISION MAKING BODY COMPRISED BY THE CORPORATE CHART, WHICH MUST ALWAYS MEET WHENEVER THE LAW OR THE ARTICLES SO REQUIRE. IN THE OTHER HAND, THE MANAGEMENT WILL BE CARRIED OUT BY ONE OR MORE INDIVIDUALS, SHAREHOLDERS OR NOT, INDICATED IN THE ARTICLES OF ASSOCIATION.

THE SHARE OF THE SOCIEDADE LIMITADA REPRESENTS THE AMOUNT IN MONEY, CREDITS, RIGHTS OR ASSETS BY WHICH THE SHAREHOLDER CONTRIBUTES FOR THE FORMATION OF THE COMPANY'S CAPITAL. THE SHARES MUST BE REGISTERED AND ARE NOT REPRESENTED BY CREDIT SECURITIES. ANY TRANSFER OF TITLE OVER THE SHARES WILL REQUIRE AN AMENDMENT TO THE ARTICLES OF ASSOCIATION.

III- SOCIEDADE LIMITADA

AS PROVIDED IN THE LAW, THE CHANGES THAT RESULT IN MODIFICATION TO THE ARTICLES OF ASSOCIATION OR REORGANIZATION ACT THE CORPORATE STATUS OF THE COMPANY WILL DEPEND ON FAVOURABLE VOTES ON THE MEETINGS OF SHAREHOLDERS, COMPRISING THREE -FOURTHS (3/4), AT LEAST, IN THE CAPITAL STOCK.

SOME RULES THAT ARE COMMON TO SOCIEDADES ANÔNIMAS AND TO SOCIEDADES LIMITADAS. FOR EXAMPLE, CORPORATE OPERATIONS INVOLVING THE TRANSFORMATION, MERGER, CONSOLIDATION OR SPLIT UP CAN BE FORMALIZED BOTH BY SOCIEDADES ANÔNIMAS AND SOCIEDADES LIMITADAS, GOVERNED BY ARTICLES 1.113 TO 1.122 OF BRAZILIAN CIVIL CODE, BESIDES ARTICLES 220 TO 234 OF LAW OF SOCIEDADES ANÔNIMAS.

THROUGH THE TRANSFORMATION, A GIVEN COMPANY, WITHOUT DISSOLVING IT, HAS ITS CORPORATE TYPE TRANSFORMED INTO ANOTHER, AND IN THIS PROCESS, IT MUST OBSERVE A FORM CORRESPONDING TO THAT OF THE NEW TYPE. BY CONTRAT, THE MERGER IS THE TRANSACTION THROUGH WHICH ONE OR MORE COMPANIES ARE ABSORBED BY ANOTHER, WHICH SUCCEEDS THEM IN ALL THEIR RIGHTS AND LIABILITIES.

THE CONSOLIDATION, ON THE OTHER HAND, IS THE TRANSACTION THROUGH WHICH TWO OR MORE COMPANIES JOIN TOGETHER, WITH A VIEW TO FORMING A NEW COMPANY WHICH WILL SUCCEED THEM IN ALL RIGHTS AND LIABILITIES, SINCE THEY ARE EXTINGUISHED. LASTLY, THE SPLIT UP IS THE TRANSACTION BY WHICH THE COMPANY TRANSFERS PARTS OR THE TOTALITY OF ITS NET EQUITY TO ONE OR MORE COMPANIES, ESTABLISHED FOR THIS PURPOSE OR OTHERWISE, RESULTING IN THE EXTINCTION OF THE DIVIDED COMPANY.

IV- OTHER CORPORATE TYPES AND FORMS OF ASSOCIATION

THE BRAZILIAN LAW PREDICTS OTHER TYPES OF COMPANIES, BUT, DUE TO THE UNLIMITED LIABILITY VESTED TO THEM, THE OTHER COMPANY TYPES ARE NOT COMMONLY USED. HOWEVER, IT MAY BECOME ATTRACTIVE UNDER CERTAIN BUSINESS CIRCUMSTANCES. THUS, WE WILL BRIEFLY COMMENT ON THEM.

IV.1- EMPRESA INDIVIDUAL DE RESPONSABILIDADE LIMITADA - EIRELI

THOUGH THIS TYPE OF COMPANY, IT IS POSSIBLE A CONSTITUTION OF A SOCIEDADE LIMITADA IN WHICH A SINGLE PERSON HOLDS THE TOTAL QUOTAS OF THE CORPORATE CAPITAL, NECESSARILY PAID-UP IN AN AMOUNT AT LEAST HIGHER THAN ONE HUNDRED (100) TIMES THE HIGHEST MINIMUM WAGE IN EFFECT IN THE COUNTRY.

THE LAW Nº 12.441 REGULATES THE ORGANIZATION OF EMPRESA INDIVIDUAL DE RESPONSABILIDADE LIMITADA – EIRELI, AS IT IS CALLED. AS PREDICTED, THE “EMPRESA INDIVIDUAL DE RESPONSABILIDADE LIMITADA” THERE SHALL BE APPLIED, AS THE CASE MAY BE, THE RULES SET FORTH FOR THE SOCIEDADES LIMITADAS.

IV.2- SOCIEDADE EM COMANDITA POR AÇÕES

THE SOCIEDADE EM COMANDITA POR AÇÕES HAS ITS CAPITAL DIVIDED INTO SHARES, AS WELL AS IN THE CORPORATION, BUT IT DOES NOT OPERATE JOINTLY WITH ITS SHAREHOLDERS, BUT BY FIRM OR DENOMINATION. THIS CORPORATE TYPE IS CHARACTERIZED BY THE UNLIMITED AND JOINT LIABILITY OF ALL PARTNERS THAT COMPRISE THE COMPANY.

THUS, THE SOCIAL RESPONSIBILITIES ARE THE RESPONSIBILITY OF A DIRETOR, WHO IS APPOINTED TO THIS. HOWEVER, IT IS POSSIBLE THAT MORE THAN ONE DIRECTOR MAY BE APPOINTED, PROVIDED THAT THEY RECEIVE SUCH TITLE AT THE TIME OF THE INCORPORATION OF THE COMPANY.

RESPONSIBILITY FOR THE MANAGEMENT OF THE COMPANY FALLS ON ALL OF THE PARTNERS, AS LONG AS THE ARTICLES OF ASSOCIATION DOES NOT SPECIFICALLY DETERMINE WHICH PARTNER WILL HAVE THIS RESPONSIBILITY. IF SUCH DELEGATION EXISTS, THIS PARTNER WILL HAVE THE EXCLUSIVE RIGHT TO USE THE FIRM OR CORPORATE NAME.

THE NAME OF THE SOCIEDADE EM NOME COLETIVO IS PROVIDED WITH THE NAME OR CORPORATE NAME COMPRISED BY THE NAME OF ONE, SOME OR ALL PARTNERS, ADDING TO IT THE EXPRESSION “& CIA.” WHEN THERE IS NO EXPRESS REFERENCE TO THE NAMES OF ALL PARTNERS.

IV.3- SOCIEDADE EM COMANDITA SIMPLES

IN THIS TYPE OF BUSINESS PARTNERSHIP, THE PARTNERS ARE DIVIDED IN TWO WAYS:

THE INDIVIDUALS, WHO ARE INDIVIDUALS AND HAVE THE RESPONSIBILITY FOR THE TAX OBLIGATIONS OF THE BUSINESS;

THE LIMITED PARTNERS, WHO ARE BOUND ONLY BY THE VALUE OF THEIR QUOTA.

IN “SOCIEDADES EM COMANDITA SIMPLES”, THE PARTICIPATION OF THE COMANDITADOS PARTNERS IS ALSO REPRESENTED BY CORPORATE SHARES, BUT, IN RELATION TO ITS LIABILITY, THE RULES OF SOCIEDADE EM NOME COLETIVO APPLY. SO, THE RESPONSABILITY OF THE PARTNERS IS ILIMITED AND SOLIDARY AND HAS, FOR BOTH TYPES OF PARTNERS, ITS CORRESPONDING INTERESTS REPRESENTED BY SHARES.

IV.4- SOCIEDADE EM CONTA DE PARTICIPAÇÃO

SOCIEDADE EM CONTA DE PARTICIPAÇÃO IS COMPRISED BY TWO CLASSES OF PARTNERS, ONE OF WHICH IS THE OSTENSIBLE PARTNER AND THE OTHER IS THE PARTICIPANT PARTNER, AND THE SOCIEDADE EM CONTA DE PARTICIPAÇÃO IS AN UNINCORPORATED COMPANY, THAT IS, IT DOES NOT HAVE A CORPORATE STATUS EVEN IF REGISTERED WITH SOME PUBLIC REGISTRY.

THUS, IT IS FORMED BY 2 OR MORE PARTNERS, WITHOUT A COMPANY NAME, EXCLUSIVELY FOR TRADING OPERATIONS. IN THIS MODE, ONE OF THE PARTNERS IS USUALLY A MERCHANT AND IT DOES NOT REQUIRE ANY FORMALIZATION, SO THE CONTRACT AFFECTS ONLY THE PARTNERS. AS THE CONTA DE PARTICIPAÇÃO HAS AS PURPOSE A CERTAIN UNDERTAKING, THE DURATION OF THE COMPANY IS FOR A DETERMINED PERIOD OF TIME, OR WHICH CAN BE DETERMINED, AIMING AT EXECUTING CERTAIN SPECIFIC TRANSACTIONS THAT FORM ITS PURPOSE.

BESIDES THE OSTENSIBLE PARTNER, THERE IS THE CLASS FORMED BY THE PARTICIPANT PARTNERS, WHICH CONTRIBUTE FOR THE CAPITAL OR OTHER CONTRIBUTION NEEDED FOR THE UNDERTAKING, BEING EXCLUSIVELY RESPONSIBLE BEFORE THE OSTENSIBLE PARTNER, PURSUANT TO THE CORRESPONDING ARTICLES OF ASSOCIATION, AND BECOMING CREDITORS THEREOF PURSUANT TO THE ARTICLES. IN CASE OF BANKRUPTCY OF THE OSTENSIBLE PARTNER, THE PARTICIPANT PARTNERS BECOME CREDITORS THEREOF WITH NO PRIORITY OR PREFERENCE RIGHTS.

THE MANAGEMENT OF A SOCIEDADE EM CONTA DE PARTICIPAÇÃO FALLS EXCLUSIVELY UPON THE OSTENSIBLE PARTNER, SINCE IT IS THE ONE RESPONSIBLE FOR THE COMPANY'S BUSINESS, AND IT MUST, UPON ITS CLOSING, OR AT THE CONTRACTUAL PERIODICITY, PRESENTS THE CORRESPONDING ACCOUNTS TO THE PARTICIPANT PARTNERS.

THE ORGANIZATION OF A SOCIEDADE EM CONTA DE PARTICIPAÇÃO IS NOT SUBJECT TO MANY FORMALITIES IN ADDITION TO THE ARTICLES OF ASSOCIATION, AND MAY FURTHER BE PROVED BY ALL MEANS OF EVIDENCE ADMITTED BY BRAZILIAN LEGISLATION. IT IS, THEREFORE, A COMPANY EXISTING ONLY BETWEEN THE PARTIES, BUT NOT IN RELATION TO THIRD PARTIES, AS THOSE DEAL EXCLUSIVELY WITH THE OSTENSIBLE PARTNER, WHO RESPOND BEFORE THEM, WITH EFFECTS FROM ITS STRUCTURE.

IV.5- CONSÓRCIO

CONSÓRCIO IS A MANNER OF COMPANIES GATHERING AIMING AT THE DEVELOPMENT OF A SPECIFIC PROJECT, WITHOUT EXCLUDING THEIR LEGAL CHARACTER. IT IS FORMED FROM A CONTRACT BETWEEN THE CONSORTIUM COMPANIES. BECAUSE IT IS ONLY A CONTRACT, IT DOES NOT HAVE ITS OWN LEGAL PERSONALITY, THAT IS, IT IS NOT A COMPANY.

THE CONSÓRCIO ALSO HAS NO EQUITY CAPACITY, AS ITS ASSETS BELONG TO ONE OR MORE OF ITS PARTNERS. GENERALLY, A MARKET LEADER IS ELECTED TO TAKE ON THE ISSUES AND REPRESENT THE CONSORTIUM.

THE CONSÓRCIO OF LARGE COMPANIES HAS TRADITIONALLY BEEN USED FOR MAJOR ENGINEERING PROJECTS, SUCH AS THE CONSTRUCTION OF HYDROELECTRIC POWER PLANTS, POWER TRANSMISSION NETWORKS, HIGHWAYS, PORTS, OIL PLATFORMS OR PUBLIC-PRIVATE PARTNERSHIPS (PPP) PROJECTS.

IT IS FORMED BY MEANS OF AN AGREEMENT BETWEEN TWO OR MORE COMPANIES, BUT ITS FORMATION DOES NOT BRING A NEW LEGAL ENTITY INTO EXISTENCE. THE PARTIES PRESERVE, THEREFORE, THEIR CORPORATE IDENTITY, POOLING THEIR EFFORTS TO ACHIEVE CERTAIN OBJECTIVES.

IT DOES NOT HAVE CORPORATE EXISTENCE, WHEREFORE THE COMPANIES THAT FORM A CONSÓRCIO ONLY BIND THEMSELVES UNDER THE TERMS OF THE AGREEMENT EXECUTED AMONG THEM, EACH PARTY BEING LIABLE FOR ITS SPECIFIC OBLIGATIONS AS ESTABLISHED THEREIN, WITHOUT ANY ASSUMPTION OF JOINT LIABILITY BEFORE THIRD PARTIES, OBSERVING A SINGLE EXCEPTION IN CASE OF THE EFFECTS OF THE EMPLOYMENT RELATION, ACCORDING TO THE LABOUR LAWS CONSOLIDATION (CLT).

THE CONSÓRCIO AGREEMENT MUST BE APPROVED BY THE SIGNATORY COMPANIES AT A GENERAL MEETING, IN CASE OF SOCIEDADES ANÔNIMAS, OR THE CORRESPONDING COMPETENT AUTHORITIES, IF THE SIGNATORY ENTITIES ARE NOT SOCIEDADES ANONIMAS.