

PETROBRAS - PETROLEO BRASILEIRO SA  
Form 6-K  
April 07, 2011

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**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**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 April, 2011**

**Commission File Number 1-15106**

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**PETRÓLEO BRASILEIRO S.A. - PETROBRAS**  
(Exact name of registrant as specified in its charter)

**Brazilian Petroleum Corporation - PETROBRAS**  
(Translation of Registrant's name into English)

**Avenida República do Chile, 65**  
**20031-912 - Rio de Janeiro, RJ**  
**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

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This report on Form 6-K is incorporated by reference in the Registration Statement on Form F-3 of Petróleo Brasileiro -- Petrobras (No. 333-163665).

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## ÍNDICE

Message from the CEO	2
Invitation	5
Call for Meeting	6
Information to Vote	8
Public Power of Attorney Request	10
Items to be discussed in the Ordinary General Meeting (OGM)	
1 . The Management Report, Financial Statements and Fiscal Board's Report of Fiscal Year of 2010	11
2 . Capital Budget for 2011	12
3 . Distribution of the Income of Year 2010	14
Appendix I – Distribution of the Income – ruling CVM nº 481/09 (Appendix 9-1-II)	18
4 . Election of Members to the Board of Directors	25
Appendix I - Information concerning the members appointed to the Board of Directors	26
5 . Election of the Chairman of the Board of Directors	32
6 . Election of Members to the Fiscal Board and their Respective Substitutes	33
Appendix I - Information concerning the members appointed to the Fiscal Board	34
7 . Establishment of the Administrators' Compensation as well as that of the Effective Members of the Audit Committee	38
Appendix I - Information on item 13 of the Reference Form, complying with section 12 of the Brazilian Securities and Exchange Commission ("CVM") Instruction No . 481/09	39
Items to be discussed in the Extraordinary General Meeting (EGM)	
1 . Capital Increase	57
Appendix I – Capital Increase –CVM ruling nº481/09 (Appendix 14)	59
Management Remarks about the Company's Financial Status, in Compliance with art . 9 of CVM instruction no . 481/09	61

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## MESSAGE FROM THE CEO

2010 was marked by three major achievements on the part of Petrobras: the operational start-up of the pre-salt Pilot System in the Lula field, in the Tupi accumulation area in the Santos Basin; the raising of R\$ 120 .2 billion in the world's biggest ever public share offering; and the signing of the Onerous Concession Agreement, which gives the Company the right to produce 5 billion barrels of oil equivalent in those pre-salt areas not put out to tender.

These accomplishments, which have undoubtedly strengthened the Company, were the result of its dedication to exploring new business frontiers . Petrobras has an exceptionally strong presence in the pre-salt area of the Santos Basin, Brazil's most promising offshore exploratory region . The capitalization generated the funds needed for the Onerous

Concession Agreement and to finance the 2010-14 Business Plan, which envisages investments of US\$ 224 billion .

Net income totaled R\$35.2 billion, 17% up on 2009, reflecting the expansion of Brazil's economy, higher oil and gas production, increased domestic sales of oil products and the recovery of international oil prices. National output of oil and liquefied natural gas (LNG) amounted to 2,004,000 barrels per day (bpd), 1 .7% more than in 2009, primarily due to the start-up of new platforms . Natural gas production came to 56 .6 million m<sup>3</sup>/day, 5 .6% up on the year before . All in all, Petrobras produced 2,583,000 boed of oil and natural gas in 2010, 245,000 of which from overseas units .

Proven oil and gas reserves, according to the ANP/SPE criterion, closed 2010 at 15,986 billion boe, 7 .5% up on 2009, thanks to the addition of new discoveries, especially in the

Lula and Cernambi fields. The reserve replacement ratio was 229%, i.e. for each boe produced, Petrobras added 2 .29 boe to its reserves .

The year's excellent results vindicated the Company's strategy . Petrobras invested R\$ 76 .4 billion, 8% more than the previous year . The investments were mostly allocated to increasing oil and gas production, improving and expanding the refineries, contracting new product-transport vessels and concluding the pipeline network linking all the country's leading markets . Heavy investments in each of its operational segments consolidated Petrobras' position as an integrated energy company.

The majority of the investments (42%, or R\$ 32 .4 billion) went to Exploration & Production, 5% up on 2009 in order to increase oil and gas production and reserves . The pre-salt highlight was the operational start-up of the Lula Pilot System, with a nominal capacity of 100,000 bpd of oil and 5 million m3 of natural gas .

The Refining, Transportation & Marketing area absorbed R\$ 28.0 billion, 70% more than the year before . The Company continued with the installation works of the Abreu e Lima refinery and the Rio de Janeiro Petrochemical Complex (Comperj), and began work on the two Premium refineries, aiming to increase the value of the oil produced in Brazil and ensure that the domestic market is adequately supplied with oil products .

The Gas & Power segment invested R\$ 4 .9 billion, 6% of the total, the majority of which went to the integration of the Southeast and Northeast gas pipeline networks via Gasene, thereby increasing the diversification and flexibility of natural gas sources.

In order to expand its biodiesel and ethanol operations, the Company invested R\$ 1 .2 billion, equivalent to 2% of the total . In the Distribution area, it continued to expand its market share, maintaining its leadership of the domestic fuel market, with a share of 38 .8% . In order to do so, it invested R\$ 895 million, or 1% of the total, mostly in auto market projects and in the logistics and operational areas .

Our performance was also the result of massive investments in technological research and development and workforce training, together with our permanent commitment to good corporate governance practices . Year after year, Petrobras has become renowned for its pioneering approach to oil exploration and production technology, investing more in R&D than any other Brazilian company. In 2010, it allocated R\$ 1 .8 billion to this area, the highlight being the doubling of the Research Center, one of the biggest in the world, which plays an essential role in developing new technologies for all the Company's operational segments, especially pre-salt oil production .

In order to overcome the corporate challenges and ensure the expansion of its businesses, the Petrobras system increased its workforce by 4 65% . over 2009, closing the year with 80,492 employees . The parent company alone held two selection processes, with approximately 336,000 applicants, 2,687 of whom were hired .

Aside from Brazil itself, Petrobras operates in 25 countries across all continents and closed

2010 as the third-ranked global energy firm in terms of market capitalization. For the fifth year in succession, it was included in the Dow Jones Sustainability Index, the most important of its type in the world, reflecting its unwavering commitment to the environment and sustainable development .

In 2010, Petrobras once again underlined its ability to overcome challenges. Technological innovations, the increase in production and reserves, the expansion and upgrading of the refineries and the record capitalization gave the Company the necessary solidity and guaranteed the continuation of its Business Plan .

**José Sergio Gabrielli de Azevedo**

CEO OF PETROBRAS

4

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## Invitation

**Date:** April 28, 2011

**Time:** 3PM

**Address:** auditorium of the Company's head office at Avenida República do Chile 65, 1st floor, in the city of (RJ)

Agenda items:

### Ordinary General Meeting

I . Management Report and Financial Statements with the Fiscal Board report, related to the year ended December 31, 2010; II . Capital budget related to year 2011; III . Distribution of the income of the year 2010;

IV. Election of the Board of executive officers members; V. Election of the Board of executive officers President;

VI . Election of the Fiscal Board members and their corresponding substitutes;

VII. Establishment of the fees of directors and Fiscal Board official members.

### Extraordinary General Meeting

I . Increase in capital stock

5

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## CALL FOR MEETING

The Board of Directors of Petróleo Brasileiro S A. – Petrobras calls the Company's stockholders for the Ordinary and Extraordinary General Meetings to be held at April 28, 2011, at 3 pm, at the auditorium of the Company's head office at Avenida República do Chile 65, 1st floor, in the city of (RJ), to discuss the following matters:

### Ordinary General Meeting

I . Management Report and Financial Statements with the Fiscal Board report, related to the year ended December 31, 2010; II . Capital budget related to year 2011; III . Distribution of the income of the year 2010;

IV. Election of the Board of executive officers members; V. Election of the Board of executive officers President;

VI . Election of the Fiscal Board members and their corresponding substitutes;

VII. Establishment of the fees of directors and Fiscal Board official members.

### Extraordinary General Meeting

I . Increase in capital stock due to incorporation of a portion of the tax incentive reserve, accrued in 2010, in the amount of R\$ 23 million, in compliance with Article 35, paragraph 1, of Ordinance Nº . 2 .091/07 of the Ministry of National Integration, resulting in an increase in capital stock from R\$205,357million to R\$205,380 million, without changing the number of common and preferred stocks, as per Article 40, item III, of the Company's bylaws, and the eventual change in Article 4 of the aforesaid bylaws .

The minimum percentage of interest held in the capital stock required to request the adoption of multiple vote for the election of the Board of executive officers members in the Ordinary General Meeting is 5% (five percent) of the voting capital, as per CVM Instruction CVM No. 282, of June 26, 1998. The capacity to request the adoption of multiple voting process shall be exercised according to the terms established under paragraph 1 of Article 141 of Law No. 6.404, of December 15, 1976.

Stockholders' holding preferred shares who shall have the right to elect, in the Ordinary General Meeting, in separate voting, a representative of this class of stocks as a Board of Directors member, shall represent at least 10% (ten percent) of the capital stock, in addition to providing evidences they hold the interest in the capital stock since **January 28, 2011, uninterruptedly**.

Any stockholder who wishes to be represented in the aforesaid Meeting shall have to comply with the terms of Article 126, paragraph 1, of the Corporate Law and Article 13 of Petrobras bylaws, providing then or, preferably, sending power of attorney, with specific powers, to office 2202-B (Stockholders' Service) at the head office, **until 3 pm on April 26, 2011**.

Additionally, stockholders may also opt to vote the issues included herein through public request of power of attorney, as established at CVM Instruction 481, dated December 17, 2009.

The receipt of electronic power of attorneys shall occur through the Online Meeting platform, at the site **[www.assembleiasonline.com.br](http://www.assembleiasonline.com.br)** . For that purpose, stockholders shall have to be registered at this site .

Stockholders may access at office 2202-B (Stockholders' Service) at the Company's head office and at the Company's site (<http://www.petrobras.com.br/ri>) and at the Brazilian

Securities and Exchange Commission (Comissão de Valores Mobiliários ) site ([http:// www.cvm .gov.br](http://www.cvm.gov.br)), all documents related to the issues to be discussed in the Ordinary and Extraordinary General Meetings, pursuant to Article 133, of Law nº . 6 .404/76 and CVM ruling nº481 of December 17th, 2009 .

Rio de Janeiro, March 29, 2011.

**Guido Mantega**

PRESIDENT OF THE BOARD OF DIRECTORS

## Information to vote

To vote in general meetings of companies and funds, the first step is to click in [www.assembleiasonline.com.br/wfPublicaCadastroAcionistas.aspx](http://www.assembleiasonline.com.br/wfPublicaCadastroAcionistas.aspx) and register.

After registering at Assembleias Online, you will receive an automated message containing the Instrument of Agreement, Ownership and Liability, which must be signed, notarized and consularised, and a list of documents that must be provided so that your registration can be validated .

Once your registration is validated, you will receive an email with instructions to issue your Private Digital Certificate. The Private Digital Certificate will be issued by Certisign, exclusive partner of VeriSigN in Brazil and leader in the segment .

As soon as companies or funds that you invest in publish their call notices, you will be notified by email.

After you log in on the website [www.onlinegeneralmeetings.com](http://www.onlinegeneralmeetings.com), you select the general meeting you want . After analyzing the documents available and the management proposals, you must vote on each of the agenda items (in favor, against or abstention) . Your part in the voting process ends here .

Once your vote is validated, it will be computed to the respective meeting and a receipt of your vote will be sent to your email . For increased security and integrity, Assembleias Online has hired Ernst & Young to review the environment of internal controls to further improve them .

In order to facilitate and encourage shareholders with voting rights to participate, the Company will allow shareholders to vote on the items that appear in the General Meeting Notice over the Internet by using the public request for proxies, as per CVM ruling 481, published on December 17 2009 .

The electronic proxies will be received via the Online Meeting platform, at [www . assembleiasonline com. br .](http://www.assembleiasonline.com.br) Shareholders must register in the platform as soon as possible in order to use it . The data used in the previous General Meeting will remain in effect . The proxy, showing the shareholder's voting intention (electronic voting), must be sent through the system between April 13th and 26th, 2011 . For more details on how to vote via the Online Meeting Platform, read the Manual that has been posted on our website .

## Ordinary and Extraordinary General Meeting

### Public Power of Attorney Request

Rio de Janeiro, March 29th, 2011, Petroleo Brasileiro S.A. – Petrobras hereby invites its shareholders to attend its Ordinary and Extraordinary General Meeting, to be held on April 28th, 2011, at 3 .00 p .m ., in order to resolve on the matter in the Notice for General Meeting .

With a view to enable and stimulate the participation of the shareholders with a right to vote, the Company provides, through the world wide web, with the possibility for the shareholders to vote on the matter in the Notice for General Meeting, through the use of public power of attorney request, as per CVM Instruction 481 issued on December 17th, 2009 .

The receipt of electronic powers of attorney will be by means of the platform Assembleias Online, available at [www.assembleiasonline.com.br](http://www.assembleiasonline.com.br) . For such, it is necessary that the shareholders make their registration in this platform as soon as possible, and the registrations made for the last Meeting remain valid . The power of attorney, which has the shareholder's voting intention (electronic vote), must be sent through the system between April 13th and April 26th, 2011 . Please refer to the Manual on how to vote through the Assembleias Online system on the Investor Relations website via Divulgação and Resultados/Assembleias .

With such alternative, Petrobras seeks to reinforce its commitment to adopting the best Corporate Governance practices and transparency.

## Items to be discussed in the Ordinary General Meeting (OGM)

### Presentation to Shareholders

#### ITEM I

### 1 . The Management Report, Financial Statements and Fiscal Board's Report of Fiscal Year of 2010

Dear Shareholders,

The Management Report, Financial Statements and Audit Board's Report of fiscal year of 2010 is available in Petrobras website .

[http://www.petrobras.com.br/ri/ListResultados.aspx?id\\_canal=2tF/ZRNfQRh8MBzVzw4QaQ==&id\\_canalpai=/zfwoc+leAQcwFyERVZzwQ==&ln=pt](http://www.petrobras.com.br/ri/ListResultados.aspx?id_canal=2tF/ZRNfQRh8MBzVzw4QaQ==&id_canalpai=/zfwoc+leAQcwFyERVZzwQ==&ln=pt)

Rio de Janeiro, march 29th, 2011.

**José Sérgio Gabrielli de Azevedo**  
CEO OF PETROBRAS

ITEM II

2 . Capital budget for 2011

Dear shareholders,

Capital budget for 2011 foresees investments totalizing R\$ 69,800,420,000.00. (sixty nine billion, eight million four hundred and twenty thousand Brazilian Real), of which R\$ 60,734,500,000.00 (sixty billion, seven hundred and thirty four million and five hundred thousand Brazilian Real) correspond to direct investment and R\$ 9,065,920,000.00 (nine billion, sixty five million nine hundred and twenty thousand Brazilian Real) correspond to financial reverse (capital injection on subsidiaries and other companies).

Those investments will be met by third parties' resources - R\$ 12,425,741,765.00 (twelve billion, four hundred and twenty five million, seven hundred and forty thousand, seven hundred and sixty five Brazilian Real) - and by own resources coming from profits generated by the Company's operations, mainly: R\$ 57,374,678,235.00 (fifty seven billion, three hundred and seventy four million, six hundred and seventy eight thousand, two hundred and thirty five Brazilian Real).

With regard to own resources considered R\$ 48,308,758,235.00 (forty eight billion, three hundred and eight million, seven hundred and fifty eight thousand, two hundred and thirty five Brazilian Real) address to Direct Investment and R\$ 9,065,920,000.00 (nine billion, sixty five million, nine hundred and twenty thousand Brazilian Real) address to financial reverse (capital injection on subsidiaries and other companies) . With regard to third parties' resources, R\$ 12,425,741,765.00 (twelve billion, four hundred and twenty five million, seven hundred and forty one thousand and seven hundred and sixty five Brazilian Real) address to Direct Investment .

With regard to the whole investments, 47.87% address to Exploitation and Production, 45.15% to Supply , 3.93% to Gas & Energy and 3.05% address to other business areas .

Following the above and considering section 196, of the Brazilian Law No . 6 .404, from the 15th December 1976 (amended by the Brazilian Law No . 9 .457, from the 5th May 1997), changed by referendum of the Brazilian Law No . 10 .303/2001, PETROBRAS' Board of Directors herein proposes the approval of the Capital Budget for 2011 (already approved by the Supervisory Board) on R\$ 69,800,420,000 00. (sixty nine billion, eight hundred million, four hundred and twenty thousand Brazilian Real) .

Rio de Janeiro, 29th March 2011.

**José Sergio Gabrielli de Azevedo**  
CEO OF PETROBRAS

13

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ITEM III

### 3 . Distribution of the income of year 2010

Dear Stockholders,

The financial statements of Petrobras, related to the year ended December 31, 2010, presents net income in the amount of R\$ 35,036,488,330.89 (thirty five billion, thirty six million, four hundred and eighty eight thousand, three hundred and thirty reais and eighty nine centavos) and includes, already, in compliance with the legislation in force, the profit sharing to be distributed among its employees and directors in the amount of R\$ 1,428,300,355 .35 (one billion, four hundred and twenty eight million, three hundred thousand, three hundred and fifty five reais and thirty five centavos).

Based on Law No . 6 .404/76, amended by Laws No . 9 .457, of May 5, 1997, and 10 .303, of October 31, 2001, the Company's by-laws, the Board of Directors has proposed to this Ordinary General Meeting, with favorable opinion from the Fiscal Board, that of the aforesaid net income, adjusted in accordance with Article 202 of Law No . 6 .404/76, the amount of R\$ 11,727,663,761 .90 (eleven billion, seven hundred and twenty seven million, six hundred and sixty three thousand, seven hundred and sixty one reais and ninety centavos) shall be paid to stockholders as dividends, corresponding to 35 .50% of the basic income for dividend purposes and at R\$ 1 .03 (one real and three centavos) per common and preferred share, considering the number of shares held on the date of share position used for this distribution .

These dividends also include the interest on own capital (JCP), in the amount of R\$ 10,162,324,130 30. (ten billion, one hundred and sixty two million, three hundred and twenty four thousand, one hundred and thirty reais and thirty centavos), subject to income tax withholding at the rate of 15% (fifteen percent), except for exempt stockholders, equivalent to R\$ 0 .91 (ninety one centavos) per common and preferred share, indistinctively, distributed as follows:

- R\$ 1,754,815,348.00 (one billion, seven hundred and fifty four million, eight hundred and fifteen thousand, three hundred and forty eight thousand reais), available at May 31, 2010, equivalent to R\$ 0 .20 (twenty centavos) per share, related to the portion of interest on own capital, based on the share position of May 21, 2010, approved by the Board of Directors on May 14, 2010.

•R\$ 1,754,815,348.00 (one billion, seven hundred and fifty four million, eight hundred and fifteen thousand, three hundred and fortyeightthousand reais), available at August

31, 2010, equivalent to R\$ 0 .20 (twenty centavos) per share, related to the portion of interest on own capital, based on the share position of September 31, 2010, approved by the Board of Directors on July 16, 2010.

•R\$ 1,826,229,570 .20 (one billion, eight hundred and twenty six million, two hundred and twenty nine thousand, five hundred and seventy reais and twenty centavos), available at 30 .11 .2010, equivalent to R\$ 0 .14 (fourteen centavos) per share, related to the portion of interest on own capital, based on the share position of 01 .11 .2010, approved by the Board of Directors on 22/10/2010 .

•R\$ 2,608,899,386 .00 (two billion, six hundred and eight million, eight hundred and ninety nine thousand, three hundred and eighty six reais), available at 30 .12 .2010, equivalent to R\$ 0 .20 (twenty centavos) per share, related to the portion of interest on own capital, based on the share position of 21 .12 .2010, approved by the Board of Directors on 10/12/2010 .

•R\$ 3,782,904,109.70 (three billion, seven hundred and eighty two million, nine hundred and four thousand, one hundred and nine reais and seventy), equivalent to R\$ 0 .29 (twenty nine centavos) per share, related to R\$ 0 .17 (seventeen centavos) per share of interest on own capital, to be available until April 30, 2011, based on the share position of March 21, 2011, and R\$ 0 .12 (twelve centavos) per share of dividends, based on the share position of the date of this Ordinary General Meeting, payable within sixty days from this date, of which amounts shall be monetarily restated as form December 31, 2010 until the start date of the payment, based on the variation of the Selic rate .

Prepaid interest on own capital in 2010 shall be discounted from the proposed dividends of this year, monetarily restated by the Selic rate since the date of its payment until December 31, 2010 .

Accordingly, for the determination of the proposed dividends, the following aspects were taken into consideration:

a) Petrobras' bylaws, under Article 5, paragraph 2 establishes priority in the receipt of dividends attributable to preferred share, equivalent to at least 5% (five percent), calculated on the portion of the capital stock represented by this type of share, or 3% (three percent) of the net equity value of the share, which is equivalent to, in 2010, R\$ 0 .91 (ninety one centavos) and R\$ 0 .87 (eighty seven centavos) per share, respectively, which, accordingly are lower than the dividend of R\$ 1 .03 (one real and three centavos) per share proposed in the Meeting herein;

b) In corporate aspect, the dividend payable indistinctly for common and preferred shares is higher than the minimum established under Article 202 of Law No .

6 .404/76, representing 35,50% of the basic income for the purpose of distribution of dividends .

Additionally, in order to cope with the investments estimated for 2011, in conformity with the annual programming of investments elaborated by the Company, the Board of Directors proposes the maintenance of the stockholders' equity in profit withholding reserve, in the amount of R\$ 19,043,188,761 .27 (nineteen billion, forty three million, one hundred and eighty eight thousand, seven hundred and sixty one reais and twenty seven centavos) remaining from the income of the year, and the rest of the amount of R\$ 1,237,524,911.74 (one million, two hundred and thirty seven million, five hundred and twenty four thousand, nine hundred and eleven reais and seventy four centavos) in retained earnings to absorb the adjustments provided from changes in accounting practices .

Accordingly, the Board of Directors proposes to stockholders of this Ordinary General Meeting, with favorable opinion from the Fiscal Board, that the net income of the year shall be distributed as follows: R\$ 22,071,299,657 .25 (twenty two billion, seventy one million, two hundred and ninety nine thousand, six hundred and fifty seven reais and twenty five centavos) for accrual of reserves, of which R\$ 19,043,188,761 .27 (nineteen billion, forty three million, one hundred and eighty eight thousand, seven hundred and sixty one reais and twenty seven centavos) for profit withholding reserve, R\$ 1,751,824,416.54 (one billion, seven hundred and fifty one million, eight hundred and twenty four thousand, four hundred and sixteen reais and fifty four centavos) in legal reserve, R\$ 1,026,785,515.74

(one billion, twenty six million, seven hundred and eighty five thousand, five hundred and fifteen reais and seventy four centavos) in statutory reserve and R\$ 249,500,963.70 (two hundred and forty nine million, five hundred thousand, nine hundred and sixty three reais and seventy centavos) in tax incentive reserve, in addition to R\$ 11,727,663,761 .90 (eleven billion, seven hundred and twenty seven million, six hundred and sixty three thousand, seven hundred and sixty one reais and ninety centavos), which shall be payable to stockholders ad dividends, and the remainder amount of R\$ 1,237,524,911 .74 (one billion, two hundred and thirty seven million, five hundred and twenty four thousand, nine hundred and eleven reais and seventy four centavos) in retained earnings to absorb the adjustments provided from changes in accounting practices .

It also proposes the homologation of a portion of the dividends, as interest on own capital, at the ratio of R\$ 0 .91 (ninety one centavos) per share, pursuant to Article 8 of the bylaws .

Rio de Janeiro, March 29, 2011.

**José Sergio Gabrielli de Azevedo**  
CEO OF PETROBRAS

## Appendix I

Distribution of net income –  
CVM No . 481, of December 17, 2009

## (Appendix 9-1-II)

1 – Inform the net income of the year  
R - R\$ 35,036,488,330 .89

2 – Inform the global amount and the value per share of the dividends, including prepaid dividends and interest on own capital already stated

Date of share	Number of shares			Total income	Amount in Reais		
	Common	Preferred	Total		Common	Preferred	Total
21/05/2010	5 .073 .347 .344	3 .700 .729 .396	8 .774 .076 .740	0,20	1 .014 .669 .468,80	740 .145 .879,20	1 .754 .815 .348,00
30/07/2010	5 .073 .347 .344	3 .700 .729 .396	8 .774 .076 .740	0,20	1 .014 .669 .468,80	740 .145 .879,20	1 .754 .815 .348,00
01/11/2010	7 .442 .454 .142	5 .602 .042 .788	13 .044 .496 .930	0,14	1 .041 .943 .579,88	784 .285 .990,32	1 .826 .229 .570,20
21/12/2010	7 .442 .454 .142	5 .602 .042 .788	13 .044 .496 .930	0,20	1 .488 .490 .828,40	1 .120 .408 .557,60	2 .608 .899 .386,00
21/03/2011	7 .442 .454 .142	5 .602 .042 .788	13 .044 .496 .930	0,17	1 .265 .217 .204,14	952 .347 .273,96	2 .217 .564 .478,10
*	7 .442 .454 .142	5 .602 .042 .788	13 .044 .496 .930	0,12	893 .094 .497,04	672 .245 .134,56	1 .565 .339 .631,60
				<b>1,03 **</b>	<b>6.718.085.047,06</b>	<b>5.009.578.714,84</b>	<b>11.727.663.761,90</b>

\* To be decided in the Ordinary General Meeting .

\*\* Consider the number of shares on the date of share position used for distribution .

3 – Inform the percentage of the shared net income of the year

	<b>Amounts in R\$</b>
(a) Basic income for dividend calculation	33 .035 .162 .950,65
(b) Dividends and interest on own capital	11 .727 .663 .761,90

**Percentage of basic income of the year (b) / (a) 35,50%**

**4** – Inform the global amount and the value per share of the dividends distributed based on the income of prior years

R – Not applicable

**5** – Inform, less prepaid dividends and interest on own capital already stated:

a . The gross value of the dividends and interest on own capital, separately, per share of each type and class

Description	Amounts in R\$		
	Type and class of shares		
	ON	PN	TOTAL
Interest on its own capital	5,824,990,550 .02	4,337,333,580 .28	10,162,324,130 .30
Dividends	893,094,497 .04	672,245,134 .56	1,565,339,631 .60
<b>Total proposed dividends</b>	<b>6,718,085,047.06</b>	<b>5,009,578,714.84</b>	<b>11,727,663,761.90</b>
Interest on its own capital – prepaid	(4,559,773,345 .88)	(3,384,986,306 .32)	(7,944,759,652 .20)
Restatement of prepaid interest on own capital	(107,466,078 .55)	(80,135,898 .23)	(187,601,976 .78)
<b>Balance of proposed dividends</b>	<b>2,050,845,622.63</b>	<b>1,544,456,510.29</b>	<b>3,595,302,132.92</b>

b . The form and term of payment of the dividends and interest on own capital

R – The final portion of interest on own capital will be available until April 30, 2011 and the dividends will be paid on the date to be established in the Ordinary General Meeting of 2011 .

c . Any restatement and interest on dividends and interest on own capital

R – The portions of interest on own capital prepaid in 2010 will be discounted from the dividends proposed for this year, restated by the SELIC rate from the date of its payment until December 31, 2010 .

The dividends and the final portion of interest on own capital shall have their amounts monetarily restated from December 31, 2010 until the start date of payment, according to the variation of SELIC rate .

d. Date of the statement of payment of dividends and interest on own capital adopted to identify the stockholders who shall be entitled to receive them

Date of share position	Date of payment	Amount
21/05/2010	31/05/2010	1,754,815,348 .00
30/07/2010	31/08/2010	1,754,815,348 .00
01/11/2010	30/11/2010	1,826,229,570 .20
21/12/2010	30/12/2010	2,608,899,386 .00
21/03/2011		2,217,564,478 .10
*		1,565,339,631 .60
		<b>11,727,663,761.90</b>

\* To be decided in the Ordinary General Meeting .

**6** – In case the statement of dividends or interest on own capital was computed based on income from semiannual balances or in shorter periods

a . Inform the amount of dividends or interest on own capital already stated

b . Inform the amount of dividends or interest on own capital already stated The Company only prepaid dividends of the year, as stated before .

**7** – Provide a comparative table indicating the following values per shares for each type and class:

a . Net income of the year and of the three prior years

	Period				
	2010	2009	2008	2007	
Income per shares - ON	3 .55	3 .42	4 .16	5 .02	
Income per share - PN	3 .55	3 .42	4 .16	5 .02	

b. Dividend and interest on own capital distributed in the prior 3 (three) years

	Period 2010	2009	2008	2007
Dividend and interest on own capital on ON share *	1 .03000	0 .95000	1 .13000	1 .50000
Dividends and interest on own capital on PN share *	1 .03000	0 .95000	1 .13000	1 .50000

\* It takes into account the number of shares on the date of share position adopted in the distribution.

**8 – In case of use of income for legal reserve**

a . Identify the amount used for the legal reserve

b . Provide details on the form of calculation of the legal reserve Replies to items (a) and (b)

**1 - Calculation of legal reserve**

**Value in R\$**

Net income of the year	35,036,488,330 .89
Percentage	5%
<b>Legal reserve in 2010</b>	<b>1,751,824,416.54</b>

**9 – In case the Company holds preferred shares with rights to receive fixed or minimum dividends**

a. Describe the forms of calculation of the fixed or minimum dividends Shareholders shall be entitled, in each year, to receive dividends and/or interest on own capital equivalent to at least 25% (twenty five percent) of the adjusted net income, pursuant to the Corporate Law, shared among the shares into which the Company's capital stock is divided .



Petrobras' bylaws, under Article 5, paragraph 2 establishes the priority in thereceipt of the dividend attributable to the preferred share, of at least 5% (five percent) calculated on a portion of the capital stock represented by this type of share, or 3% (three percent) of the net equity value of the share .

b. Inform whether the income of the year is sufficient to pay 100% of the fixed or minimum dividends  
R – The dividends proposed for year 2010, which is being sent to Petrobras management for stockholders' approval in the Ordinary General Meeting of 2011, in the amount of R\$ 11,727,663,761 .90, meets the rights established in the bylaws for preferred shares (Article 5 of the by-laws), distributed indistinctly between common and preferred shares and correspond to 35 .50% on basic income of the year adjusted for this purpose .

c . Identify if any unpaid amount is cumulative  
R – Not applicable

d. Identify the global value of fixed or minimum dividends payable for each class of preferred shares  
R- R\$ 5,009,578,714 .88

e. Identify fixed or minimum dividends payable for each class of preferred share  
R – R\$ 0 .91 per share

**10 – In relation to mandatory dividends**

a . Describe the form of calculation established in the by-laws  
R - **Shareholders shall be entitled to receive, in each year dividends and/or interest on own capital equivalent to at least 25%** (twenty five percent) of the net income, adjusted, pursuant to the Corporate law, share among the shares in which the Company's capital stock is divided .

b . Inform whether it will be fully paid  
R – Yes; Proposed dividends correspond to 35 .50% of the basic income .

c . Inform any withheld amount  
R – Not applicable

**11** – In case any mandatory dividends are withheld due to the financial situation of the company

R – Not applicable

**12** – In case any income will be used for contingency reserve

R – Not applicable

**13** – In case any income will be used for reserve of realizable income

R – Not applicable

**14** – In case any income will be used for statutory reserves

a . Describe the statutory clauses that establish the reserve

According to Article 55 of the bylaws, Petrobras shall use, from the net income computed in its annual balance sheet, an amount equivalent to 0.5% (five percent) on the capital stock fully paid-in, for a special reserve to fund technological research and development programs of the Company.

b . Identify the amount to be used for the reserve

R - R\$ 1,026,785,515 .74

c . Describe how the amount was calculated

**1 - Calculation of the statutory reserve**

**Value in R\$**

Capital Stock	205,357,103,148 .30
Percentage	0 .5%
<b>Amount used in 2010</b>	<b>1,026,785,515.74</b>

**15** – In case any income is withheld as established in capital budget

a . Identify the withheld amount

R – R\$ 19,043,188,761 .27 (remainder of the income of the year) .

b . Provide a copy of the capital budget

**16** – In case of use of income for tax incentive reserve

a . Inform the amount used for the reserve R – R\$ 249,500,963 .70

b . Explain the nature of the use

R – Income tax incentives (SUDENE and SUDAM), based on exploration profits.

Combined with the realization of a portion of the deposits for reinvestment with its own funds .

24

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## Ordinary General Meeting Presentation to Shareholders

### ITEM IV

#### 4 . Election of Members to the Board of Directors

Dear Shareholders,

The election of members to the board of directors, according to what has been established in the Company's Bylaws, will be approved in the course of the Ordinary General Meeting .

The controlling shareholder nominates the following names to compose the Board of Directors: Guido Mantega, José Sergio Gabrielli de Azevedo, Francisco Roberto de Albuquerque, Luciano Galvão Coutinho, Sergio Franklin Quintella and Márcio Pereira Zimmermann .

Following you will find Appendix I with the information regarding those nominated as members of the board of directors, according to items 12.6 through 12.10 of the "Formulário de Referência" (Art . 10 of CVM Instruction 481) .

Rio de Janeiro, March 29th, 2011

**José Sergio Gabrielli de Azevedo**  
CEO OF PETROBRAS

## APPENDIX I

Information concerning the members  
nominated to the Board of Directors**Candidates nominated by the controlling shareholder**

<b>Name</b>	<b>Age</b>	<b>Administrative Body</b>
<b>CPF</b>	<b>Occupation</b>	<b>Elective office to be held</b>
GUIDO MANTEGA	62	Member of the Board of Directors only
676 .840 .768-68	Economist	President of the Board of Directors
LUCIANO GALVAO COUTINHO	64	Member of the Board of Directors only
636 .831 .808-20	Economist	Board of Directors (Permanent)
FRANCISCO ROBERTO DE ALBUQUERQUE	74	Member of the Board of Directors only
351 .786 .808-63	Serviceman	Board of Directors (Permanent)
MARCIO PEREIRA ZIMMERMANN	55	Member of the Board of Directors only
262 .465 .030-04	Engineer	Board of Directors (Permanent)
SERGIO FRANKLIN QUINTELLA	76	Member of the Board of Directors only
003 .212 .497-04	Engineer	Board of Directors (Permanent)
JOSE SERGIO GABRIELLI DE AZEVEDO	61	Member of the Executive Board and
042 .750 .395-72	Economist	Board of Directors Board of Directors (Permanent)

**Guido Mantega** - 676 .840 .768-68 Mr. Mantega is an economics graduate from the Economics and Administration College of the University of São Paulo, he had been an economics professor at the School of Business Administration of the Getúlio Vargas Foundation - FGV since 1981 .

He did his doctorate in Sociology of Development at the Philosophy, Sciences and Literature College at the University of São Paulo, with specialization at the Institute of Development Studies (IDS) of Sussex University, England in 1977 .

He was an Economics Professor during his master's and doctorate at the Pontifical Catholic University of São Paulo - PUC-SP from 1984 to 1987 . He was Budget Director and Cabinet Chief of the Municipal Development Secretariat of São Paulo, from 1982 to 1992 .

He published dozens of articles in such magazines as Revista de Economia Política, Estudos CEBRAP and Teoria em Debate .

Books published: “Acumulação Monopolista e Crises no Brasil”, Editora Paz e Terra, 1981; “A Economia Política Brasileira”, Vozes, 1984; “Custo Brasil - Mito ou Realidade”, Vozes, 1997; “Conversas com Economistas Brasileiros II”, Editora 34, 1999, among others .

He was minister of Planning, Budget and Management until November 18th, 2004, at which time he was appointed to hold the office of president of the National Development Bank – BNDES. On March 28th, 2006, he assumed the office of Finance minister.

He did not hold or holds administrative offices in publicly held companies.

**Francisco Roberto de Albuquerque** - 351 786. 808. -63 Mr . Albuquerque attended the Officer Training School, in 1969, and completed the Command and Army General Staff School in 1977 . He commanded the 2nd Self-propelled Campaign Artillery Group, headquartered in (Itu) . He is an Economic Sciences graduate.

He held the office of assistant secretary of Army general Leônidas Pires Gonçalves. At the then cabinet of the minister of the Army, he held the offices of chief of the Third Advisory Council and deputy cabinet chief .

He was Chief of the Brazilian Army Commission and adjunct of the military attaché, in Washington (USA); chief of cabinet of the Army General Staff; commander of the 11th Armored Infantry Brigade; coordinator of the Mission of Military Observers in the Peace Process of the Ecuador/Peru conflict; deputy chief of the Army General Staff; general secretary of the Army; chief of the General Department of Services and Secretary of Information Technology.

He was promoted to his current post on March 31st, 2000 . Before being appointed commander of the Army, he was military commander of the Southeast, in the capital of São Paulo .

He was decorated, among others, with the Order of Military Merit, Order of Naval Merit, Order of Air Force Merit, Order of Merit of the Armed Forces, Order of Merit of the Military Judiciary, Order of Rio Branco, Military Gold Medal with Platinum Threader, Pacifist Medal, Tamandaré Merit Medal, Santos Dumont Merit Medal and the Amazon Service Medal.

He also received the following foreign decorations: Star of the Armed Forces Medal of Ecuador; Joint Meritorious Unit Award and Meritorious Service Award, both from the United States of America; and the Peruvian Cross for Military Merit .

He did not hold or holds administrative offices in publicly held companies.

**Luciano Galvao Coutinho** - 636 .831 .808-20 Mr. Coutinho is a Doctor of Economics from Cornell University (USA) and a visiting professor of the University of Campinas (Unicamp) . His academic studies have always covered themes such as industrial politics and the real side of the economy.

He is a specialist in industrial and international economics, he wrote and organized many books in addition to having produced an extensive number of books, published in Brazil and abroad. In 1994, he coordinated the Brazilian Industry Competitiveness Study, work of almost one hundred specialists who mapped out in an unprecedented depth the Brazilian industrial sector.

From 1985 to 1988, he was executive secretary of the Ministry of Sciences and Technology, taking part of the Ministry's structuring and conception of politics directed at highly complex areas, such as biotechnology, computing, fine chemistry, precision mechanics and new materials .

Born in Pernambuco, Mr. Coutinho has a bachelor's degree in Economics from the University of São Paulo and, during the program, he received the Gastão Vidigal award for being the best Economics student of São Paulo . He has a master's degree in Economics from the Economic Research Institute of USP and was a visiting professor at the Universities of São Paulo, Paris XIII, Texas and the Instituto Ortega y Gasset, in addition to being a full professor at Unicamp . Before holding the Presidency of BNDES he was a partner at LCA Consultores, working as a consultant specialist in competition law, international trade and economic expert opinions .

He has been a Member of the Board of Directors of Vale since July of 2007 and Member of Companhia Vale do Rio Doce Strategic Committee from March 2005 to March 2006 .

**Marcio Pereira Zimmermann** - 262 .465 .030-04 Mr. Zimmermann is Executive Secretary of the Ministry of Mines and Energy, where he has already held the office of Minister.

He has a Master's in Electrical Engineering from the Pontifical Catholic University of Rio de Janeiro, he has been an Eletrosul engineer since August of 1980, where he held various technical offices, as well as middle to senior management offices, including, at Itaipu Binacional, from 1982 to 1985 .

He was a student of the Executive Development Program for Senior Management of the Electric Sector – PRODESEL, at the Economics and Administration College of the University of São Paulo - USP.

Since 2008, he presides the Board of Directors of Centrais Elétricas Brasileiras S/A -Eletrobrás .

He has been a permanent member of the National Energy Policy Council (CNPE), since 2009.

**Sergio Franklin Quintella** - 003 .212 .497-04 Mr . Quintella is an Engineering graduate from the Catholic University of Rio de Janeiro / an Economics graduate from the Economics College of Rio de Janeiro / an Engineering Economics graduate from the National Engineering School .

In Italy, he did a Master's in Business Administration (IPSOA) / (USA) MBA lato sensu in Business Administration (Advanced Management Program) (Harvard Business School) / (USA) Business Administration – Extension Course in Public Finance (Pennsylvania State University - Philadelphia) .

He has performed business activities such as Vice CEO of Montreal Engenharia from 1965 to 1991, he was a Member of the Board of Directors of Sulzer from 1976 to 1979, Member of the Board of Directors of CAEMI from 1979 to 1983, President of Internacional de Engenharia from 1979 to 1990, Member of the Board of Directors of Refrescos do Brasil S.A from 1980 to 1985, President of Companhia do Jarí from 1982 to 1983, and has been a Member of the Technical Council of the National Commerce Confederation since 1990 .



He performs academic activities such as Member of the Managing Committee of the National Institute for Higher Studies - INAE from 1991 to 2010; He has been a Member of the Development Committee of the Pontifical Catholic University of Rio de Janeiro - PUC Rio since 1978, and has been a Member of the Development Committee of Estácio de Sá University since 2002 and has been Vice President of the Getúlio Vargas Foundation since 2005 .

He has performed Public Activities such as Member of the Board of Directors of BNDES National Development Bank from 1975 to 1980, he was president of the ABNT Brazilian Association of Technical Standards from 1975 to 1977, he was a Member of the National Monetary Council from 1985 to 1990, and was President of Audit Court of the State of Rio de Janeiro from 1993 to 2005

**Jose Sergio Gabrielli De Azevedo** - 042 750. 395. -72 Mr . Gabrielli is originally from Salvador (BA) . He is an Economics graduate from the Federal University of Bahia, with a master's on fiscal incentives and regional development.

He is a Doctor of Economics from Boston University, with dissertation on State Company Financing during the period of 1975 to 1979 .

He was provost of Research and Graduate Studies, director of the Economic Sciences College and coordinator of the Master's in Economics of the Federal University of Bahia; superintendent of the Research and Extension Support Foundation (Fapex); visiting researcher of the London School of Economics and Political Science 2000-2001 . He is the author of various articles and books on productive restructuring, labor market, macroeconomics and regional development .

He held the office of Chief Financial and Investor Relations Officer of the Company from January 31st, 2003 to July 22nd, 2005, when he was elected member of the Board of Directors and President of PETROBRAS .

The names indicated above:

- Have not been subject, for the past 5 years, to criminal conviction, conviction in an administrative procedure of the CVM and unappealable conviction, in the judicial or administrative sphere, which has suspended or invalidated the exercise of professional or commercial activity.
- They do not have conjugal relations, steady union, or kinship susceptible to information according to item 12 .9 of the “Formulário de Referência” .
- They possess the following relation of subordination with the Company’s related parties .

			Fiscal Year 12/31/2010
Identification Office/Position	CPF/CNPJ	Type of relation of Administrator with related party	Type of related person
<b>Issuer’s Administrator</b>			
Luciano Galvao Coutinho Board Member	636 .831 .808-20	Subordination	Creditor
<b>Related Party</b>			
BNDES President	33 .657 .248/0001-89		
<b>Note</b>			

Ordinary General Meeting  
Presentation to Shareholders

ITEM V

5 . Election of the Chairman of the Board of Directors

Dear Shareholders,

The election of the Chairman of the Board of Directors, according to what has been established in the Company's Bylaws, will be approved in the course of the Ordinary General Meeting .

The controlling shareholder nominates Mr. Guido Mantega as Chairman of the Board of Directors .

Rio de Janeiro, March 29th, 2011

**José Sergio Gabrielli de Azevedo**  
CEO OF PETROBRAS

32

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## Ordinary General Meeting Presentation to Shareholders

### ITEM VI

#### 6 . Election of Members to the Fiscal Board and their Respective Substitutes

Dear Shareholders,

The election of members to the fiscal board and their respective substitutes, according to what has been established in the Company's Bylaws, will approved in the course of the Ordinary General Meeting .

The controlling shareholder nominates the following names to compose the Fiscal Board and respective substitutes: Marcus Pereira Aucélio (substitute: Paulo Fontoura Valle); Túlio Luiz Zamin (substitute: Ricardo de Paula Monteiro); César Acosta Rech (substitute: Edison Freitas de Oliveira) .

Following you will find Appendix I with the information regarding those nominated to compose the Fiscal Board, according to items 12 .6 through 12 .10 of the "Formulário de Referência" (Art . 10 of CVM Instruction 481) .

Rio de Janeiro, March 29th, 2011

**José Sergio Gabrielli de Azevedo**  
CEO OF PETROBRAS

## APPENDIX I

Information concerning the members  
nominated to the Fiscal Board**Candidates nominated by the controlling shareholder**

<b>Name</b>	<b>Age</b>	<b>Administrative Body</b>
<b>CPF</b>	<b>Occupation</b>	<b>Elective office to hold</b>
CESAR ACOSTA RECH	43	Fiscal Board
579 .471 .710-68	Economist	Fiscal Board (Permanent)
ÉDSON FREITAS DE OLIVEIRA	73	Fiscal Board
003 .143 .238-72	Administrator	Fiscal Board (Substitute)
MARCUS PEREIRA AUCÉLIO	44	Fiscal Board
393 .486 .601-87	Engineer	Fiscal Board (Permanent)
PAULO FONTOURA VALLE	47	Fiscal Board
311 .652 .571-49	Financial Analyst	Fiscal Board (Substitute)
TÚLIO LUIZ ZAMIN	53	Fiscal Board
232 .667 .590-87	Accountant	Fiscal Board (Permanent)
RICARDO DE PAULA MONTEIRO	66	Fiscal Board
117 .579 .576-34	Systems Analyst	Fiscal Board (Substitute)

**Marcus Pereira Aucélio** - 393 .486 .601-87 graduated from the University of Brasília as a Forest Engineer and has graduate courses in finance from IBMEC of Brasília and in Public Sector Economics from FGV/SP.

Mr. Aucélio works at the National Treasury Secretariat – STN -, in the General Coordination of Funds and Fiscal Operations Management – COFIS, since June of 2002 he has held the office of General Coordinator. He also worked at CODIP (General Coordination of Public Debt Administration), from 1994 to 2002 . Moreover, he worked in the Fiscal Board of the Bank of the State of São Paulo – BANESPA from April/1998 to Nov/2000 and in the Fiscal Board of the Bank of Brazil from May/2000 to April /2005 . He is a member of the Guarantee Fund for Length of Service (FGTS) Curator Committee, Salary Variations Compensation Fund (FCVS) Curator Committee and Managing Committee of the Merchant Marine Fund – CDFMM .

**Paulo Fontoura Valle** - 311 .652 .571-49 MBA in Finance from IBMEC, with Specialization in Economics from George Washington University – USA, he works as Deputy Secretary of Public Debt of the National Treasury Secretariat – STN .

He was a Financial Analyst of Banco do Brasil S/A, Manager of the Public Debt Renegotiation Areas and Special Public Debt Operations and General Manager of Public Debt Operations at the STN;

**Túlio Luiz Zamin** - 232.667.590-87 Graduated from the Pontifical Catholic University of Rio Grande do Sul in 1982 in Accounting Sciences . From 2000 to 2003, he was president of the Bank of the State of Rio Grande do Sul S.A. He was deputy finance secretary of the state of Rio Grande do Sul, accumulating the office of general director in this Secretariat, from 1999 to 2000. At Companhia Carris Porto-Alegrense, he held the office of CEO, from 1995 to 1998 . From 1992 to 1994, he was Finance secretary of the municipality of Porto Alegre . From 1990 to 1992, he held the position of advisor in the Planning Secretariat of the municipality of Porto Alegre. In 1986, he was appointed fiscal agent of the Treasury of the state of Rio Grande do Sul . At Farol S .A . – Indústria Gaúcha de Farelos e Óleos he held the office of internal auditor, from 1977 to 1986. He has been CEO of Empresa Pública de Transporte e Circulação (EPTC) of the City Hall of Porto Alegre since 2003 . He participated, as a substitute member, of the Board of Directors of Banco Regional de Desenvolvimento do Extremo Sul, from 1999 to 2003 . He was a member of the Board of Directors of Detran from 1999 to 2000 . He participated as vice-president of the Board of Directors from 2000 to 2003, full member of the Fiscal Board in 1999 and a substitute from 1988 to 1991 of Barrisul S .A . He was a member of the Fiscal Board of the Stock Exchange of the state of Rio Grande do Sul, from 1987 to 1989 . He has been a member of the Fiscal Board of Petrobras since March 27th, 2003 .

**Cesar Acosta Rech** - 579 471. 710. -68 He is currently Manager of Institutional Affairs of the Brazilian Trade and Investment Promotion Agency, Apex-Brasil . From 1998 to 2002, he held the office of Director of the National Association of Entities Promoters of Advanced Technological Endeavors – ANPROTEC, organization that brings together the technological parks and incubators of Brazilian companies .

He was Administrative and Finance Director of the Small and Micro Companies Support Service – SEBRAE – in the 2005/2006 biennium and Director of the Micro, Small and Medium Companies Department of the Ministry of Development, Industry and Foreign Trade, from 2003 to 2004 .

From 1993 to 2002, he held managerial, supervisory and executive offices in the municipal and state sphere in Rio Grande do Sul, among them manager of the Incubadora Empresarial Tecnológica of Porto Alegre – from 1993 to 1996 .

He also worked as Director in various collective bodies, among them the Administrative Board of FINAME/BNDES, and deliberative committees of the Brazilian Agency of Industrial Development – ABDI and SEBRAE, all of national character. In the state level, he worked as Director of the CRP - Companhia Riograndense de Participações, SEBRAE/RS and SOFTSUL – Sociedade Sulriograndense de Software, among others . He is currently a member of the Fiscal Board of BNDES .

**Ricardo de Paula Monteiro** - 117 .579 .576-34 Economist, with a Master's in Systems Analysis and Applications and a Graduate from the Space Research Institute – INPE, he works as a Special Advisor to the Minister of Mines and Energy. He was an Assistant Researcher of the Space Research Institute – INPE, Technical in Scientific Development of the National Council of Scientific and Technological Development - CNPq and an Economist of Centrais Elétricas do Norte do Brasil – Eletronorte.

**Édson Freitas de Oliveira** - 003 143. 238. -72 Administrator, with a Course in Higher Political and Strategy Studies from the War College, he works as a Special Internal Control Advisor of the Ministry of Mines and Energy. He was Secretary of the Executive Board of Cia Força e Luz Cataguases – Leopoldina, Cabinet Secretary of the São Paulo Central Management of the Bank of Brazil and Deputy Chief of the Cabinet of the President of the Central Bank of Brazil;

The names indicated above:

- Have not been subject, for the past 5 years, to criminal conviction, conviction in an administrative procedure of the CVM and unappealable conviction, in the judicial or administrative sphere, which has suspended or invalidated the exercise of professional or commercial activity.
- They do not have conjugal relations, steady union, or kinship susceptible to information according to item 12.9 of the "Formulário de Referência".

37

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## Ordinary General Meeting Presentation to Shareholders

### ITEM VII

#### 7 . Establishment of the Compensation of Management and Effective Members of the Fiscal Board as well as their Participation in the Profits Pursuant to Articles 41 and 56 Of The Company's Bylaws .

Dear Shareholders,

Petrobras is making available a forecast of the compensation of management and effective members of the Fiscal Board for the current fiscal year.

The establishing of the compensation of management and effective members of the Fiscal Board, as well as their participation in the profits, in the form of articles 41 and 56 of the Company's Bylaws will be approved at an Ordinary General Meeting .

Following you will find Appendix I with the information regarding the compensation of management and effective members of the Fiscal Board in the last fiscal years and the forecast mentioned above for the current fiscal year, according o item 13 of the "Formulario de Referencia" (Art .12 of CVM Instruction 481) .

Rio de Janeiro, March 29th, 2011

**José Sergio Gabrielli de Azevedo**  
CEO OF PETROBRAS

## Appendix I

Information on item 13 of the “Formulário de Referência”, complying with section 12 of the Brazilian Securities and Exchange Commission (“CVM”) Instruction No . 481/09

### 13. Directors’ Wages

**13.1.** To describe the wages’ policy or practice regarding the Board of Directors, the Statutory and non-Statutory Board, the Fiscal board, the statues committees and the committees as follows: audit, risk, financial and wages.

#### I - EXECUTIVE OFFICERS:

##### a . Goals for Wages’ practice or policy

Executive Officers fixed wages is composed of monthly wages yearly defined by the Ordinary General Meeting, following the provisions set forth in Section 152 of the LSA . The wages’ goals and practices aim to recognize the Company’s Directors and to pay them, considering their responsibility, the time they dedicate to their job, their competence and the job’s reputation, as well as the market practices regarding companies with dimensions similar to Petrobras .

##### b . Wages’ details mentioning, as follows:

##### i . Description of wages’ items and their goals

•**Fees:** fixed monthly payment for Directors, which is made accordingly to the services provided .

•**Direct and indirect benefits:** aiming at the Directors’ quality of life, including: home, health care, and Social Security.

•**Profit and Results’ Sharing (PLR) and Performance Bonus:** payment for the effort on contributing to the results reached and for the motivational spirit in complying with the strategic goals.

ii . What's the proportion of each item in total wages?

	2010 Fiscal Year
Wages or Pro-labore (w/Christmas Bonus and Holidays)	76%
Direct and indirect benefits	1%
PLR	15%
Performance Bonus	8%

iii . Calculation and readjustment method for each of the wages' items

•**Wages or Pro-labore (w/Christmas Bonus and Holidays) and Performance Bonus:** There is no single method for calculation or readjustments as factors like negotiation with regulating bodies, applicable laws, market practices and the amounts established by AGO are taken into account .

•**PLR:** For PLR calculation, performance indicators - negotiated with the Department for Public Companies' Coordination and Governance (DEST) - applicable laws, market practices, and the amounts established by AGO are taken into account. During 2009 and 2010 fiscal years payments of 2.54 and 2.56 were made to the Chairman and Directors, respectively. Such amounts were established by a Board of Directors' decision .

iv . Reasons justifying wages' items

Petrobras' Board of Directors wages' items are defined taking into account the economic-financial results of the Company, aiming at promoting the Company's Directors recognition . They also try to align the wages with the wages' market practices regarding companies with dimensions similar to Petrobras .

c . Main performance indicators taken into account when determining each wages' item

•**Fees:** fixed wages: No linked indicator.

•**Direct and indirect benefits:** No linked indicator.

•**Profit and Results' Sharing (PLR)**: depends on performance indicators negotiated with the Department for Public Companies' Coordination and Governance (DEST), such as: National Oil Processing - Brazil, Oil and Natural Gas Production - Brazil and Unit Cost for drilling without government interest .

d . What's the structure of the wages in order for it to show the performance indicators' evolution  
The wages' structure is made so that the Profit and Results' Sharing is conditioned in order to respond to the performance indicators negotiated with the Department for Public Companies' Coordination and Governance (DEST), such as: National Oil Processing – Brazil, Oil and Natural Gas Production – Brazil and Unit Cost for drilling without government interest .

e . How does the wages' practice or policy align with the short, medium and long-term interests of the issuer?

Petrobras Board of Directors' wages are established according to the economic-financial results of the Company, aiming at promoting the Company's Directors recognition . They also try to align the wages with the short, medium and long-term interests of Petrobras, followed by the pursuance of the Board's goals and by indicators, such as National Oil Processing – Brazil, Oil and Natural Gas Production – Brazil and Unit Cost for drilling without government interest .

f . Wages paid, directly or indirectly, by subsidiaries, controlled or controlling companies  
Not applied .

g. Yields or benefits arising out of any company event, such as disposal of company control of the issuer  
Not applied .

## II – BOARD OF DIRECTORS:

a . Goals for Wages' practice or policy

The Board of Directors fixed wages is composed of monthly wages yearly defined by the Ordinary General Meeting, following the provisions set forth in Section 152 of the LSA . The wages' goals and practices aim to recognize the Counselors and to pay them, considering their responsibility, the time they dedicate to their job position, their competence and the job's reputation, as well as the market practices regarding companies with dimensions similar to Petrobras .

b . Wages' details mentioning, as follows:

i . Description of wages' items and their goals

•**Fees:** fixed monthly payment for Counselors, which is made accordingly to the services provided .

•**Direct and indirect benefits:** aiming at the Counselors' quality of life, including health care .

ii . What's the proportion of each item in total wages?

	2010 Fiscal Year
Wages or <i>Pro-labore</i> (w/Christmas Bonus)	97%
Direct and indirect benefits	3%

iii . Calculation and readjustment method for each of the wages' items

The amount corresponds to 10% (ten per cent) of the average monthly wages paid to the Executive Directors and approved by AGO, following the provisions set forth in Sections 152 and 145 of the Brazilian Laws, as follows: 6 .404/76 and 9 .292, of the 12th July 1996.

iv . Reasons justifying wages' items

The wages' amount/ceiling for Board of Directors members is defined by AGO.

c . Main performance indicators taken into account when determining each wages' item

Not applied: Fixed wages with no linked indicator

d . What's the structure of the wages in order for it to show the performance indicators' evolution

Not applied .

e . How does the wages' practice or policy align with the short, medium and long-term interests of the issuer?

Petrobras Board of Directors' wages are established according to the economic-financial results of the Company, aiming at promoting the Company's Directors recognition . They also try to align the wages with the short, medium and long-term interests of Petrobras followed by the pursuance of the Board's goals and by indicators, such as National Oil Processing - Brazil, Oil and Natural Gas Production - Brazil and Unit Cost for drilling without government interest .

f . Wages paid, directly or indirectly, by subsidiaries, controlled or controlling companies  
Not applied .

g. Yields or benefits arising out of any company event, such as disposal company control of the issuer  
Not applied .

### III – FISCAL BOARD:

a . Goals of Wages' practice or policy

The Fiscal Board fixed wages is composed of monthly wages yearly defined by the Ordinary General Meeting, following the provisions set forth in Section 152 of the LSA . The wages' goals and practices aim to recognize the Company's Counselors and to pay them, considering their responsibility, the time they dedicate to their job position, their competence and the job's reputation, as well as the market practices regarding companies with dimensions similar to Petrobras .

b . Wages' details mentioning, as follows:

i . Description of wages' items and their goals

•**Fees:** fixed monthly payment for Directors, which is made accordingly to the services provided .

ii . What's the proportion of each item in total wages?

	2010 Fiscal Year
Wages or Pro-labore (w/ Christmas Bonus)	100%

iii . Calculation and readjustment method for each of the wages' items

The amount corresponds to 10% (ten per cent) of the average monthly wages paid to the Executive Directors and approved by AGO, following the provisions set forth in Sections 152 and 145 of the Brazilian Laws, as follows: 6 .404/76 and 9.292, of the 12th July 1996.

iv . Reasons justifying wages' items

The wages' amount/ceiling for the Board of Directors members is defined by AGO.

c . Main performance indicators taken into account when determining each wages' item

Not applied: Fixed wages with no linked indicator.

d . What's the structure of the wages in order for it to show the performance indicators' evolution?

Not applied .

e . How does the wages' practice or policy align with the short, medium and long-term interests of the issuer?

Petrobras Counselors' wages are paid according to the services provided and are compatible with the market's wages, aligning them with the short, medium and long-term interests of Petrobras .

f . Wages paid, directly or indirectly, by subsidiaries, controlled or controlling companies

Not applied .

g. Yields or benefits arising out of any company event, such as disposal company control of the issuer

Not applied .

IV – AUDIT COMMITTEE, ENVIRONMENT COMMITTEE  
AND COMMITTEE FOR PAYMENTS AND SUCCESSION:

In Petrobras there are 3 (three) Committees attached to the Board of Directors, as follows: Audit Committee, Environment Committee and Committee for Payments and Succession. Each one of them has 3 (three) Board of Director's representatives who, upon appointment, cumulate this job with the Board of Director's one, not getting extra wages for it.

**13.2. Total wages' of the Board of Directors, of the Statutory Board and of the Fiscal Board**

<b>Total wages foreseen for current social year 12/31/2011 – yearly amounts</b>				
	<b>Executive Officers</b>	<b>Board of Directors</b>	<b>Fiscal Board</b>	<b>Total</b>
No . of members *	7	8 .58	5	20 .58
<b>Yearly Fixed Wages</b>				
Wages or pro-labore (w/ Christmas Bonus and Holidays) **	R\$ 6,575,577.76	R\$ 743,712.81	R\$ 433,554.55	R\$ 7,752,845.12
Direct and indirect Benefits	R\$ 541,085 .01	R\$ 18,762 .35	0 .00	R\$ 559,847 .36
Participation in committees	0 .00	0 .00	0 .00	0 .00
Others	0 .00	0 .00	0 .00	0 .00
<b>Variable Wages</b>				
Performance Bonus	R\$ 1,400,714 .79	0 .00	0 .00	R\$ 1,400,714 .79
Participation in results	R\$ 1,400,714 .79	0 .00	0 .00	R\$ 1,400,714 .79
Participation in meetings	0 .00	0 .00	0 .00	0 .00
Commissions	0 .00	0 .00	0 .00	0 .00
Others	0 .00	0 .00	0 .00	0 .00
<b>Post-employment</b>	0 .00	0 .00	0 .00	0 .00
<b>Job position termination</b>	0 .00	0 .00	0 .00	0 .00
<b>Based in shares</b>	0 .00	0 .00	0 .00	0 .00
<b>Total Wages</b>	<b>R\$ 9,918,092.35</b>	<b>R\$ 762,475.15</b>	<b>R\$ 433,554.55</b>	<b>R\$ 11,114,122.06</b>

\* The Chairman is also a member of the Board of Directors. However, such position is not paid. In accordance with the Brazilian law No. 12.353, from the 28th December 2010, Petrobras is leading a procedure to change its Articles of Association which will involve a change in the Board of Director's members, from 9 to 10. The number of members corresponds to the yearly average of each body members' number and it is calculated monthly.

\*\* The members of both the Board of Directors and of the Fiscal Board do not get paid holidays .

P.s .: The amounts established from February onwards are a projection . The total wages foreseen does not correspond to the proposal offered by the controlling shareholder.



**Total wages for closed social year 12/31/2010 - yearly amounts**

	<b>Executive Officers</b>	<b>Board of Directors</b>	<b>Fiscal Board</b>	<b>Total</b>
No . of members *	7	8	5	20
<b>Yearly Fixed Wages</b>				
Wages or pro-labore (w/Christmas Bonus and Holidays) **	R\$ 6,147,965 .63	R\$ 670,194 .17	R\$ 419,376 .85	R\$ 7,237,536 .65
Direct and indirect Benefits	R\$ 92,776 .95	R\$ 17,700 .33	0,00	R\$ 110,477 .28
Participation in committees	0 .00	0 .00	0 .00	0 .00
Others	0 .00	0 .00	0 .00	0 .00
<b>Variable Wages</b>				
Performance Bonus	R\$ 600,000 .00	0 .00	0 .00	R\$ 600,000 .00
Participation in results	R\$ 1,202,227 .92	0 .00	0 .00	R\$ 1,202,227 .92
Participation in meetings	0 .00	0 .00	0 .00	0 .00
Commissions	0 .00	0 .00	0 .00	0 .00
Others	0 .00	0 .00	0 .00	0 .00
<b>Post-employment</b>	0 .00	0 .00	0 .00	0 .00
<b>Job position termination</b>	0 .00	0 .00	0 .00	0 .00
<b>Based in shares</b>	0 .00	0 .00	0 .00	0 .00
<b>Total Wages</b>	<b>R\$ 8,042,970.50</b>	<b>R\$ 687,894.50</b>	<b>R\$ 419,376.85</b>	<b>R\$ 9,150,241.85</b>

\* The Chairman is also a member of the Board of Directors . However, such position is not paid .

The number of members corresponds to the yearly average of each body members' number and is calculated monthly.

\*\* The members of both the Board of Directors and of the Fiscal Board do not get paid holidays .

<b>Total wages for closed social year 12/31/2009 - yearly amounts</b>				
	<b>Executive Officers</b>	<b>Board of Directors</b>	<b>Fiscal Board</b>	<b>Total</b>
No . of members *	7	7 .75	5	19 .75
<b>Yearly Fixed Wages</b>				
Wages or pro-labore (w/ Christmas Bonus and Holidays) **	R\$ 5,341,493 .29	R\$ 575,446 .86	R\$ 372,117 .85	R\$ 6,289,058 .00
Direct and indirect Benefits	R\$ 149,694 .84	R\$ 14,750 .54	0 .00	R\$ 164,445 .38
Participation in committees	0 .00	0 .00	0 .00	0 .00
Others	0 .00	0 .00	0 .00	0 .00
<b>Variable Wages</b>				
Performance Bonus	0 .00	0 .00	0 .00	0 .00
Participation in results	R\$ 1,017,886 .28	0 .00	0 .00	R\$ 1,017,886 .28
Participation in meetings	0 .00	0 .00	0 .00	0 .00
Commissions	0 .00	0 .00	0 .00	0 .00
Others	0 .00	0 .00	0 .00	0 .00
<b>Post-employment</b>	0 .00	0 .00	0 .00	0 .00
<b>Job position termination</b>	0 .00	0 .00	0 .00	0 .00
<b>Based in shares</b>	0 .00	0 .00	0 .00	0 .00
<b>Total Wages</b>	<b>R\$ 6,509,074.41</b>	<b>R\$ 590,197.40</b>	<b>R\$ 372,117.85</b>	<b>R\$ 7,471,389.66</b>