

Report on  
**CORPORATE GOVERNANCE**

Corporate Governance Advisory

2016

Q4



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### **Single Social Security Fund of the State of Rio de Janeiro**

Rioprevidência was established under Law No. 3,189, of February 22, 1999, in the form of an Independent Public Autarchy, for the purposes of managing the financial assets, aiming to fund the payment of remuneration, pensions and other social security benefits.

Following the legal requirement of Constitutional Amendment No. 41, of December 19, 2003, Law No. 5,109, of October 15, 2007, ordered the termination of the Instituto de Previdência do Estado do Rio de Janeiro – IPERJ (Institute of Social Security of the State of Rio de Janeiro), transferring the authority, management and payment of social security benefits to Rioprevidência as provided under the state law, which establishes the pension system for civil servants in the State of Rio de Janeiro and their dependents. On December 11, 2007, Law No. 5,154 amends Annexes II and III of Law. 5,109/2007. The publication of State Law No. 5,260, of June 11, 2008, brought about the unification of the individual and unique Legal Framework relating to Social Security of the Members of the Judicial Branch, the Public Prosecutors Office, the Public Defender's Office, the Accounting Court and the Statutory Public Servants of the State of Rio de Janeiro, and Rioprevidência assumed responsibility for the management of this social security system. On December 18, 2008, with the publication of State Law No. 5,352, items related to the definition and update of remuneration, survivors pension of the beneficiary, and allowance during imprisonment were amended.

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## PRESENTATION

Based on the months from **October to December 2016**, this report aims at providing information that enables social security beneficiaries and the general public to follow the main activities of the Fund, taking into account the basic principles of Corporate Governance: transparency, fairness, accountability and social responsibility.



## 1. INSTITUTIONAL

- 1.1 Personnel Management
- 1.2 Cost management
- 1.3 Internal Audit and Compliance
- 1.4 Institutional Image

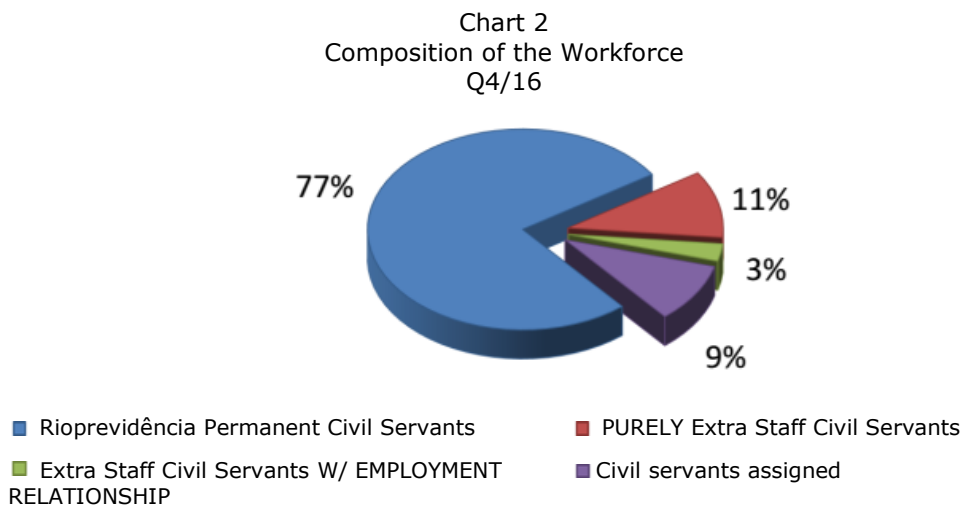
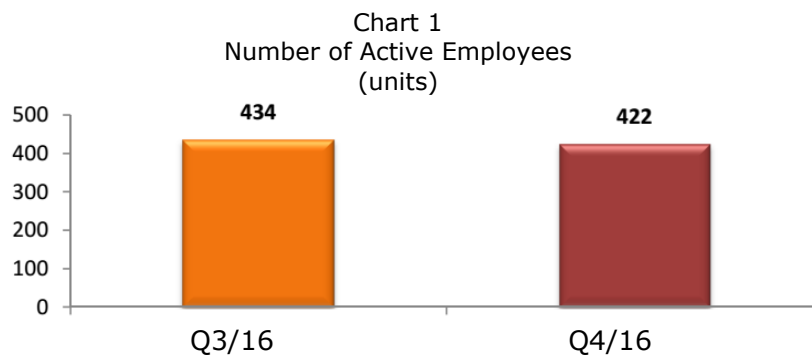
## 1. INSTITUTIONAL

### 1.1 – PERSONNEL MANAGEMENT

The management of Rioprevidência personnel aims to constantly develop its public servant workforce, for those holding operational, technical and managerial positions, through qualification and certification.

#### 1.1.1. – Composition of the Workforce

In Q4 of 2016, the Autarchy's workforce totaled 422 employees. This is a 2.76% decrease compared to Q3, with 434 public servants.





## 1.1.2. – Age groups and education

Chart 03  
Statement – Age Group  
Q4/16

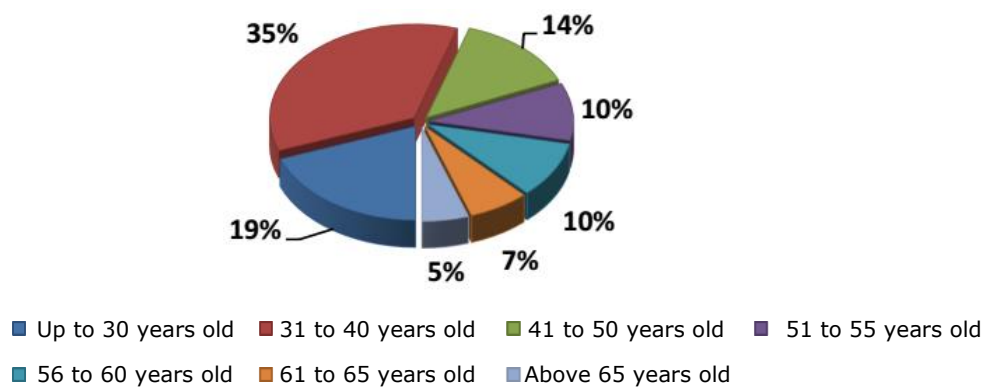
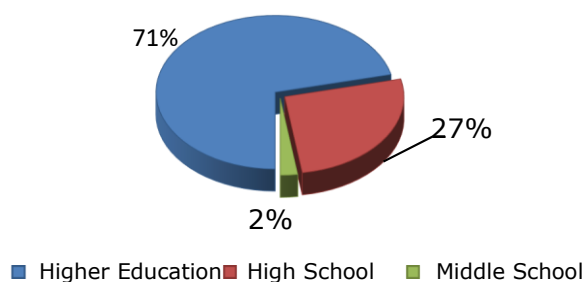


Chart 4  
Statement – Education  
Q4/16



## 1.1.3. – Courses

Table 1

October

Course	Participants	Hours	Persons x Hours
Evaluation of Public Policies: a sociological perspective	1	32	32

## CORPORATE GOVERNANCE

Procurement I - Requisition, Market Research and Consumption of Minutes	1	4	4
Basic Course on Public Planning and Budget - Remote modality	1	35	35
SIAFE-RIO Course Flexvision Inquiry	2	4	8
Decision making support tools	1	16	16
Forms of Admission, Retirement and Pension in the Government	1	40	40
Change Management and Organizational Culture	4	16	64
Lecture: The importance of petroleum for Rioprevidência	26	2	52
Lecture: The proposal of Social Security Reform - Impact on RPPS	34	2	68
Service Cost and Price Spreadsheet, by IN 02/2008 of the MPOG	2	16	32
Procedures Prior to Government Contracts: Bidding Procedure, Acts of Waiver and Unenforceability of Bidding	3	40	120
Production and Understanding of Text: Preparation of Summary, Briefing and Report	6	32	192
Program of Qualification in Financial Education	23	14	322
Drafting of Official Documents	2	32	64
<b>TOTAL</b>	<b>107</b>	<b>285</b>	<b>1049</b>

### November

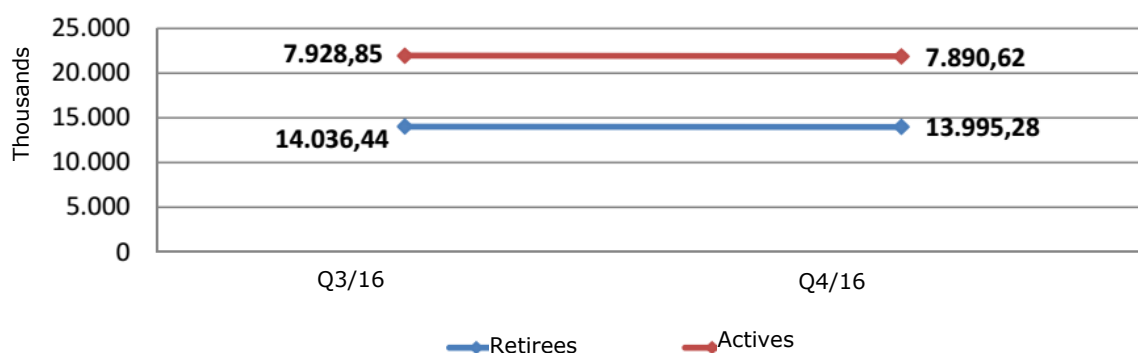
Course	Participants	Hours	Persons x Hours
Access to Information: governance, citizenship and social control	1	24	24
Basic Knowledge in Management of Financial Resources of Specific Social Security Regimes	3	24	72
Accounting Applied to the Public Sector - Knowing the MCASP - Budgetary Accounting Procedures - Theory and Practice	1	32	32
Accounting Applied to Specific Social Security Regimes	3	20	60
Economicity in Government Contracts and Bidding Procedures - PROCUREMENT AND SERVICES	1	24	24
Management of knowledge in the government	4	16	64
Training in System GCA 2.0	3	7	21
<b>TOTAL</b>	<b>16</b>	<b>147</b>	<b>297</b>

Course	Participants	Hours	Persons x Hours
Contract Management - Remote modality	1	30	30
Introduction to the Price Registration System - Remote Modality	1	35	35
Update of Auctioneers	1	16	16
Social Control and Transparency: Public Biddings and Law of Access to Information	1	16	16
Accident Prevention Courses	11	16	176
<b>TOTAL</b>	<b>15</b>	<b>113</b>	<b>273</b>

#### 1.1.4. – Rioprevidência Payroll – Gross Value (active civil servants on staff and retirees of the Autarchy)

As shown in *Chart 01*, the number of staff of the Autarchy underwent a decrease in Q4 of 2016 in relation to the previous quarter. Regarding the payroll, from October to December 2016, there was a decrease of 0.29% in the Rioprevidência retiree payroll, and a decrease of 0.48% in the Fund's active payroll, as shown in *Table 02*. The Chart below shows the evolution in payroll for the accounting period, between Q3 and Q4 of 2016.

Chart 5  
Rioprevidência Payroll  
(Monthly Statement – Q4/16 – in R\$)



Note: Due to the change in the monthly payroll accounting system, the amount of the 13<sup>th</sup> salary was registered in a separate account and absorbed monthly. As from 2014, this book-keeping was done through the accrual basis.

## CORPORATE GOVERNANCE

By analyzing the total amount paid in Q4 of 2016, compared to the previous period, there was a decrease of 0.36% in the total payroll of the Autarchy (actives and retirees), as shown in the following table.

Table 2

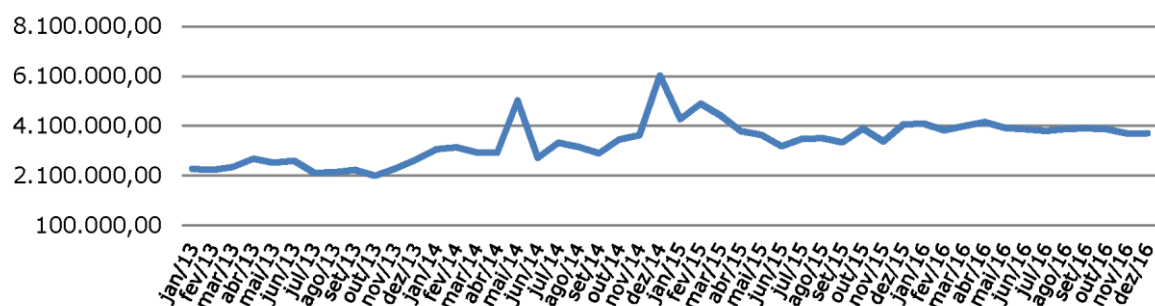
Gross Payroll (accounting period)	Q3/16 (R\$)	Q4/16 (R\$)	A%
Retirees	14,036,437.35	13,995,282.89	-0.29%
Rioprevidência Active Servants	7,928,845.04	7,890,623.58	-0.48%
<b>Total</b>	<b>21,965,282.39</b>	<b>21,885,906.47</b>	<b>-0.36%</b>

Source: CRH/ATE

## 1.2 – RIOPREVIDÊNCIA COST MANAGEMENT

### 1.2.1 – Evolution of the Total Cost of the Fund

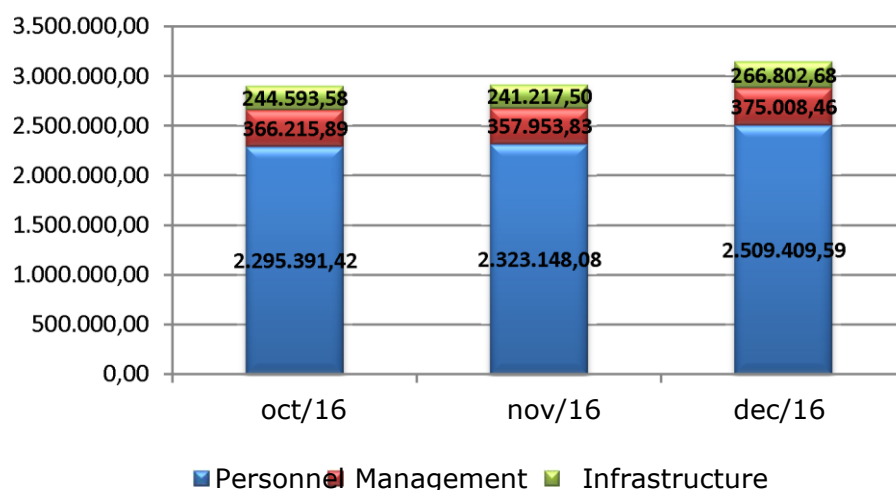
Chart 6  
Evolution of the total cost of Rioprevidência (R\$)



## CORPORATE GOVERNANCE

### 1.2.2 – Evolution of the Costs Divided into Personnel, Management and Infrastructure

Chart 7  
Percentage and quantitative changes in the cost distribution



### 1.2.3 – Distribution of the Costs per Board

The following charts show that the Social Security Board, responsible for all procedural management of the Fund benefits and the Administration and Finance Board, Rioprevidência ancillary area, and the Channels are responsible for approximately 65% of the costs in Q4 of 2016.

Table 3  
October (R\$)

	Chairmanship	DAF (Administrati on and Finance Board)	DIN (Informatics Board)	DJU (Legal Board)	DSE (Social Security Board)	CHANNELS
Personnel	190,216.00	656,373.28	194,126.15	204,529.13	585,715.42	464,431.44
Administration	34,067.82	140,914.06	19,291.21	22,170.16	61,165.17	88,607.47
Infrastructure	47,688.28	48,594.94	10,464.67	13,680.87	45,120.97	79,043.85
<b>Total</b>	<b>271,972.10</b>	<b>845,882.28</b>	<b>223,882.03</b>	<b>240,380.16</b>	<b>692,001.56</b>	<b>632,082.76</b>

## CORPORATE GOVERNANCE

Chart 08  
Rioprevidência Costs  
October/2016

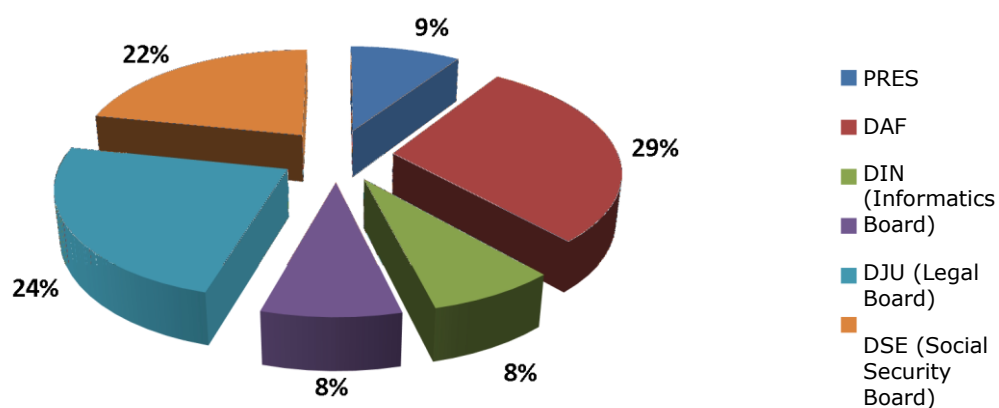


Table 4  
November (R\$)

	Presidency	DAF (Administra tion and Finance Board)	DIN (Informatics Board)	DJU (Legal Board)	DSE (Social Security Board)	CHANNELS
Personnel	193,439.37	673,275.02	181,039.24	207,190.96	590,277.04	477,926.45
Administration	29,414.25	135,992.73	19,519.84	22,313.03	54,460.01	96,253.97
Infrastructure	48,410.94	46,592.16	9,960.53	13,032.53	43,184.87	80,036.47
<b>Total</b>	<b>271,264.55</b>	<b>855,859.92</b>	<b>210,519.61</b>	<b>242,536.52</b>	<b>687,921.91</b>	<b>654,216.88</b>

Chart 09  
Rioprevidência Costs  
October/2016

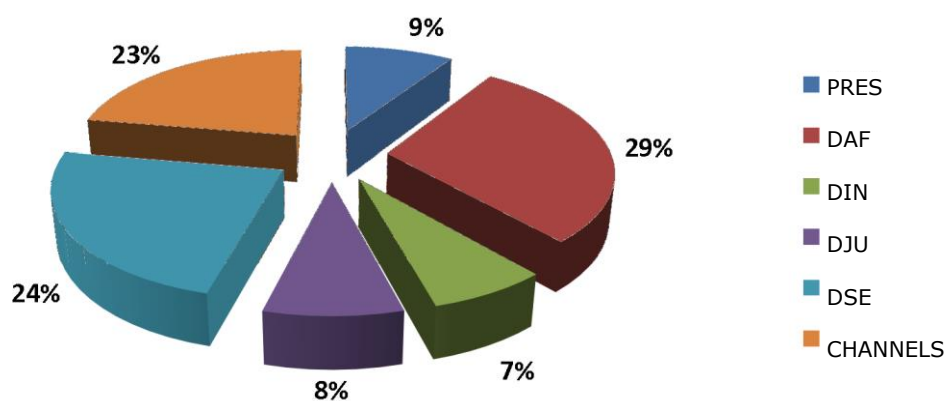
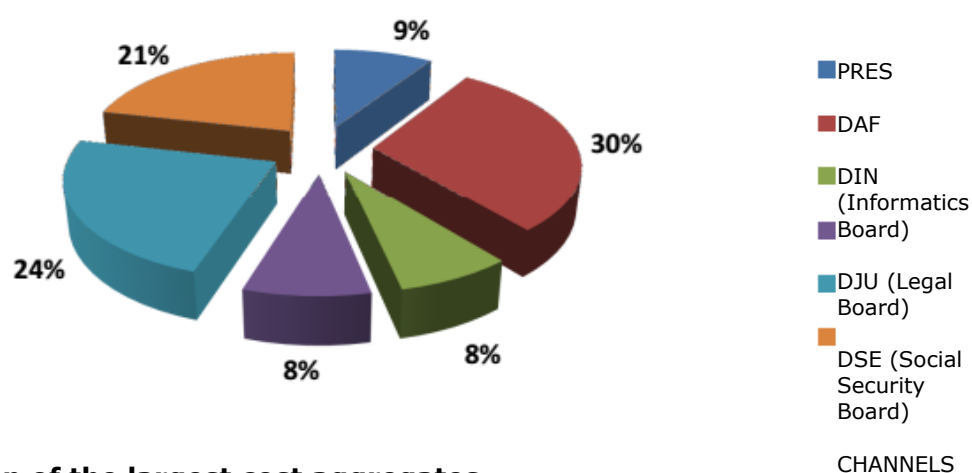


Table 5  
December (R\$)

	Presidency	DAF (Administration and Finance Board)	DIN (Informatics Board)	DJU (Legal Board)	DSE (Social Security Board)	CHANNELS
Personnel	204,924.26	745,183.07	207,031.48	223,354.13	636,929.64	491,987.01
Administration	30,094.33	143,906.93	21,649.80	23,296.56	65,220.84	90,839.99
Infrastructure	56,164.51	50,092.45	10,468.70	13,827.07	42,512.01	93,737.94
<b>Total</b>	<b>291,183.10</b>	<b>939,182.45</b>	<b>239,149.98</b>	<b>260,477.77</b>	<b>744,662.49</b>	<b>676,564.94</b>

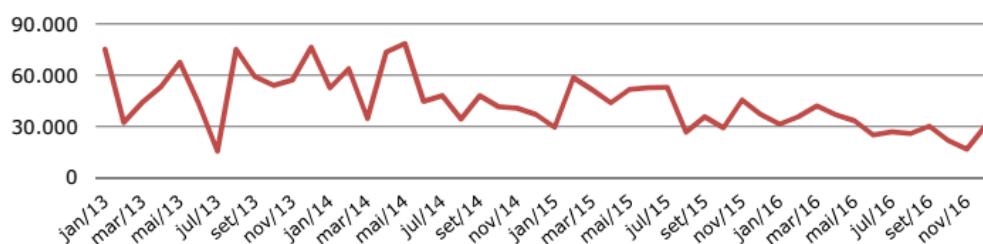
Chart 10  
Rioprevidência Costs  
December/2016



## 1.2.4 – Evolution of the largest cost aggregates

The three largest Rioprevidência costs are: publications, postal costs and its own payroll.

Chart 11  
Evolution of costs with publication (R\$)



## CORPORATE GOVERNANCE

Note: The publications consist of Acts related to the life of the active or retired public servant and pensioner, contract extracts, invitations to bid, Acts and Orders with legal obligation of publicity, debt recognition, penalties against suppliers, ratification of unenforceability/exemption, Internal/Joint Ordinances, minutes of meeting of the Board of Directors and Audit Committees, certificate of time of contribution, selection for public office.

Chart 12  
Evolution of costs with mail services (R\$)

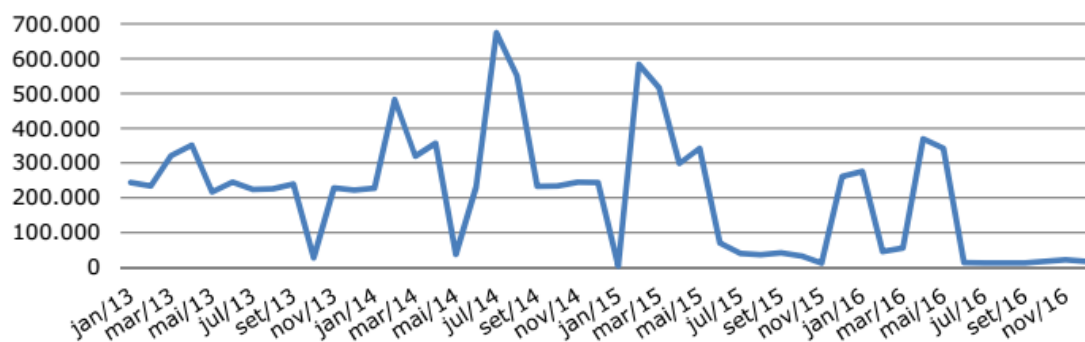
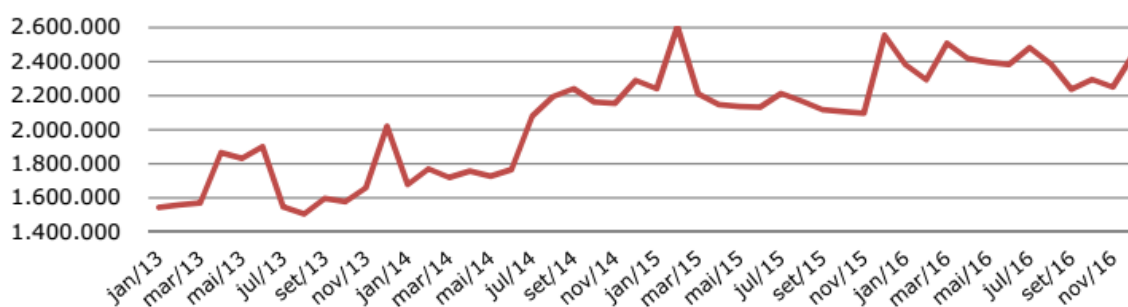


Chart 13  
Evolution of costs with Rioprevidência payroll (R\$)



Note: The variations perceived between July 2014 and December 2016 refer to the entry of new servants approved in civil-service examinations with tests and titles.

### 1.3 – INTERNAL AUDIT AND COMPLIANCE

#### 1.3.1 – Activities



### **1.3.1.1– Internal Audit**

#### **October/2016**

- Monitoring of Tax Good Standing;
- Implementation of the Annual Audit Plan – PLANAT, for the financial year of 2017;
- Verification of accounting entries related to depreciation of personal properties;
- Monthly monitoring of accounting balances of personal properties.
- Storeroom – We checked the monthly rendering of accounts (October 2016) and found parity between Accounting and Storeroom.

#### **November/2016**

- Monitoring of Tax Good Standing;
- Analysis of advance processes;
- Verification of accounting entries related to depreciation of personal properties;
- Monthly monitoring of accounting balances of personal properties;
- Implementation of the Annual Audit Report – RANAT, for the financial year of 2016;
- Analysis of credit decentralization processes;
- Storeroom – We checked the monthly rendering of accounts (November/2016) and found parity between Accounting and Storeroom.

#### **December/2016**

- Analysis of advance processes;
- Monitoring of Tax Good Standing;
- Verification of accounting entries related to depreciation of personal properties;
- Monthly monitoring of accounting balances of personal properties;
- Analysis of credit decentralization processes;
- – Storeroom – We checked the monthly rendering of accounts (December/2016) and found parity between Accounting and Storeroom.

### **1.3.1.2– Internal Control**

#### **October/2016**

- Follow-up and daily monitoring of investment operations;

## CORPORATE GOVERNANCE

- Daily checking of compliance of the APRs – Authorization for Investment and Redemption, issued by GOP, with respect to the regulation of current Resolution;
- Analysis of the processes of the Administration and Finance Board to check compliance;
- Analysis of the measures taken by the TCE in the processes of Eligibility to Pension, Disposal of Real Property and Bidding of Goods and Services;
- Analysis and Control of the measures of the Secretariat of Finance/SGAB and GC;
- Analysis and monitoring of COMPREV Revenue;
- Monitoring of Social Security Revenue of the Notary Portfolio, Leave of Absence without Pay, and Debit of Termination of the Payroll of Inactive and Pension (September/2016);
- Checking of compliance with the period of delivery of the DCTF of August/2016;
- Monitoring of the evaluation criteria of the Ministry of Labor and Social Security for issuance of the Social Security Good Standing Certificate.

### **November/2016**

- Follow-up and daily monitoring of investment operations;
- Daily checking of compliance of the APRs – Authorization for Investment and Redemption, issued by GOP, with respect to the regulation of current Resolution;
- Preparation and submittal to the Ministry of Labor and Social Security of the Statement of Applications and Investments of Funds referring to the two-month period of September/October 2016, in accordance with Resolution 3,922/2010;
- Analysis of the processes of the Administration and Finance Board to check compliance;
- Analysis of the measures taken by the TCE in the processes of Eligibility to Pension, Disposal of Real Property and Bidding of Goods and Services;
- Analysis and monitoring of COMPREV Revenue;
- Monitoring of Social Security Revenue of the Notary Portfolio, Leave of Absence without Pay, and Debit of Termination of the Payroll of Inactive and Pension (October/2016);
- Checking of compliance with the period of delivery of the DCTF of September/2016;
- Monitoring of the evaluation criteria of the Ministry of Labor and Social Security for issuance of the Social Security Good Standing Certificate.

### **December/2016**

- Follow-up and daily monitoring of investment operations;

- Daily checking of compliance of the APRs – Authorization for Investment and Redemption, issued by GOP, with respect to the regulation of current Resolution;
- Preparation and submittal to the Ministry of Labor and Social Security of the Investment Policy Statement (DPIN) referring to year 2017, in accordance with Resolution 3,922/2010;
- Analysis of the processes of the Administration and Finance Board to check compliance;
- Analysis of the measures taken by the TCE in the processes of Eligibility to Pension, Disposal of Real Property and Bidding of Goods and Services;
- Analysis and monitoring of COMPREV Revenue;
- Monitoring of Social Security Revenue of the Notary Portfolio, Leave of Absence without Pay, and Debit of Termination of the Payroll of Inactive and Pension (November/2016);
- Checking of compliance with the period of delivery of the DCTF of October and November/2016;
- Analysis of compliance of the procedures for the sale of SAARA real properties;
- Monitoring of the evaluation criteria of the Ministry of Labor and Social Security for issuance of the Social Security Good Standing Certificate;
- Monitoring and accounting registration of tax reimbursement actions (IPTU) by the Attorney General's Office – PGE in favor of Rioprevidência.

**"The Social Security Good Standing Certificate – CRP – is valid until March 27<sup>th</sup>, 2017." "The**

**FGTS Certificate – CRF – is valid from December 13<sup>th</sup>, 2016 to January 11<sup>th</sup>, 2017."**

**"The Certificate of Debt with Clearance Effects related to Federal Taxes and Overdue Federal Tax Liability is valid until May 6<sup>th</sup>, 2017."**

**"Complementary Tax Status Report issued on December 29<sup>th</sup>, 2016. No additional pending issues and suspended enforceability were detected in the controls of the Federal Revenue Service and the Office of the General Counsel for the National Treasury."**

### 1.3.2 – Bidding Processes

In Q4 of 2016, Rioprevidência held six bidding processes. In the bidding processes completed from October to December 2016, Rioprevidência obtained a gain of 0.648% in the modalities, as shown in the following tables.

Table 6

Bidding No.	Purpose	Modality	Authorization Date	Amounts Estimated Values	Final Proposal
01/060/ <sup>E-</sup> 1209/2016	Cordeiro - Lot 51	Competition	24/10/2016	R\$ 78,500.00	R\$ 83,595.00
01/060/ <sup>E-</sup> 3516/2015	Cordeiro - Lot 09	Competition	24/10/2016	R\$ 66,000.00	R\$ 66,500.00
01/060/ <sup>E-</sup> 1008/2015	Lots 1 and 3 of PAL no. 47,855, Catete - RJ	Competition	31/10/2016	R\$ 77,000,000.00	R\$ 77,000,001.00
01/060/ <sup>E-</sup> 2115/2016	Rua Senhor dos Passos, no. 270, Centro - RJ	Competition	04/11/2016	R\$ 1,212,000.00	R\$ 1,715,127.12
01/060/ <sup>E-</sup> 3561/2015	Estrada do Tingui, no. 400 A - Campo Grande - RJ	Competition	04/11/2016	R\$ 73,000.00	R\$ 73,001.00
01/060/ <sup>E-</sup> 3560/2015	Estrada do Tingui, no. 400 B - Campo Grande - RJ	Competition	07/11/2016	R\$ 81,000.00	R\$ 81,000.01

Table 7

Modality	Estimated Value - Total	Final Proposal - Total	Gains/Savings
Public Tender	R\$ 78,510,500.00	R\$ 79,019,224.13	0.648%

## 1.3.1 – Manual Processes

Internal Control and Audit Management along with the Directors and Consultants are documenting procedures for each of the Fund's departments, aimed at improving their safety and efficiency.

Table 8

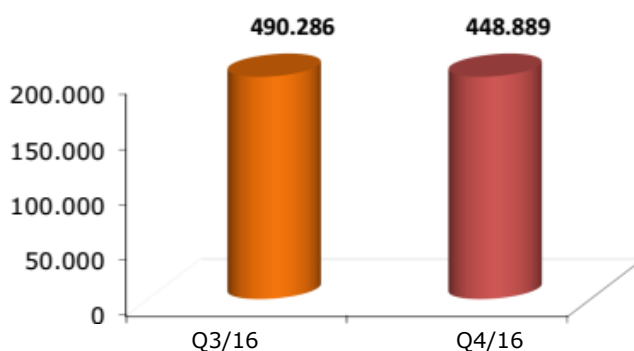
By December 2016	Number	% (compared to total)
<b>DSE</b>	24	92.3%
<b>DAF</b>	34	68%
<b>DJU</b>	5	100%
<b>DIN</b>	17	94.4%
<b>AGC</b>	7	100%

## 1.4 – INSTITUTIONAL IMAGE

### 1.4.1 – Website

Following the principles of transparency and accountability, Rioprevidência discloses corporate information on its website. There is space reserved for internet users with links on public use, news, an open channel with the Ombudsman and social security information. In Q4 of 2016, the website had 217,313 single hits, which represented a decrease of 4.51% compared to Q3. The number of visits in the quarter decreased by 8.44%, adding up to 448,889 visits. It is important to clarify that the number of hits is calculated based on the total site visits and not on the number of single visits. For a better understanding, more detailed information on site hits is show in the following table.

Chart 14  
Number of website visits



Δ

Table 9  
Table 9

Information - Site	Q3/16	Q4/16	Δ%
Number of visitors	227,580	217,313	-4.51%
Visits (number of visitor hits)	490,286	448,889	-8.44%
Average hits per visitor	4.34	4.25	-2.07%
Page views (number of pages accessed in visits)	2,129,399	784,256	-63%
Average of pages accessed per visit	4.34	4.25	-2.07%
Rejection rate	19.80%	6.42%	-67.59%

Source: GIN

Note: Bounce rate only refers to number of homepage hits.

## 1.5 – LEGAL

### 1.5.1 – Judgments Fulfilled (Pension Review) and Notified to the Judicial Branch

From October to December 2016, the number of warrants issued to the Judicial Branch to notify compliance with court decisions reviewing pensions was 3.16% lower than in Q3 of 2016 and 71.96% higher than in Q4 of 2015.

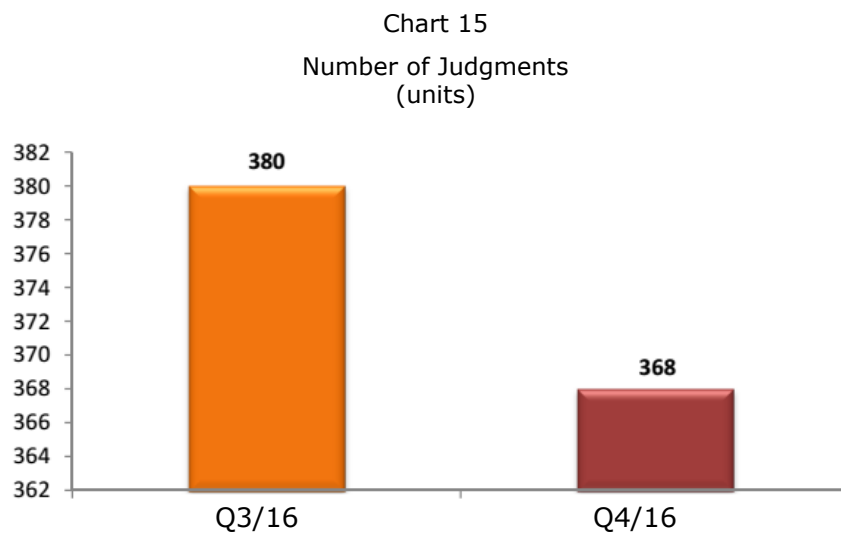
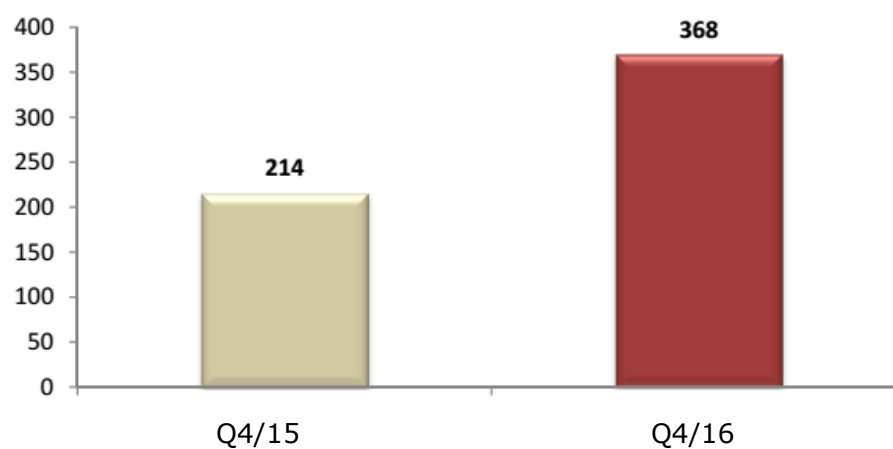


Chart 16  
Number of Judgments  
(units)



## 1.5.2 – Relevant Data on the review of Bidding Processes, Contracts and Legal Opinions

Table 10

Activities	Q3/16	Q4/16	Δ%
(*) Approval of direct hires (bidding exemption/waiver)	5	15	200%
Pronouncements on bidding appeals or challenges	0	0	0%
Approval of invitation and contract drafts	44	22	-50%
Opinions issued by the DJU	0	2	-

Source: DJU

(\*) The reformulation of PGE (State Attorney General's Office) Statement No. 18, published on 04/25/2008, exempts the manifestation of the legal sector in cases exempt from bidding due to the value of up to R\$ 8,000.00 (Article 24, I, Law No. 8,666/93).



## 2. INVESTMENT MANAGEMENT

- 2.1 Cash Flow
- 2.2 Financial Investments
- 2.3 Fund Assets
- 2.4 Budget
- 2.5 Real Estate Portfolio



## 2. INVESTMENT MANAGEMENT

Rioprevidência adopts best practices in investment management, with the approval of the Annual Investment Plan, respecting the provisions of the National Monetary Council - CMN.

### 2.1 – CASH FLOW

#### 2.1.1 – Inflows

##### 2.1.1.1. – Inflows of the Financial Fund

Inflows in Q4 of 2016 reached **R\$ 3,181,652,819** and represents a variation of - 29.37% compared to Q3 of 2016, and of 120.89% compared to Q4 of 2015, according to the following tables.

Table 11

Inflows from funds (Cash flow from Financing)	Q3/2016		Q4/2016		Δ%
	R\$	%	R\$	%	
Employer Dues	1,129,949,042	25.08%	350,374,517	42.38%	-68.99%
Public Servant Contribution	610,600,375	13.55%	215,516,105	26.07%	-64.70%
Retirees Social Security Contribution	282300820.5	6.27%	202,259,422	24.46%	-0.28353
<b>Royalties</b>	<b>33,214,281</b>	<b>0.74%</b>	<b>0</b>	<b>0.00%</b>	<b>-100%</b>
Special Oil Fund	209,065	0.00%	0	0.00%	-100%
Special Part. of Royalties (PEA)	0	0.00%	0	0.00%	0
Investment Yield	427,316	0.01%	113,544	0.01%	-73.43%
COMPREV	23,550,952	0.52%	29,510,902	3.57%	25.31%
Real Property	12,851,513	0.29%	10,531,185	1.27%	-18.05%
Other	32,681,019	0.73%	14,492,975	1.75%	-55.65%
Transfer of Funds Raised/Overdue Debt	0	0.00%	0	0.00%	0
Collection – Leave of Absence without Pay	2,666,830	0.06%	4,021,638	0.49%	50.80%
Funds LC 163/2015 (judicial deposits)	0	0.00%	0	0.00%	-100%
Treasury Contributions	2,376,321,511	34.53%	2,354,832,532	319.58%	0.90%
<b>Total inflows</b>	<b>4,504,772,725</b>	<b>100%</b>	<b>3,181,652,819</b>	<b>100.00%</b>	<b>-29.37%</b>

Source: Financial Flow – ATE/GOP

## CORPORATE GOVERNANCE

Most of the revenue increase in the fourth quarter compared to the third quarter of 2016 derived from Treasury contribution.

Table 12

Resource Inflows (Financial Flow)	Q4/2015		Q4/2016		Δ%
	R\$	%	R\$	%	
Employer's Contribution	834,044,610	57.90%	350,374,517	42.38%	-57.99%
Employee Contribution	349,813,235	24.29%	215,516,105	26.07%	-38.39%
Retirees Social Security Contribution	81,801,688	5.68%	202,259,422	24.46%	147.26%
Royalties	103,736,226	7.20%	0	0.00%	-100%
Special Oil Fund	175,577	0.01%	0	0.00%	-100%
<b>Special Part. of Royalties (PEA)</b>	<b>2,208,658</b>	<b>0.15%</b>	<b>0</b>	<b>0.00%</b>	<b>-100%</b>
Investment Yield	6,554,312	0.46%	113,544	0.01%	-98.27%
COMPREV	23,543,333	1.63%	29,510,902	3.57%	25.35%
Real Estate	11,156,300	0.77%	10,531,185	1.27%	-5.60%
Other	24,543,350	1.70%	14,492,975	1.75%	-40.95%
Transfer of Funds Raised/Overdue Debt	256575.79	0.02%	0	0.00%	-100%
Collection – Leave of Absence without Pay	2,569,021	0.18%	4,021,638	0.49%	56.54%
Funds LC 163/2015 (judicial deposits)	0	0.00%	0	0.00%	-
Treasury Allocations	0	0.00%	2,354,832,532	319.58%	-
<b>Total inflows</b>	<b>1,440,402,884</b>	<b>100%</b>	<b>3,181,652,819</b>	<b>100.00%</b>	<b>120.89%</b>

Source: Financial Flow – ATE/GOP

### 2.1.1.2 – Inflows of the Social Security Fund

Inflows in Q4 of 2016 reached **R\$ 25,024,146** and represents a variation of -76.18% compared to Q3 of 2016.

## CORPORATE GOVERNANCE

Table 13

Resource Inflows (Financial Flow)	Q3/2016		Q4/2016		Δ%
	R\$	%	R\$	%	
Employer's Contribution	66,386,169	63.19%	4,287,487	17.13%	-93.54%
Employee Contribution	22,231,433	21.16%	4,364,302	17.44%	-80.37%
Investment Yield	16,447,870	15.65%	16,372,357	65.43%	-0.46%
<b>Total inflows</b>	<b>105,065,472</b>	<b>100.00%</b>	<b>25,024,146</b>	<b>100%</b>	<b>-76.18%</b>

### 2.1.2 – Expenditure

#### 2.1.1.1 – Expenditure of the Financial Fund

The following tables show the composition of expenditures for Q4 of 2016, compared to Q3 of 2016 and Q4 of 2015.

Table 14

Expenditures	Q3/2016		Q4/2016		Δ%
	R\$	%	R\$	%	
Net Payroll for Retirees	1,772,981,845	39.36%	1,408,944,467	41.87%	-20.53%
Net Payroll for Retirees Other	465,726,828	10.34%	393,818,249	11.70%	-15.44%
Net Payroll for Pensioners	746,949,629	16.58%	458,915,009	13.64%	-38.56%
Net Payroll 13th Salary	0	0.00%	99,218,743	2.95%	-
Judicial net payroll, PYE and Other	2,261,666	0.05%	1,057,536	0.03%	-53.24%
<b>Total Net Payroll</b>	<b>2,987,919,968</b>	<b>66.34%</b>	<b>2,361,954,004</b>	<b>70.18%</b>	<b>-20.95%</b>
Income Tax	800,291,726	17.77%	500,098,125	14.86%	-37.51%
Retirees Social Security Contribution	282,300,820	6.27%	202,094,786	6.01%	-28.41%
Consignments	361,638,620	8.03%	231,478,762	6.88%	-35.99%
Total of Gross Payroll	4,432,151,135	98.41%	3,295,625,677	97.93%	-25.64%
Gross Payroll Rioprevid Employees*	10,761,553	0.24%	10,945,871	0.33%	1.71%
Net payroll of 13 <sup>th</sup> Salary of Rioprevid.	0	0.00%	0	0.00%	0
Full power of attorney for common shares and others	1,944,558	0.04%	32,112,172	0.95%	1551.39%
Administrative Costs* <sup>1</sup>	8,889,533	0.20%	11,882,090	0.35%	33.66%
PASEP	50,227,899	1.12%	14,786,188	0.44%	-70.56%
<b>Total expenditure</b>	<b>4,503,974,678</b>	<b>100%</b>	<b>3,365,351,999</b>	<b>100%</b>	<b>-25.28%</b>

Source: Financial Flow – DIN

Table 15

Expenditure	Q4/2015		Q4/2016		Δ%
	R\$	%	R\$	%	
Net Payroll for Retirees	1,070,926,432	44.79%	1,408,944,467	41.87%	31.56%
Net Payroll for Retirees Other	399,669,001	16.72%	393,818,249	11.70%	-1.46%
Net Payroll for Pensioners	426,425,651	17.83%	458,915,009	13.64%	7.62%
Net Payroll 13 <sup>th</sup> Salary	130,049,211	5.44%	99,218,743	2.95%	-23.71%
Judicial net payroll, PYE and Other	1,566,594	0.07%	1,057,536	0.03%	-32.49%
<b>Total Net Payroll</b>	<b>2,028,636,888</b>	<b>84.84%</b>	<b>2,361,954,004</b>	<b>70.18%</b>	<b>16.43%</b>
Income Tax	13,110	0.00%	500,098,125	14.86%	3814501.91%
Retirees Social Security Contribution	80,781,557	3.38%	202,094,786	6.01%	150.17%
Consignments	199,366,484	8.34%	231,478,762	6.88%	16.11%
Total Gross Payroll	2,308,798,039	96.56%	3,295,625,677	97.93%	42.74%
Gross Payroll Rioprevid Employees*	5,726,713	0.24%	10,945,871	0.33%	91.14%
Net payroll of 13 <sup>th</sup> Salary of Rioprevid.	140,008	0.01%	0	0.00%	-100.00%
Proc. common shares and other	1,834,891	0.08%	32,112,172	0.95%	1650.09%
Administrative Costs* <sup>1</sup>	31,151,179	1.30%	11,882,090	0.35%	-61.86%
PASEP	43,396,461	1.81%	14,786,188	0.44%	-65.93%
<b>Total expenditures</b>	<b>2,391,047,291</b>	<b>100%</b>	<b>3,365,351,999</b>	<b>100%</b>	<b>40.75%</b>

\* Amount calculated by the Cash Basis. In this amount we include the amounts relating to: the Employer INSS, Supplemental Payroll and Prior Year Expenditure (PYE).

\*<sup>1</sup> Total Administrative Costs of Rioprevidência.

## 2.12.2 – Expenses of the Social Security Fund

Table 16

Expenditures	Q3/2016		Q4/2016		Δ%
	R\$	%	R\$	%	
Net Payroll for Pensioners	148,816	0.81%	154,026	4.05%	3.50%
Net Payroll 13 <sup>th</sup> Salary	0	0.00%	0	0.00%	-
Administrative Costs	17,551,558	95.83%	3,177,836	83.54%	-
PASEP	615,161	3%	472,037	12%	-23.27%
<b>Total expenditure</b>	<b>18,315,534</b>	<b>99.19%</b>	<b>3,803,899</b>	<b>100%</b>	<b>-79.23%</b>

### 2.1.3.1 – Balance of Available Funds – Financial Fund

The balance of available funds ended the Q4 of 2016 at R\$ 4,477,756, representing a decrease of 59.42% over the previous quarter.

Table 17

<b>Balance of Available Funds</b>	<b>Q3 of 2016 (closing of September)</b>	<b>Q4 of 2016 (closing of December)</b>	<b>%A</b>
<b>Amount (R\$)</b>	<b>11,035,738</b>	<b>4,477,756</b>	<b>59.42%</b>

## 2.1.3.2 – Balance of Available Funds – Social Security Fund

The balance of available funds of the Social Security Fund ended the Q4 of 2016 at R\$ 470,483,707, representing a variation of 4.72% over the previous quarter.

Table 18

<b>Balance of Available Funds</b>	<b>Q3 of 2016 (closing of September)</b>	<b>Q4 of 2016 (closing of December)</b>	<b>%A</b>
<b>Amount (R\$)</b>	<b>431,585,611</b>	<b>452,805,857</b>	<b>4.92%</b>

## 2.2 – FINANCIAL INVESTMENTS

### 2.2.1 – Allocation

#### 2.2.1.1 – Allocation of the Financial Fund

From October to December 2016, the financial investments of the Fund's availability focused on fund quotas of classified investments, such as fixed income referenced to DI (Interbank Deposit) or IRFM-1 (Index of Market Fixed Income). The strategy to allocate funds follows the criteria established by current legislation, the Annual Investment Plan and Investment Committee.

Chart 17  
Evolution of Financial Investments in Investment Funds (in million)

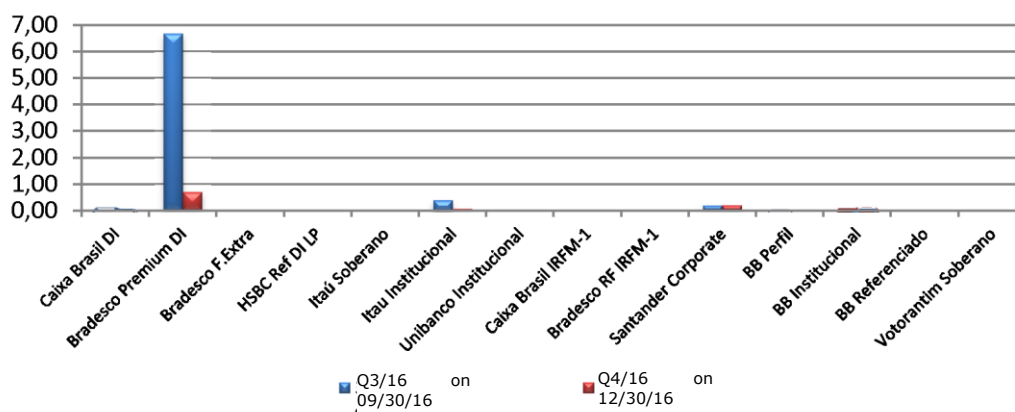


Chart 18  
Evolution of Financial Investments (R\$ million)

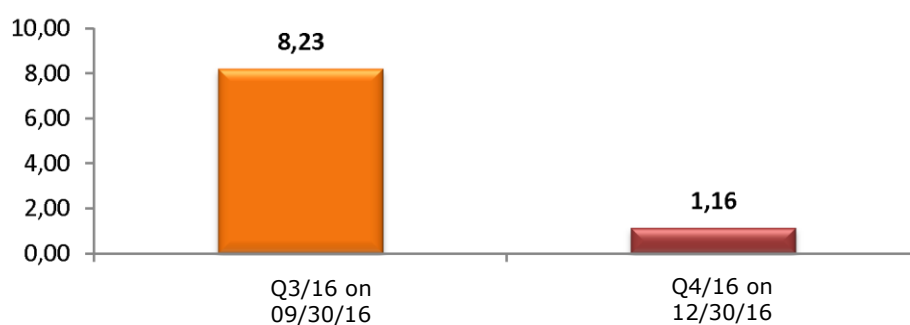
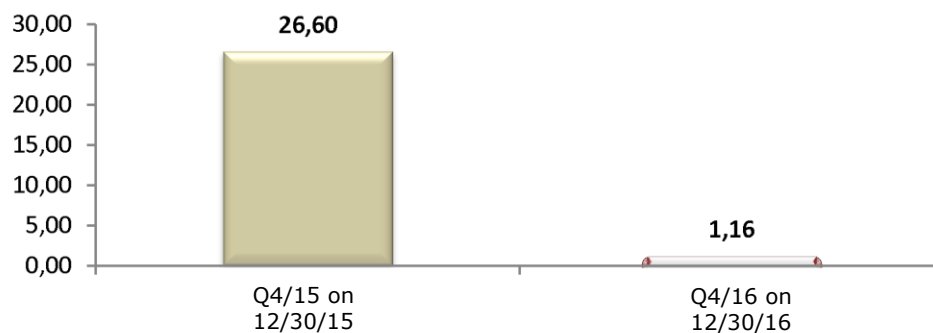
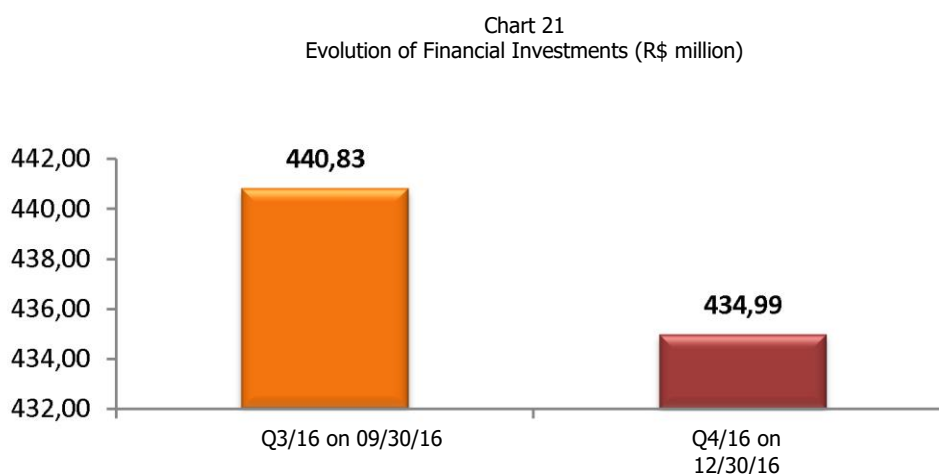
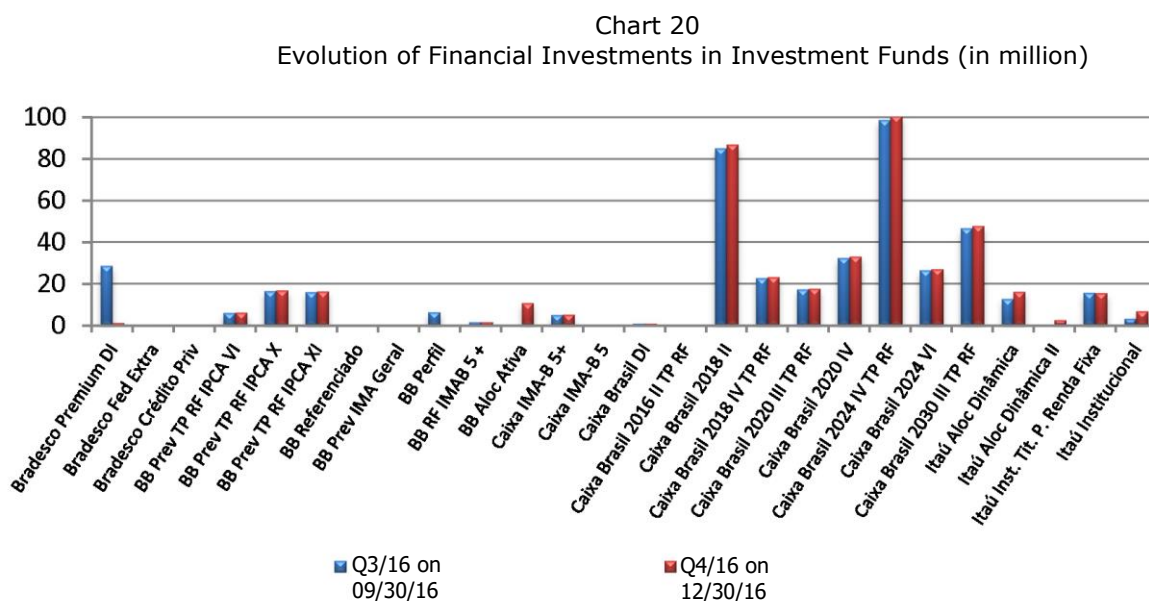


Chart 19  
Evolution of Financial Investments (R\$ million)



## 2.2.1.2 – Allocation of the Social Security Fund



## 2.2.2 – Risk

Rioprevidência's financial operations are concentrated on low market risk investment, since they all have floating rate yields pegged to daily interest rate variations (CDI - Interbank Deposit Certificate), as well as investments pegged to IMA (the ANBIMA Market Index). With respect to credit risk, the Fund also acts conservatively. Investments are backed by federal government bonds (over 90%) and corporate bonds with low credit risk.

## 2.2.3 – Yield

The Fund's asset portfolio is assessed monthly by the weighted average on the balance of funds invested. Investment funds follow the variance in short-term interest rates used in the Market (CDI and IRFM-1), and repurchase agreements follow CDI.

The composition of Rioprevidência investments at the end of Q3 of 2016 is within the limits established by CMN Resolution No. 3,922/10 and the Annual Investment Plan.

### 2.2.3.1 – Yield of the Financial Fund

Chart 22  
Portfolio Monthly Yield/Actuarial Target (%) Jan/2013 to Dec/2016

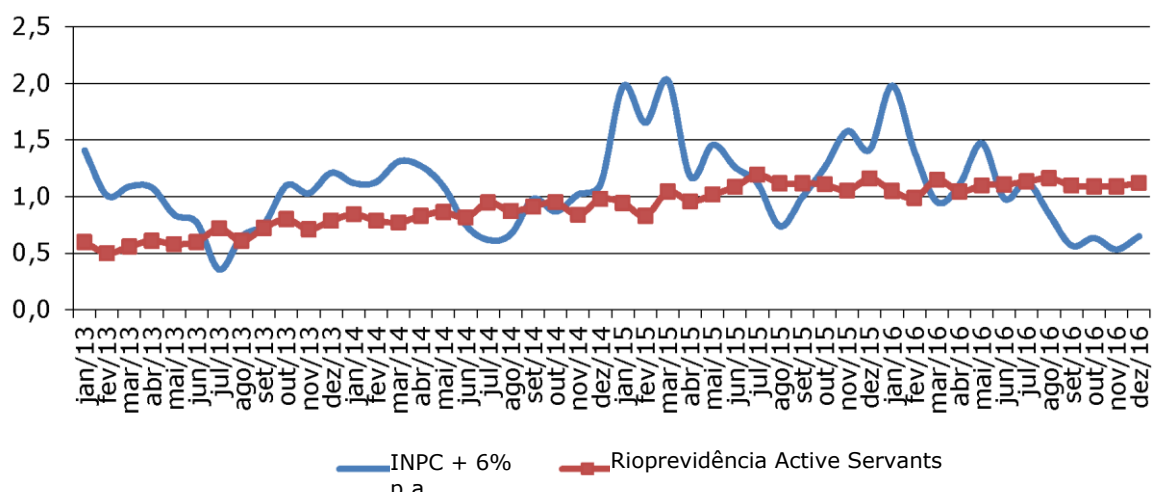
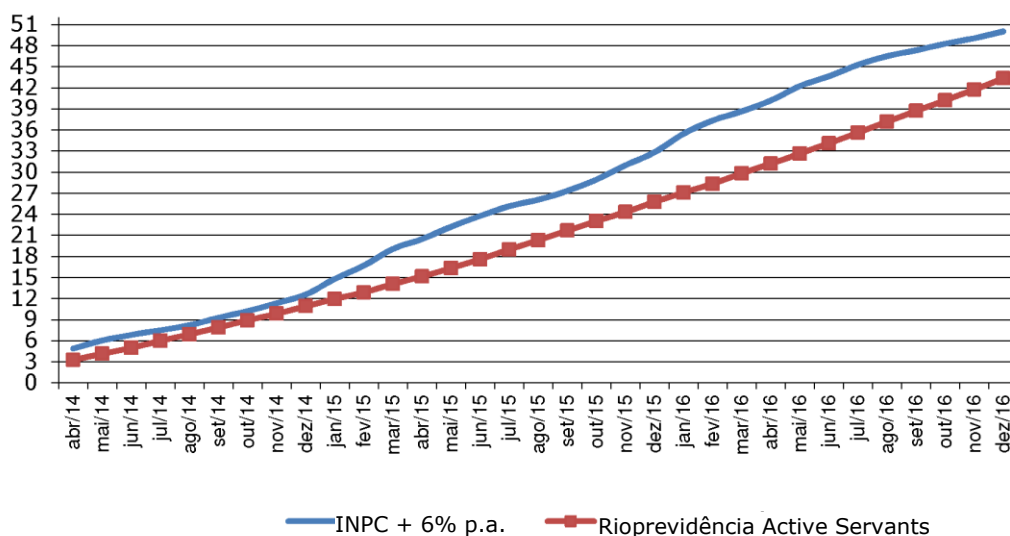




Chart 23  
Portfolio Accumulated Yield/Actuarial Target  
Jan/13 to Dec/16 (%)



See below the consolidated position of the portfolio by type of risk in the Q3 of 2016 and Q4 of 2016 and the position of the portfolio relating to CMN Resolution No. 3,922/10, at the end of Q4 of 2016.

Table 19

Position of Portfolio per Type of Risk	Q3/16 (closing of September)		Q4/16 (closing of December)	
	(R\$)	(% of Total)	(R\$)	(% of Total)
<b>1 – Federal Public Securities</b>	<b>27,230,844</b>	<b>6.90%</b>	<b>842,441</b>	<b>0.24%</b>
1.1 – Fixed-rate securities (LTN, NTN-F)	188	0.00%	153	0.00%
1.2 – Post-fixed (LFT - Selic, LTN with DI- 1 Selic, Comm. Op.)	13,490,308	3.40%	347,086	0.10%
1.3 - Purchase and Sale Agreements	13,740,348	3.50%	495,202	0.14%
<b>2 - Private Securities with low credit risk (1)</b>	<b>11,940,341</b>	<b>3.00%</b>	<b>315,146</b>	<b>0.09%</b>
2.1 - CDB	1,395,040	0.40%	39,364	0.01%
2.2 - Financial Bill	9,201,165	2.30%	234,236	0.07%
2.3 - Debentures	1,195,532	0.30%	38,559	0.01%

## CORPORATE GOVERNANCE

2.4 - DPGE	131,539	0.00%	2,501	0.00%
2.5 - Other Securities	17,065	0.00%	485	0.00%
<b>3 – Fund Quotas (II)</b>	<b>34,074</b>	<b>0.00%</b>	<b>1,650</b>	<b>0.00%</b>
<b>4 – Treasury (III)</b>	<b>16</b>	<b>0.00%</b>	<b>8</b>	<b>0.00%</b>
<b>5 – Real Property (IV)</b>	<b>354,425,983</b>	<b>90.00%</b>	<b>347,884,893</b>	<b>99.67%</b>
<b>Total Portfolio</b>	<b>393,631,258</b>	<b>100%</b>	<b>349,044,137</b>	<b>99.67%</b>

Source: Rioprevidência, Banco do Brasil, BTG Pactual, Bradesco, Caixa, HSBC, Itaú and Santander.

(I) Value of BB Institucional, BB Prev. Perfil, Bradesco Premium DI, Caixa FI Brasil DI, HSBC DI LP, Itaú Institucional DI and Santander Corporate Fund Quotas that are allocated in private securities with low credit risk.

(II) Value in Fund Quotas: BB Institucional, BB Prev. Perfil, Bradesco Premium DI HSBC DI LP and Santander Corporate invested in other investment funds.

(III) Funds held in Treasury in invested funds.

(IV) It refers to the values calculated on September 30, 2016 and December 31, 2016.

Table 20

Segment	Type of Asset	Value (R\$)	%	Limits PAI (% Total)	Limit of Resolution no. 3.922/10
<b>Fixed Income (I)</b>	<b>FI/FIC RF or Referenced (Art. 7, IV)</b>	<b>1,159,244</b>	<b>0.00%</b>	<b>8.00%</b>	<b>Up to 30.0%</b>
Total Fixed Income	-	1,159,244	0.00%	-	-
<b>Real Property (III)</b>	<b>Lands and Buildings</b>	<b>347,884,893</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Rioprevidência Total Assets (II)</b>	<b>-</b>	<b>119,954,480,910</b>	<b>-</b>	<b>-</b>	<b>-</b>

Source: Rioprevidência, Banco do Brasil, Bradesco, BTG Pactual, Caixa, HSBC, Itaú and

Santander. FI/FIC – Investment Funds

PAI – Annual Investment Plan (limits defined in PAI)

(I) Any Fixed Income performance indicator. Includes values of Fund Quotas: BB Institucional RF, Bradesco Premium DI, Caixa FI Brasil DI, HSBC DI LP and Itaú Institucional DI, which allows allocation in proven credit low cost bonds.

(II) Total value of Rioprevidência Assets on December 31, 2016.

(III) It refers to the value calculated on 12/31/2016.

(IV) It refers to the value of total assets calculated on 12/31/2016.

\* The face value of the asset was considered, in accordance with SPS/MPS Ordinance no. 403, of December 10, 2008, as amended by MPS Ordinance No. 21, of January 16, 2013, according to which the actuarial result and the actuarial projections of revenues and expenses for the Financial Plan shall be evaluated at the reference real interest rate of 0%.

## 2.2.3.2 – Social Security Fund Profitability

Chart 24  
Portfolio Monthly Yield/Actuarial Target (%)  
Jan/2014 to Dec/2016

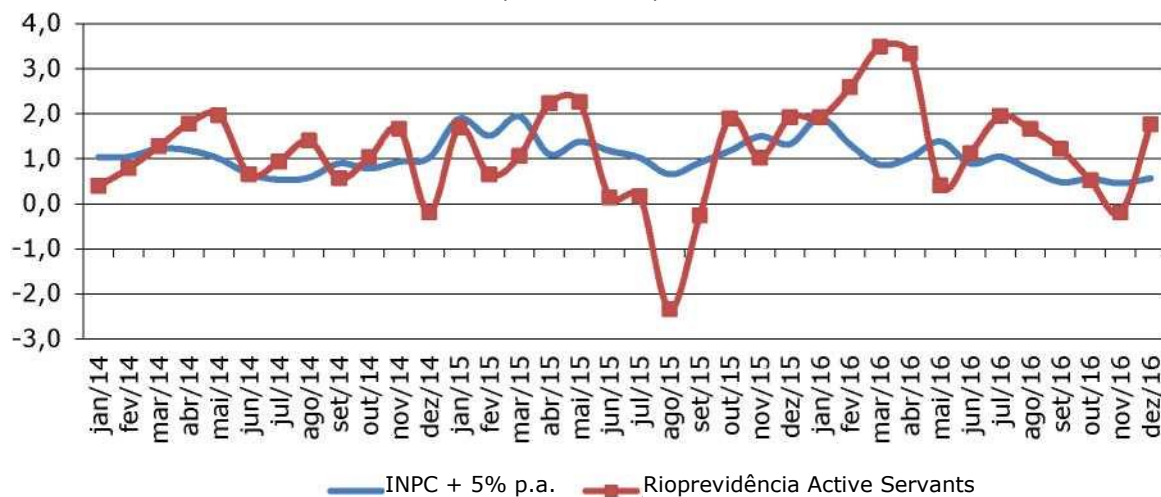


Chart 25  
Portfolio Accumulated Yield/Actuarial Target  
Jan/14 to Dec/16 (%)

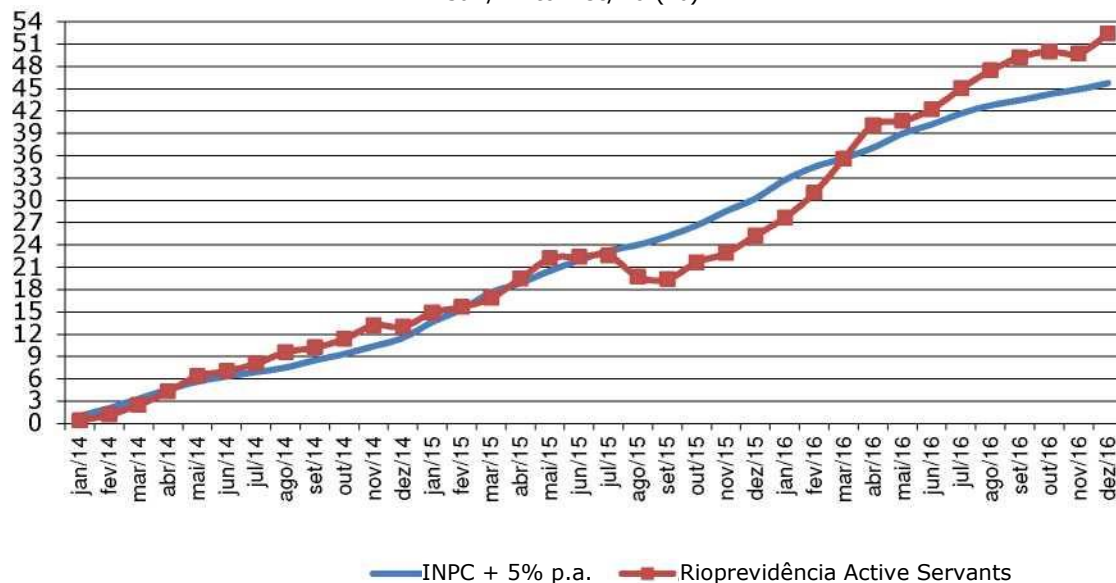


Table 21

Position of Portfolio per Type of Risk	Q4/16 (closing of December)	
	(R\$)	(% of Total)
<b>1 – Federal Public Securities</b>	<b>396,628,883</b>	<b>91.18%</b>
1.1 – Fixed (LTN, NTN-F)	0	0.00%
1.2 – Post-fixed (LFT - Selic, LTN with DI- 1 Selic, Comm. Op.)	736,550	0.17%
1.3 - IPCA - Extended National Consumer Price Index (NTN-B)	395,892,332	91.01%
<b>2 - Purchase and Sale Agreements</b>	<b>5,888,714</b>	<b>1.35%</b>
<b>3 - Private Securities with low credit risk (1)</b>	<b>3,108,422</b>	<b>0.71%</b>
<b>4 – Fund Quotas (II)</b>	<b>29,378,325</b>	<b>6.75%</b>
<b>5 – Treasury (III)</b>	<b>3,083</b>	<b>0.00%</b>
<b>6 – Real Property (IV)</b>	<b>0</b>	<b>0.00%</b>
<b>Total Portfolio</b>	<b>434,994,936</b>	<b>100.00%</b>

Source: Rioprevidência, Bradesco, Banco do Brasil, Caixa and Itaú.

(I) Value of BB Prev. Perfil, Bradesco Premium DI and Caixa FI Brasil DI that are allocated in private securities with low credit risk.

(II) Value of BB Prev. Perfil, Bradesco Premium DI and Itaú Institucional Alocação Dinâmica Fund Quotas invested in other investment funds.

(III) Funds held in Treasury in invested funds.

Table 22

Segment	Type of Asset	Value (R\$)	%	Limit PAI (% total)	Limit of Resolution no. 3,922/10
<b>Fixed Income (I)</b>	<b>FI 100% securities TN (Art. 7º, I, b)</b>	<b>407,517,259</b>	<b>0.34%</b>	<b>100.00%</b>	<b>Up to 100.0%</b>
<b>Fixed Income (II)</b>	<b>FI/FIC RF or Referenced (Art. 7, IV)</b>	<b>27,477,677</b>	<b>0.02%</b>	<b>30.00%</b>	<b>Up to 30.0%</b>

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Total Fixed Income	-	434,994,936	0.36%	-	-
Real estate	Lands and Buildings	0	-	-	-
<b>Total Rioprevidência Assets (III)</b>	-	<b>119,954,480,910</b>	-	-	-

Source: Rioprevidência, Banco do Brasil, Bradesco, Caixa and Itaú.

FI/FIC – Investment Funds

PAI – Annual Investment Plan (limits defined in PAI)

(I) IMA or IDKA (ANBIMA Constant Duration Index) Sub-Indices, except subindex pegged to the one-day interest rate.

(II) Any Fixed Income performance indicator. Includes value in quotas of Bradesco Premium DI and Caixa FI Brasil DI funds, which allows allocation in private securities of low credit risk.

(III) Total amount of total Assets calculated on December 31, 2016.

\* The face value of the asset was considered, in accordance with SPS/MPS Ordinance no. 403, of December 10, 2008, as amended by MPS Ordinance No. 21, of January 16, 2013, according to which the actuarial result and the actuarial projections of revenues and expenses for the Financial Plan shall be evaluated at the reference real interest rate of 0%.

### 2.3 – FUND ASSETS

#### 2.3.1 – Composition of Assets

##### 2.3.1.1 – Composition of Assets – Financial Fund

The Fund's Total Assets in the Q4 of 2016 was R\$ 119.73 billion, while the amount achieved in Q3 of 2016 was R\$ 36.76 billion, representing an increase of 226%.

Table 23

Actives	Q3/2016 (Closing of September) (R\$)	Q4/2016 (Closing of December) (R\$)	Δ%
*Royalties	29,491,650,747	111,792,848,974	279.07%
*Cash and cash equivalents	485,427,016	65,400,141	-86.53%
*Overdue Debt	928,740,460	928,878,583	0.01%
Real Property + Immovable Assets	382,197,388	371,266,564	-2.86%
*ICMS in installments	2,837,705,237	3,234,197,191	13.97%
*FUNDES	363,843,549	762,539,461	109.58%
*Amounts receivable from ERJ + BERJ	407,041,094	407,041,094	0.00%
*Other	1,873,336,373	2,170,588,586	15.87%

**\*Total Assets** **36,769,941,865** **119.732.760.593\*\*** 226%

Source: DIN/GOP

(I) Revenue from FREMF began to be collected in December 2010.

\* Provisional amounts.

\*\* The face value of the asset was considered, in accordance with SPS/MPS Ordinance no. 403, of December 10, 2008, as amended by MPS Ordinance No. 21, of January 16, 2013, according to which the actuarial result and the actuarial projections of revenues and expenses for the Financial Plan shall be evaluated at the reference real interest rate of 0%.

## 2.3.1.2 – Composition of the Assets – Social Security Fund

The Fund's Total Assets in the Q4 of 2016 was R\$ 569.60 million, while the amount achieved in Q3 of 2016 was R\$ 513.70 million, representing an increase of 11%.

Table 24

<b>Assets</b>	<b>Q3/2016</b> (Closing of September) <b>(R\$)</b>	<b>Q4/2016</b> (Closing of December) <b>(R\$)</b>	<b>Δ%</b>
Cash and Cash Equivalents	453,263,174	460,500,606	1.60%
Other	60,445,151	109,104,605	80.50%
<b>Total Assets</b>	<b>513,708,325</b>	<b>569,605,210</b>	<b>11%</b>

## 2.4 – BUDGET

The spending transaction limit in 2016 by Rioprevidência was determined by Decree 43,911/2012, which provides for a budget and financial schedule and sets standards for budgeting for the Executive Branch for the year.

### 2.4.1 – Revenues

The State budget is established considering the inflow of resources. The tables below show the behavior of the revenues obtained in Q3 and Q4 of 2016.

## CORPORATE GOVERNANCE

Table 25

Budget Revenues (Gained)	Q3/2016 (Cumulative total)		Q4/2016 (Cumulative total)		Δ%
	R\$	Participation	R\$	Participation	
Royalties	33,214,281	1.52%	0	0.00%	-100.00%
Special Participation	0	0.00%	0	0.00%	-
FEP	0	0.00%	178,819	0.07%	-
Public Servant Contribution - Financial Plan	894,518,121	40.91%	274,474,716	109.11%	-69.32%
Employer Dues - Financial Plan	1,081,056,174	49.44%	105,914,173	42.10%	-90.20%
COMPREV	16,154,878	0.74%	15,257,984	6.07%	-5.55%
FUNDES/FREMF Transfer	12,760,510	0.58%	4,562,899	1.81%	-64.24%
Financial Investment Proceeds - Financial Plan	472,901	0.02%	108,405	0.04%	-77.08%
Other Revenues	58,178,028	2.66%	-153,906,443	-61.18%	-364.54%
<b>SUBTOTAL</b>	<b>2,096,354,894</b>	<b>95.87%</b>	<b>246,590,554</b>	<b>98.02%</b>	<b>-88.24%</b>
Public Servant Contribution - Social Security Plan	26,076,867	1.19%	2,235,312	0.89%	-91.43%
Financial Investment Proceeds - Social Security Plan	16,842,131	0.77%	1,328,409	0.53%	-92.11%
Employer Dues - Social Security Plan	49,020,152	2.24%	1,415,035	0.56%	97.11%
Other Income – Social Security Plan	-1,606,787	-0.07%	452,235	0.18%	128%
<b>SUBTOTAL</b>	<b>90,332,362</b>	<b>4.20%</b>	<b>4,978,756</b>	<b>1.98%</b>	<b>-94.49%</b>
<b>TOTAL</b>	<b>2,186,687,256</b>	<b>100.07%</b>	<b>251,569,310</b>	<b>100.00%</b>	<b>-88.50%</b>

Source: DIN/GOP

## CORPORATE GOVERNANCE

\* The lack of revenue from Royalties and Special Participation in Q4/16 is a result of the decrease in the price of barrel of Brent oil, payment of part of the Federal Government's debt, and deduction of interest and charges from External Loan Assignment Transactions carried out in 2014.

### 2.4.2 – Expenses

In Q4 of 2016, the committed expenses were R\$ 2,472,812,002, an amount 34.50% less than Q3 of 2016. Regarding the Q4 of 2015, the decrease was 10.47%.

Table 26

EXPENDITURES	Q3/2016			Q4/2016			Δ%
	Committed	Settled	Paid	Committed	Settled	Paid	
Retirees	2,836,307,523	2,839,747,042	3,067,550,016	1,933,803,594	2,393,124,840	2,810,380,570	-31.82%
Pensioners	865,964,694	914,942,755	652,497,107	500,666,715	597,603,493	839,432,350	-42.18%
Own Personnel	9,751,279	9,654,233	7,709,169	9,072,282	11,920,028	10,595,122	-6.96%
Maintenance of the Agency	2,588,150	5,902,220	5,982,800	-14,773,188	7,898,575	8,019,207	-670.80%
Court Judgments	1,912,681	2,228,686	2,568,215	3,130,731	3,130,731	2,901,550	63.68%
PYE	510,046	510,046	510,046	134,458	134,458	271,343	-73.64%
Construction Works and Facilities	0	0	0	0	0	0	0
Other Expenses	33,973,802	49,480,691	49,614,934	40,425,841	70,161,403	40,955,911	18.99%
<b>SUBTOTAL</b>	<b>3,751,008,173</b>	<b>3,822,465,673</b>	<b>3,786,432,288</b>	<b>2,472,460,434</b>	<b>3,083,973,529</b>	<b>3,712,556,053</b>	<b>-34.09%</b>
Pensioners-Social Security Plan	67285.72	62109.9	31452	351,568	366,373	185,385	422.50%
PASEP-Social Security Plan	3193466.42	1,413,227.42	475,539.82	0	815,351	1,283,052	-100%
Administrative Expenses	9533507.44	6,355,671.60	6,355,671.60	0	3,177,836	0	-100%
PYE	11195886.08	11,195,886.08	0	0	0	11,195,886	-100%
<b>SUBTOTAL</b>	<b>23,990,146</b>	<b>19,026,895</b>	<b>6,862,663</b>	<b>351,568</b>	<b>1,181,724</b>	<b>1,468,437</b>	<b>-98.53%</b>
<b>TOTAL</b>	<b>3,774,998,319</b>	<b>3,841,492,568</b>	<b>3,793,294,951</b>	<b>2,472,812,002</b>	<b>3,085,155,252</b>	<b>3,714,024,490</b>	<b>-34.50%</b>

Source: DIN/GOP

Table 27

EXPENDITURES	Q4/2015			Q4/2016			Δ%
	Committed	Settled	Paid	Committed	Settled	Paid	
Retirees	1,734,814,202	1,734,893,512	1,889,239,679	1,933,803,594	2,393,124,840	2,810,380,570	11.47%
Pensioners	445,671,424	467,075,256	534,142,400	500,666,715	597,603,493	839,432,350	12.34%



## CORPORATE GOVERNANCE

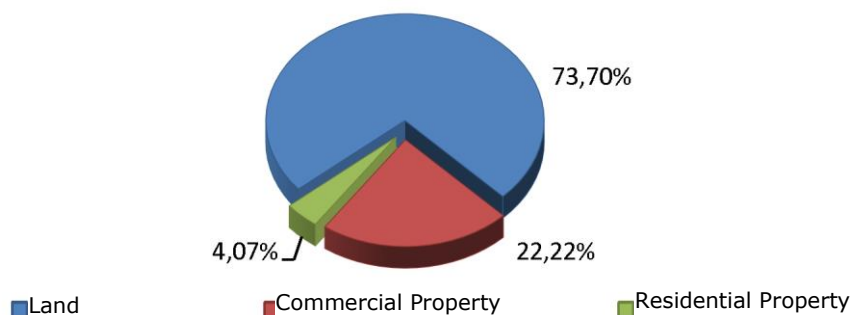
Own Personnel	9,203,605	9,707,738	7,130,580	9,072,282	11,920,028	10,595,122	-1.43%
Maintenance of the Agency	60,995,622	142,839,798	143,153,071	-14,773,188	7,898,575	8,019,207	-124.22%
Court Judgments	2,004,666	2,004,666	1,874,488	3,130,731	3,130,731	2,901,550	56.17%
PYE	521,762	185,608	947,417	134,458	134,458	271,343	-74.23%
Construction Works and Facilities	-15790	0	0	0	0	0	-100.00%
Other Expenses	-14,810,232	50,364,180	50,364,180	40,425,841	70,161,403	40,955,911	-372.96%
<b>SUBTOTAL</b>	<b>2,238,385,257</b>	<b>2,407,070,759</b>	<b>2,626,851,815</b>	<b>2,472,460,434</b>	<b>3,083,973,529</b>	<b>3,712,556,053</b>	<b>10.46%</b>
Pensioners-Social Security Plan	91,904	91,904	60,147	351,568	366,373	185,385	282.54%
PASEP-Social Security Plan	13,000	439,294	439,294	0	815,351	1,283,052	-100.00%
Administrative Expenses	-	-	-	0	3,177,836	0	-
PYE	-	-	-	0	0	11,195,886	-
<b>SUBTOTAL</b>	<b>104,904</b>	<b>531,198</b>	<b>499,441</b>	<b>351,568</b>	<b>1,181,724</b>	<b>1,468,437</b>	<b>235.13%</b>
<b>TOTAL</b>	<b>2,238,490,162</b>	<b>2,407,601,957</b>	<b>2,627,351,256</b>	<b>2,472,812,002</b>	<b>3,085,155,252</b>	<b>3,714,024,490</b>	<b>10.47%</b>

## 2.5 – REAL ESTATE PORTFOLIO

### 2.5.1 – Portfolio Composition

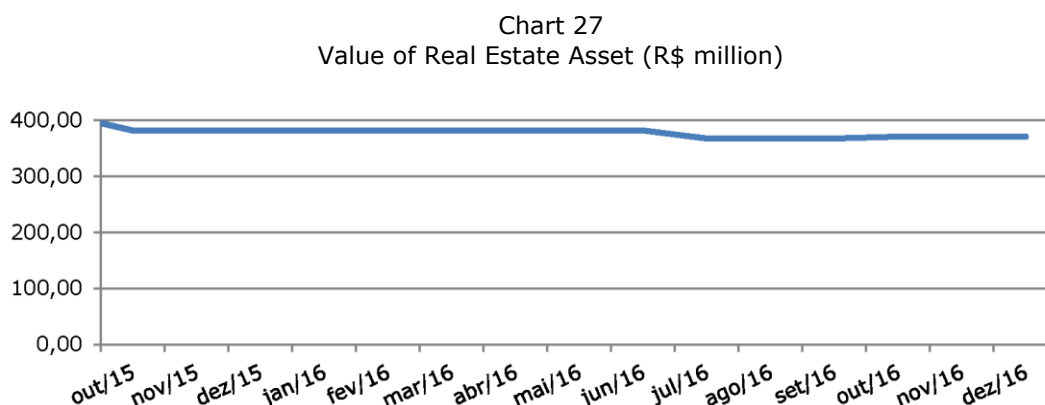
Ending December 2016, Rioprevidência had 199 plots of land, 60 commercial properties and 11 residential properties in its real estate portfolio amounting to 270.

Chart 26  
Composition of the Real Estate Portfolio Q4/16



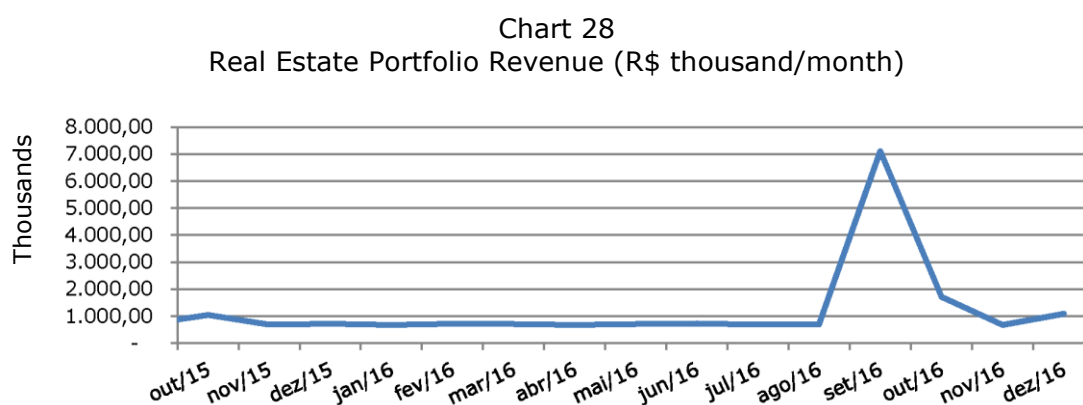
## 2.5.2 – Value of Real Estate Asset

In Q4 of 2016, the carrying amount of the Fund's real estate portfolio ended at R\$ 371 million, as shown in the chart below.



## 2.5.3 – Collection

In Q4 of 2016, the carrying amount of the Fund's real estate portfolio closed with revenue of R\$ 3,494,383.46. Compared with Q3, when the Fund raised R\$ 8,503,133.86, there was a decrease of 58.90% in the fund-raising, as can be seen in the following chart.



Note: In September, Rioprevidência was credited with the amount of R\$ 6,396,211.82 related to the payment of overdue property rents.

## 2.5.4 – Portfolio Management

The following table summarizes the main activities in Q4 of 2016 relating to the management of the Rioprevidência real estate portfolio.

Table 28

<b>Activities related to real estate occupation</b>	<b>Q3/16</b>	<b>Q4/16</b>	<b>Δ%</b>
Published bidding notices for Real Estate Occupancy	0	0	-
Drafting of Assignment/Permission/Termination Agreements	0	0	-
Notifications made	4	13	225.00%
Enforcing Repossession Warrants	0	1	-
Inspections Conducted	61	37	-39.34%
<b>Activities related to Disposal of Real Property</b>	<b>Q3/16</b>	<b>Q4/16</b>	<b>Δ%</b>
Published Invitations to Bid for Disposal of Real Property	8	1	-87.50%
Deeds of Purchase and Sale Conducted	8	4	-50.00%
Revalued Property	3	16	433.33%
Report analysis	1	11	-
Approved reports	0	9	-
CEN Reports Issued	8	7	-12.50%
<b>Activities Related to Real Property Regularization</b>	<b>Q3/16</b>	<b>Q4/16</b>	<b>Δ%</b>
Certificate request to notaries	34	89	161.76%
Request for registrations and approvals to notaries	0	0	-
Preparation of Transfer Agreements	0	0	-
Municipal Registration Request	0	1	-
<b>Procedures for collection and registration of overdue debt</b>	<b>Q3/16</b>	<b>Q4/16</b>	<b>Δ%</b>

## CORPORATE GOVERNANCE

Issuance of bank payment slips for the monthly rental payments and installments	151	73	-51.66%
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Filing of Supporting Documents of Processes to Grant Debt Installment	2	0	-
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Subscription in Overdue Debt sent to SAG (State Attorney General's Office)	14	0	-
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<b>Procedures related to taxes</b>	<b>Q3/16</b>	<b>Q4/16</b>	<b>Δ%</b>
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Request for lease payment certificate	21	0	-
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Request for Fire Fee Exemption - CBMERJ (Military Firefighters Department of the State of Rio de Janeiro)	0	0	-
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<b>Procedures related to the extinguished IPERJ real estate mortgages</b>	<b>Q3/16</b>	<b>Q4/16</b>	<b>Δ%</b>
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Number of completed processes to reduce mortgages	3	0	-
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### 3. RETIREES AND PENSIONERS

3.1 Number of retirees and pensioners

3.2 Summary of the payroll

3.3 COMPREV Nucleus

3.4 Revenue from public servants on leave

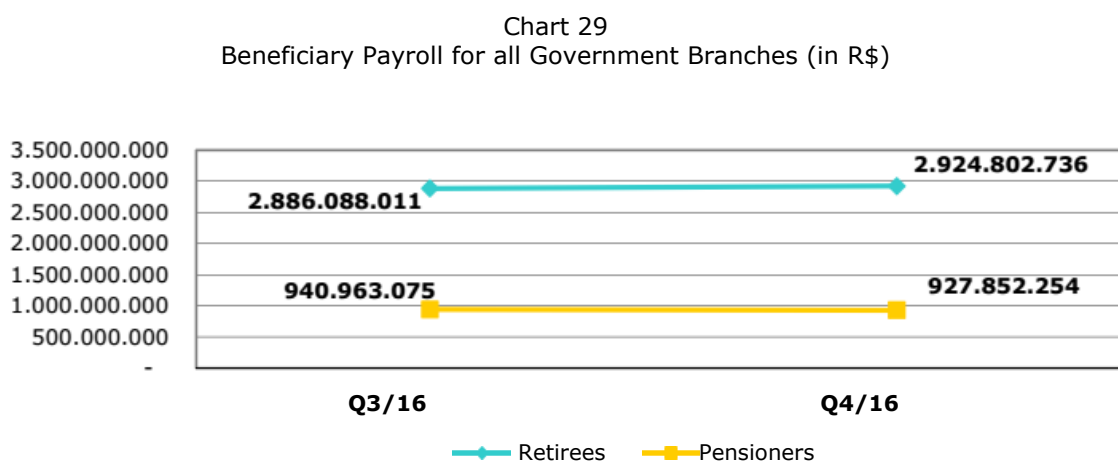
## 3. RETIREES AND PENSIONERS

### 3.1 – NUMBER OF RETIREES AND PENSIONERS

In Q4 of 2016, the total number of retirees was 164,397 and of pensioners was 90,024.

### 3.2 – SUMMARY OF BENEFIT PAYROLL FOR ALL STATE RETIREES AND PENSIONERS

In the period from October to December 2016, there was a 1.34% increase in the retiree payroll compared to Q3 of 2016. In the same period, the pensioner payroll decreased by 1.39%.



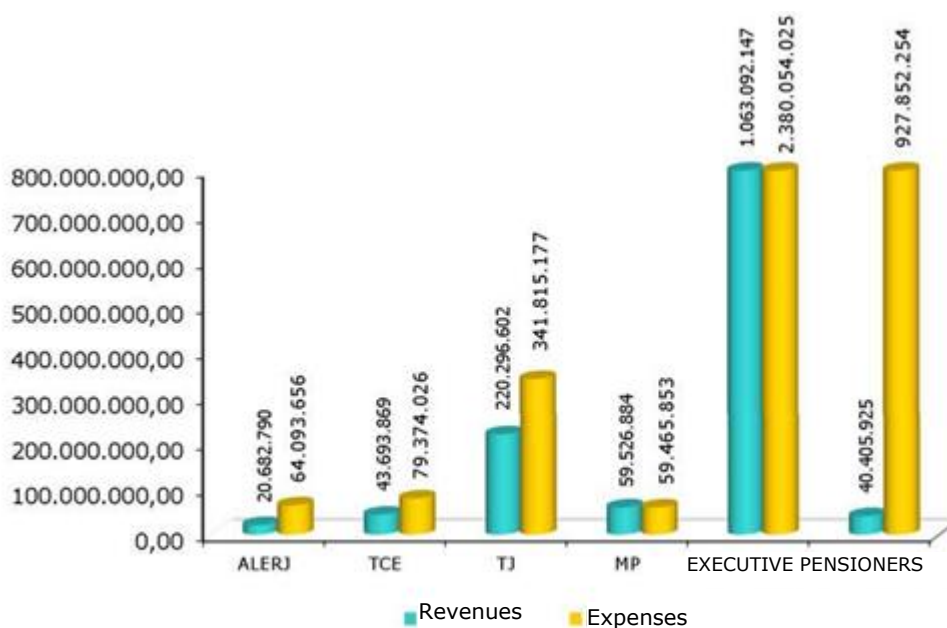
Upon examination of the social security revenue (employer contribution, contribution from working and retired civil servants and pensioners) in relation to the social security expenditure (Benefit Payroll), a difference was observed in Q4 of 2016 of R\$ **2,404,956,775**, that is, the collections covered only 37.58% of the expense in the period. In the table and chart below this relationship is shown.

## CORPORATE GOVERNANCE

Table 29 (Q4/2016)

Government Branches	Employer Dues, Active and Inactive Public Servant, and Pensioner (Revenue - R\$)	Inactive Civil Servant and Pensioner Payroll (Expense - R\$)	Revenue/Expense A/B (%)	Difference in R\$
	A	B		
ALERJ (Legislative Assembly of Rio de Janeiro)	20,682,789.96	64,093,656.09	32.27%	-43,410,866.13
TCE	43,693,868.93	79,374,025.52	55.05%	-35,680,156.59
TJ	220,296,601.61	341,815,177.03	64.45%	-121,518,575.42
MP	59,526,884.26	59,465,852.96	100.10%	61,031.30
EXECUTIVE	1,063,092,146.59	2,380,054,024.83	44.67%	-1,316,961,878.24
Partial	<b>1,407,292,291.35</b>	<b>2,924,802,736.43</b>	<b>48.12%</b>	-1,517,510,445.08
PENSIONERS	40,405,924.60	927,852,254.37	4.35%	-887,446,329.77
Total	<b>1,447,698,215.95</b>	<b>3,852,654,990.80</b>	<b>37.58%</b>	-2,404,956,774.85

Chart 30  
Social Security Revenue x Social Security Expenses (R\$ thousand)



## 3.3 – COMPREV NUCLEUS

### 3.3.1 – Collected Amounts

From October to December 2016, R\$ 28,487,796.52 were earned with the social security compensation. When comparing the Q4 of 2016 financial results with the previous quarter's result – R\$ 21,937,795.13 – there was a 29.86% increase. In relation to the same period of 2015, there was an increase of 19.49%. The table below shows the behavior of this income.

Table 30

<b>Jan/16</b> <b>(R\$)</b>	<b>Feb/16</b> <b>(R\$)</b>	<b>Mar/16</b> <b>(R\$)</b>	<b>Apr/16</b> <b>(R\$)</b>	<b>May/16</b> <b>(R\$)</b>	<b>Jun/16</b> <b>(R\$)</b>
6,583,172.43	7,707,457.04	7,251,954.31	7,510,765.17	7,961,588.65	9,123,688.44
<b>Jul/16</b> <b>(R\$)</b>	<b>Aug/16</b> <b>(R\$)</b>	<b>Sep/16</b> <b>(R\$)</b>	<b>Oct/16</b> <b>(R\$)</b>	<b>Nov/16</b> <b>(R\$)</b>	<b>Dec/16</b> <b>(R\$)</b>
6,920,570.63	7,212,437.48	7,804,787.02	7,844,700.53	13,590,511.01	7,052,584.98

Source: COMPREV

It is important to emphasize that the financial income from COMPREV is accounted for on an accrual basis and not on a cash basis. This means that the flow recorded in a given month effectively only becomes cash in the following month. The data below shows the production of the COMPREV Core.

### 3.3.2 – Applications Submitted and Approved

In Q4 of 2016, the number of applications submitted to INSS decreased by 10.11% and the number of approved documents increased by 60.42% compared to the previous quarter. Compared to Q4 of 2015 there was a decrease of 10.91% in applications submitted and an increase of 157% for those approved. This number relies solely on the actions of INSS.



Chart 31  
Number of Applications (units)

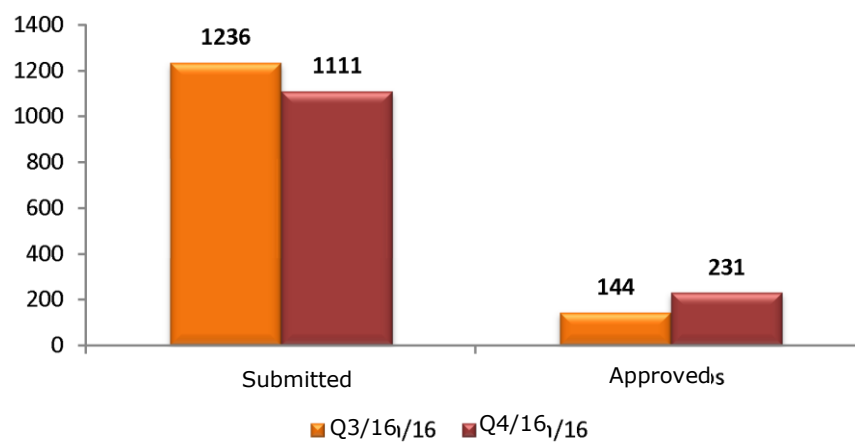
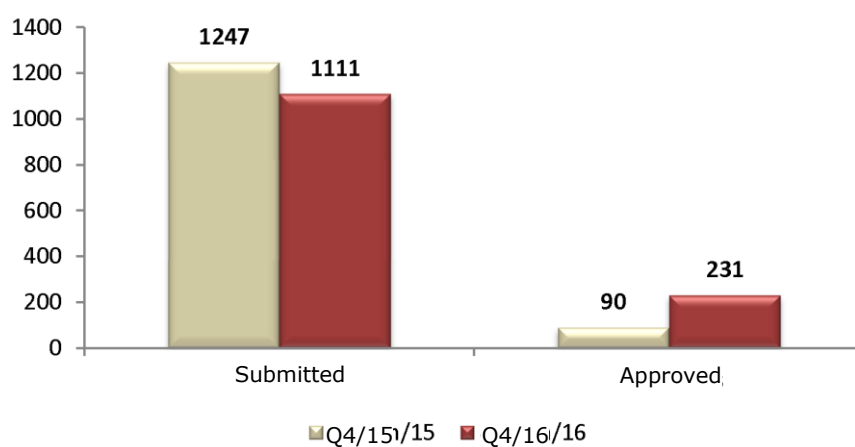


Chart 32  
Number of Applications (units)



## 3.3.3 – Financial result by period:

Table 31

Reference Date	Flow withheld in stock (Credit assessed in the period from 88 to 99) R\$			Flow to transfer (Amount credited to Rioprevidência) R\$			Total Credit
	Credit (RO)	Expense (RI)*	Balance	Credit (RO)	Expense (RI)*	Balance	
<b>Jan/16</b>	64,359.67	0.00	64,359.67	5,898,498.75	64,818.45	5,833,680.30	5,898,039.97
<b>Feb/16</b>	114,612.30	0.00	114,612.30	6,501,835.12	50,190.65	6,451,644.47	6,566,256.77
<b>Mar/16</b>	129,962.75	0.00	129,962.75	6,519,531.20	50,901.75	6,468,629.45	6,598,592.20
<b>Apr/16</b>	71,137.06	0.00	71,137.06	6,510,353.10	62,475.91	6,447,877.19	6,519,014.25
<b>May/16</b>	18,824.91	0.00	18,824.91	5,752,710.20	61,142.25	5,691,567.95	5,710,392.86
<b>Jun/16</b>	320,040.51	0.00	320,040.51	7,370,095.91	74,318.02	7,295,777.89	7,615,818.40
<b>Jul/16</b>	9,135.00	0.00	9,135.00	7,009,289.68	97,854.05	6,911,435.63	6,920,570.63
<b>Aug/16</b>	1,483.16	38,075.17	-36,592.01	7,396,073.95	147,044.46	7,249,029.49	7,212,437.48
<b>Sep/16</b>	16,733.32	0.00	16,733.32	7,861,910.44	73,856.74	7,788,053.70	7,804,787.02
<b>Oct/16</b>	27,815.09	0.00	14,828.91	7,902,719.09	85,833.65	7,816,885.44	7,844,700.53
<b>Nov/16</b>	18,444.20	0.00	24,230.80	13,775,145.55	174,205.23	13,572,066.81	13,590,511.01
<b>Dec/16</b>	7,416.92	0.00	35,288.08	7,146,819.45	89,386.07	7,045,168.06	7,052,584.98

Source: COMPREV Nucleus

(\*) Started in November 2008, analysis of the RI module - payments for RGPS (Statutory Social Security) - offset by the receivable stock and flows.

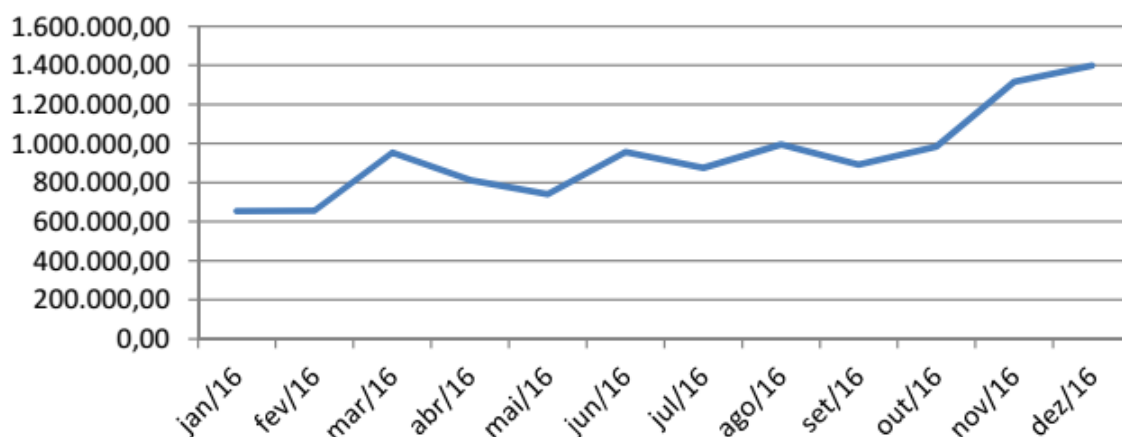
RO: Credit in favor of Rioprevidência

RI: Credit in favor of INSS

## 3.4 REVENUE FROM LEAVE OF ABSENCE WITHOUT PAY, DEBIT FROM CLOSING OF RETIREE AND PENSIONER PAYROLL AND NOTARY CLERKS

Chart 33

Revenue from leave of absence without pay (LSV), assigned public servants, notary clerks, and debit from closing of retiree and pensioner payroll

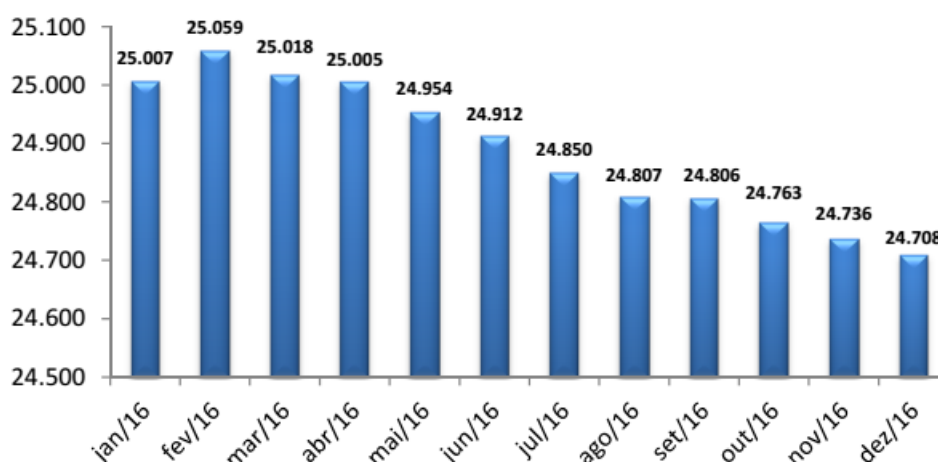


## 3.5 – VALUE OF THE BENEFIT GRANTED TO "OVER-AGE DAUGHTERS"

Rioprevidência has been conducting audits on the social security benefits granted, as determined by the Law. The Fund has achieved significant results with these audits, mainly the pensions granted to "over-age daughters". In this case, the condition to maintain the pension is that the beneficiary remains single, but many contract marriage and do not inform this to Rioprevidência, for this reason this audit – started in 2013 – is necessary.

Chart 34

Benefit granted to "Over-Age Daughters"



### 4. SERVICE CHANNELS



4.1. Customer Services (SAC)

4.2 Ombudsman

4.3 Agencies, Service Outlets, Time Savers  
(Poupa Tempo) and Mobile Units

4.4 Scheduled Appointments

## 4. SERVICE CHANNELS

### 4.1 – CUSTOMER SERVICES (SAC)

#### Toll free number - 0800 285 8191

The SAC served 36,126 persons in Q4 of 2016, with the items Appointments, Statement of Payroll Deductions, and Counseling being the most sought by the beneficiaries. There was a 24.86% decrease compared to Q3 of 2016 and a 38.24% decrease compared to Q4 of 2015.

Chart 35  
Number of answered calls per quarter (units)

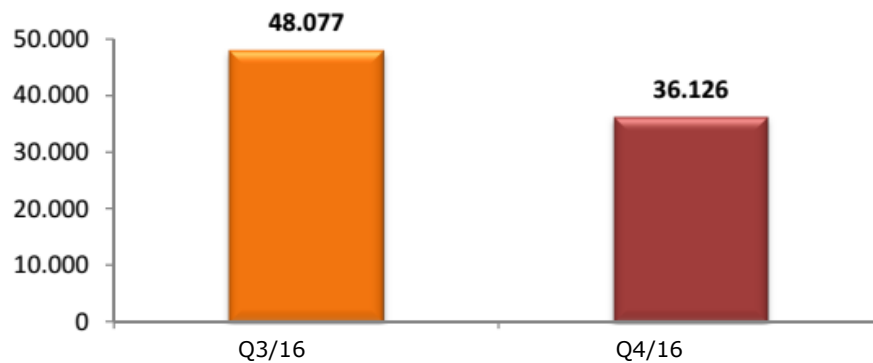
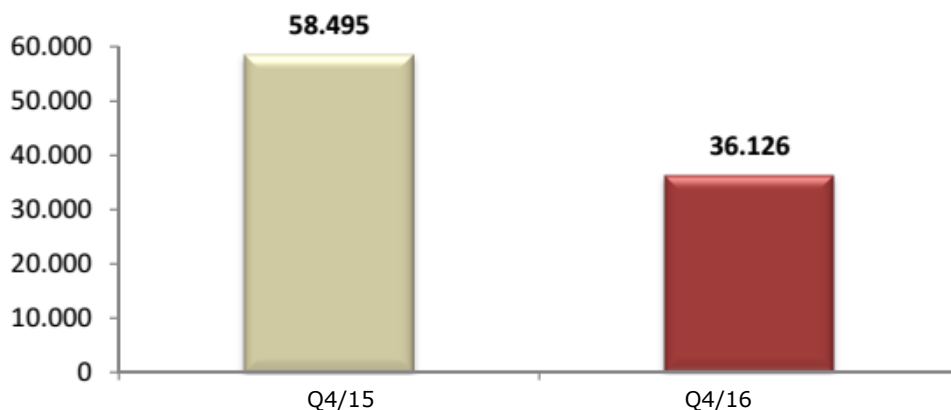


Chart 36  
Number of answered calls per quarter (units)



### 4.2 – OMBUDSMAN

From October to December 2016, 2,585 complaints were received by the Ombudsman. The main subjects raised were: benefit not deposited, calendar of payments and statement of payroll deductions. There was a 9.8% increase compared to Q3 of 2016 and a 21.93%

increase compared to Q4 of 2015.

Chart 37  
Number of answered calls per quarter (units)

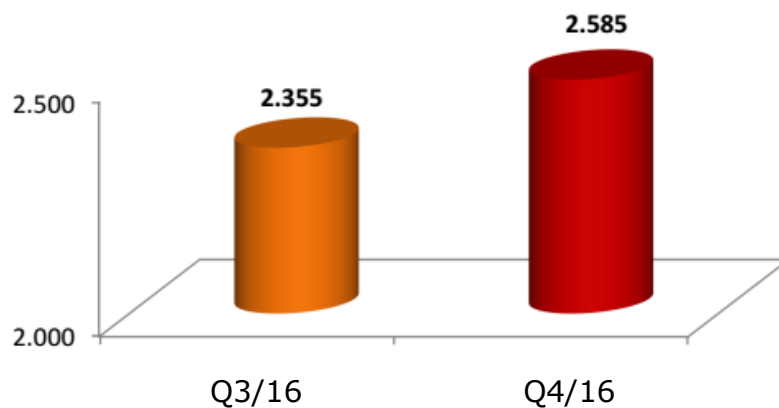
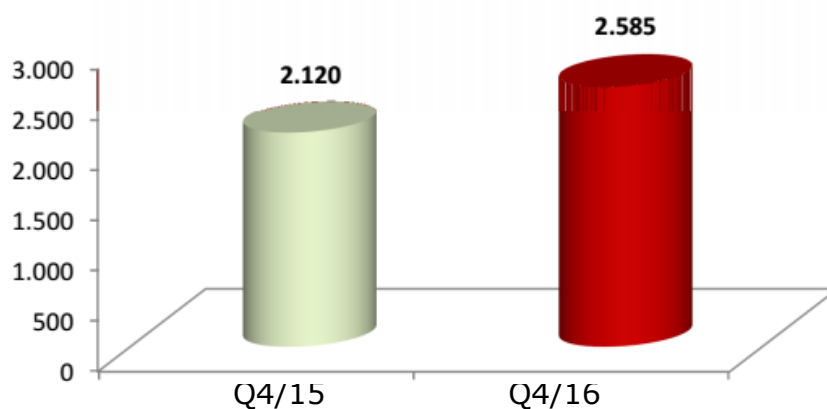


Chart 38  
Number of answered calls per quarter (units)



### 4.3 – AGENCIES, SERVICE OUTLETS, TIME SAVERS (POUPA TEMPO) AND MOBILE UNITS

Rioprevidência has **22 Customer Service units** as well as a mobile unit in its structure. They are distributed as follows

## CORPORATE GOVERNANCE

- **11 agencies:** five in the city of Rio de Janeiro and eight in municipalities within the interior of the state: Central, Tijuca, Méier, Icaraí, Miracema, Valença, Três Rios, Nova Friburgo, Petrópolis, Teresópolis and Campos.
- **7 service outlets:** CBMERJ Méier, CBMERJ Centro, PMERJ (São Cristóvão), TCE, PCERJ (Civil Police of the State of Rio de Janeiro), PGE and DPGE (State General Public Defender's Office).
- **4 units of Rio Poupa Tempo:** Bangu, São João de Meriti, São Gonçalo and Cantagalo.
- **Mobile unit:** visits locations without agencies or service outlets each month.

Among the services provided by Rioprevidência are:

- Process consultation;
- Update Address/Change Registration;
- Eligibility to pension;
- Pension quota in arrears;
- Revision of pension;
- Revision of pension quotas;
- Allowance during imprisonment;
- 2<sup>nd</sup> Copy of paycheck and income tax;
- Request for existing balance and end pension;
- Declaration of dependence;
- Declaration of PASEP benefit.

Analyzing Q4 of 2016, Rioprevidência attended **10,802 visitors**. There was a 22.56% decrease in the number of services compared to Q3 and a 4.50% decrease compared to Q4 of 2015.

Chart 39  
Number of answered calls per quarter (units)

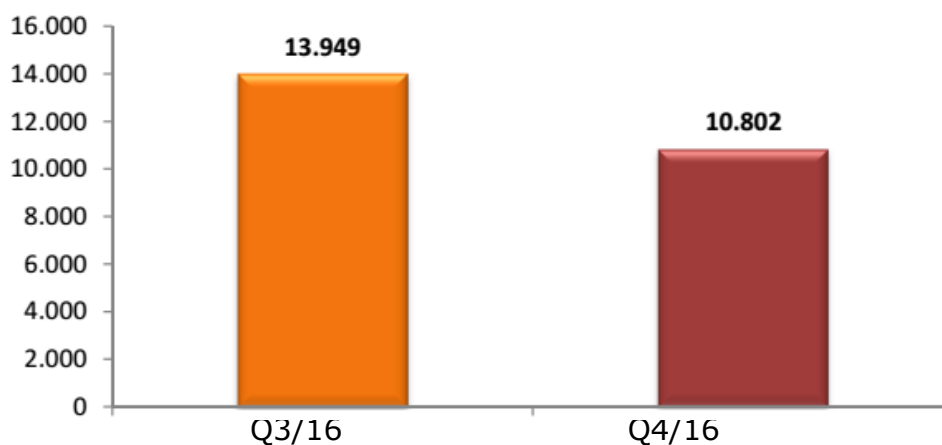
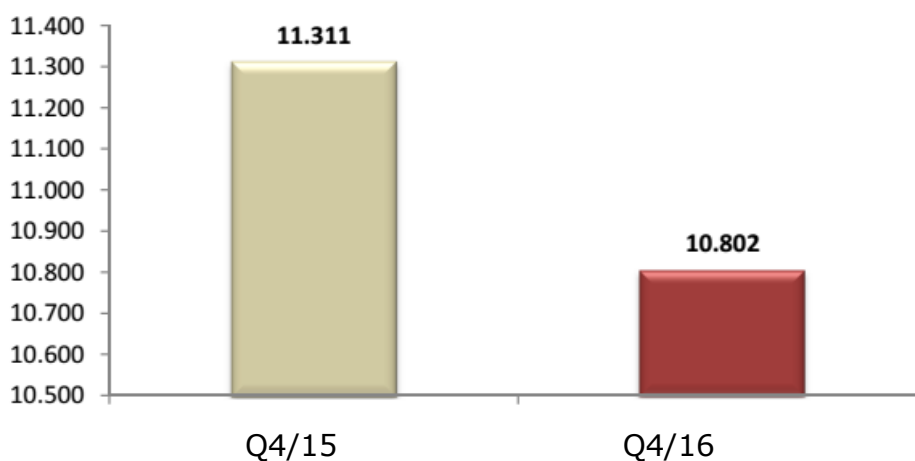


Chart 40  
Number of answered calls per quarter (units)



The most requested services in Q4 of 2016 at the agencies were: 2<sup>nd</sup> copy of paycheck, date of payment and registration of email to access the paycheck.

## 4.4 – SCHEDULED APPOINTMENTS

Aimed at increasing the effectiveness of the service, Rioprevidência has implemented **Scheduled Appointment**. This procedure intends to facilitate, expedite and give more comfort to the policyholders so that a single visit to the agency resolves the request in most cases.

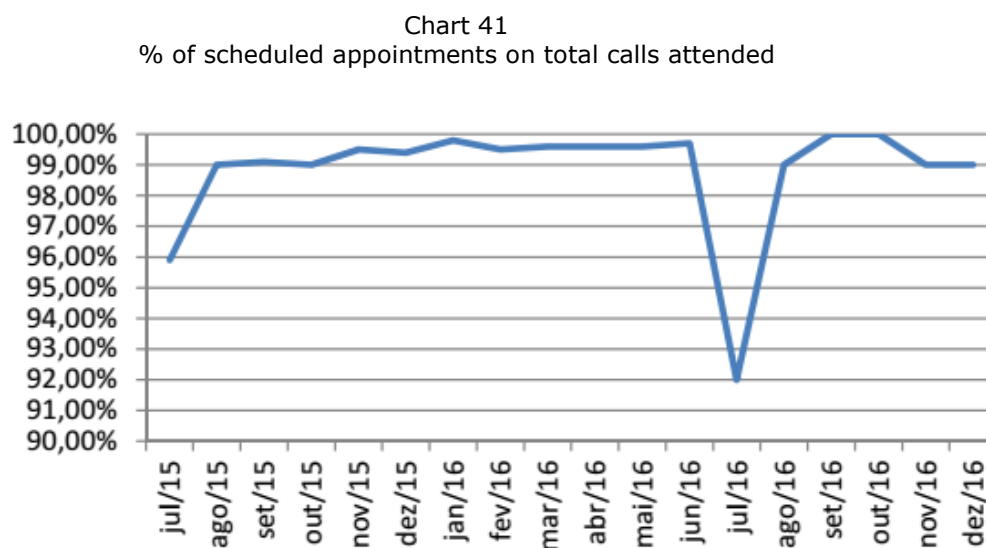


## CORPORATE GOVERNANCE

It can also be scheduled through the Rioprevidência website as from June 2011, through “Online Scheduling”.

### 4.4.1 – Current Scenario

The chart below shows the change in total service at agencies and outlets versus the number of appointments scheduled in the same period.



Note: The total services in this chart do not include the numbers from the mobile unit.



## **5. BOARDS**

**5.1 Board of Directors – CONAD**

**5.2 Audit Committee – CONFIS**

### 5. BOARDS

Chapter II OF Law 3,189/99 establishes the Rioprevidência management structure comprising the Executive Board and the Board of Directors. The law also provides for the performance of the Fiscal Council to the Fund.

#### 5.1 – BOARD OF DIRECTORS – CONAD

As expressly provided in the relevant legislation, CONAD Directors should meet at least quarterly or hold special meetings convened by its Chairman or a majority of its members. In Q4 of 2016, the 70<sup>th</sup> and 71<sup>st</sup> Meetings of CONAD were held in October and December, respectively. The next CONAD meeting will be held in March 2017.

#### 5.2 – AUDIT COMMITTEE – CONFIS

The CONFIS directors met on October 4th and December 13th. The following subjects were presented to the Directors: approval dos interim balance sheets of April, May, Jun and Jul 2016, audit of benefits, tax good standing and supplies, e report of investments; and approval of the interim balance sheets of August, September and October 2016, audit of benefits, tax good standing and supplies, and report of investments. The next CONFIS meeting will be held in March 2017.



## 6. Rioprevidência Cultural

## 6. RIOPREVIDÊNCIA CULTURAL

### 6.1 – NUMBER OF PARTICIPANTS

In Q4 of 2016, Rioprevidência Cultural welcomed 3,516 participants in courses, events, tours, excursions, activities on Saturdays, using the multi-purpose and training room.

Table 32

	October/16	November/16	December/16	Total
Multipurpose Room	140	128	150	418
Courses	636	661	666	1,963
Events	301	420	414	1,135
Training	0	0	0	0
Tours	0	0	0	0
Saturdays*	33	35	0	0
<b>Total</b>	<b>1,110</b>	<b>1,244</b>	<b>1,230</b>	<b>3,516</b>

### 6.2 – ACTIVITIES

In Q4, Rioprevidência Cultural offered art activities, exhibitions, physical activities, drama and regular courses and workshops.

#### 6.2.1 – Artistic activities

- Choir;
- Theatre Workshop for adults;
- Theatre;
- Tea with music;
- Drama, Free Singing and Poetry Circle;
- Memory recreation workshop;
- Crochet Workshop;
- Jewelry Workshop.

#### 6.2.2 – Exhibitions

- Memoir Area

## 6.2.3 – Physical Activities

- Gymnastics;
- Ballroom dance;
- Gypsy dancing;
- Senior Dance;
- Belly Dance;
- Circular Dance;
- Alexander Technique: Body Relearning;
- Body Awareness and Expression.

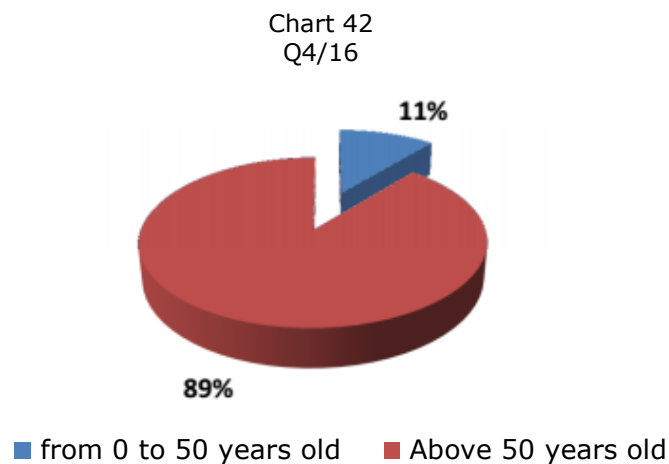
## 6.2.4 – Courses

- English;
- Spanish;
- IT;
- Guitar;
- Keyboard;
- Sweet Flute.

## 6.2.5 – Special Schedule

- Choir Festival.

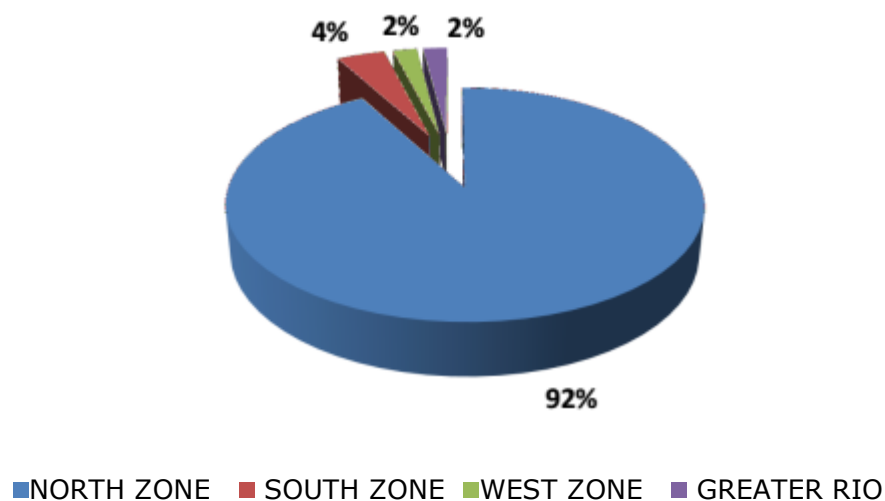
## 6.3 – AGE GROUPS OF PARTICIPANTS



## CORPORATE GOVERNANCE

### 6.4 – PARTICIPANTS PER PLACE OF RESIDENCE

Chart 43  
Q4/16



### 6.5 COSTS

Table 33

	October/16 (R\$)	November/16 (R\$)	December/16 (R\$)
Personnel	16,303.83	16,242.83	16,475.83
Light/Water/Gas	646.89	891.02	53.87
Pantry/Cleaning/Reception	4,221.32	4,148.71	6,548.52
IT	1,605.26	1,605.26	1,605.26
General costs	381.18	279.66	201.73
Surveillance	5,533.76	5,840.60	7,047.48
Telephone	92.63	90.44	108.42
Transportation	0	0	0
<b>Total</b>	<b>28,784.87</b>	<b>29,098.52</b>	<b>32,041.11</b>





### 7. SCHOOL OF FINANCIAL EDUCATION

The School of Financial Education of Rioprevidência is a space of interaction and learning, with the aim of developing skills in the areas of economy and finance, in a didactic and differentiated manner, contributing so that people might improve their decisions in relation to consumption, savings and the use of credit, permitting responsible and conscious administration of own income and assets. It is located at Avenida Manuel de Abreu, no. 300, Maracanã and will serve any citizen, with the following audience as its target:

- **Young and school-age children** in the final years of elementary school and throughout high school, primarily students from state schools.
- **Adults interested in taking part in the program**, Public servants and their families, University students, social project facilitators involved with the topics proposed by the program.
- **Senior citizens**, Rioprevidência retirees and pensioners, people attending Rioprevidência Cultural and others interested in taking part in the program.

You can register for these via phone (21) 2334-1846 and the School website at (<http://www.rioprevidencia.rj.gov.br/eef/index.html>).

#### 7.1 – PARTNERS

The School of Financial Education have signed partnerships with the following institutions: CVM, DPGE-RJ, Bovespa, ANBIMA, APIMEC, UERJ, UFRJ, Central Bank, National Treasury, RJPrev, SUSEP, TCE-RJ and CCR-RJ, to conduct qualifications.





## 7.2 – ACTIVITIES E EXPENSES

Table 34

Activities	Oct/16	Nov/16	Dec/16
Direct Treasury	✓	✓	✓
Introduction to the Capital Market			
Get to know the Real Estate Investment Funds			
Organize your finances – Family Budget in Excel	✓	✓	✓
Personal financial planning oriented to prosperity		✓	✓
Understanding the world of insurance in a simple manner			
Personal Financial Management		✓	
Social Security of State Public Service			
Financial Education and Conscious Consumption for Women	✓	✓	✓
Educar Master		✓	
Indebtedness and Psychology of Responsible Consumption	✓	✓	✓

## CORPORATE GOVERNANCE

Bank Contracts and Super Indebtedness	✓	✓	✓
Psychological Aspects of Indebtedness	✓	✓	✓
Social Security and Planning for retirement			
Dr. Finance	✓	✓	✓
Contact the Ombudsman		✓	✓
The Importance of Financial Protection - Open Complementary Pension Plans			✓
How to invest in shares	✓		
Questions about Debts			
Financial Mathematics with Spreadsheet Excel	✓		
The importance of financial protection – Home Insurance			
The importance of financial protection - Travel Insurance			
Value of the Real Estate			
From Conscious Consumption to Financial Planning			
The importance of financial protection - Insurance		✓	
Organize your life, cleaning your house	✓		✓

Table 35

Expenses	Oct/16	Nov/16	Dec/16
Light	567.23	831.47	0.00
Water	79.66	59.55	53.87
Telephone	124.09	207.65	95.66
Surveillance	5,533.76	5,840.60	7,047.48
Cleaning	1,904.90	1,832.29	2,811.63
Receptionist	1,184.72	1,184.72	1,912.45
Personnel	8,586.74	8,236.74	8,848.74
Trainee	765.00	765.00	765.00
Benefits (VT and AA)	238.00	182.00	154.00
IT	4,815.78	4,815.78	4,815.78
Consumables	127.06	279.66	201.73
Transport	0	0	0

## CORPORATE GOVERNANCE

Reprography/Prints	0	0	0
Airline tickets	0	0	0
Pantry Services	1,131.70	1,131.70	1,824.44
<b>Total</b>	<b>25,058.64</b>	<b>25,367.16</b>	<b>28,530.78</b>

Table 36

General information	Oct/16	Nov/16	Dec/16	Total
Workload	57	70	53	180
Number of Courses, Lectures and Consultations 16		22	18	56
Enrolled by the website (a)	287	228	234	749
Vacancies (A)	380	610	440	1,430
Internal Graduates (C)	163	68	129	360
Missed (a-C)	124	160	105	389
Unused vacancies (A-C)	256	542	311	1109
Public Servants (in School) (D)	53	27	46	126
External Graduates (c)	510	220	40	770
Public Servants (External Lecture) (d)	370	80	40	490
TOTAL of Public Servants (D)+(d)	423	107	86	616
TOTAL PARTICIPANTS (C) + (c)	673	288	169	1,130

Occupancy rate (C/A)	31.57%
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## **8. HIGHLIGHTS**

### 8. HIGHLIGHTS

#### 8.1 – State takes more measures to cut expenses

The State Government published on Thursday (Oct 6th), in the Official Gazette, a decree that establishes more measures to cut expenditures. The initiatives will generate savings in the order of R\$ 173 million in one month.

As of today, new releases of commitment of maintenance expenses for state secretariats and agencies are suspended for 30 days. The suspension does not apply to the Secretariats of Education, Health, Safety, Prison Administration and Civil Defense, and the Fire Department and related agencies, as well as institutions that perform functions essential to the Judiciary. Commitments with payment orders shall be settled. The measure is only valid for new commitments.

The decree also provides for the return, within 60 days, of public servants transferred from other federation entities and municipalities, except for those who hold strategic positions, which will bring savings to the state treasury of R\$ 13 million per year, as the State will not have to reimburse their salaries to the entities of origin. Moreover, the measures barred appointments to vacant commission positions and new credit operations.

- Since the beginning of last year, the State has been trying to address the financial deficit, through measures of adjustment to reduce expenses and rebuild revenues, which have been decreasing sharply. The crisis is difficult to solve and also affects other states, says the State Secretary of Finance, Gustavo Barbosa.

Since the beginning of 2015, the severe financial crisis has forced the state government to take measures to cut expenses. Due to drastic and successive reductions of tax revenue (only this year there was a drop of R\$ 2.4 billion), decrease in the price of oil and Petrobras investments, the State has already taken a series of initiatives.

The cost cutting measures implemented generated savings of R\$ 828 million this year, including reduction of costs, personnel and contract review. The cuts include expenditures in the areas of telephone network, surveillance, travels, tickets, building maintenance, daily allowances for servants, outsourcing of workforce, reduction of commission positions, rental of real estate and vehicles, data transmission services, among others.

In June, the extinction of five secretariats: Housing, Consumer Protection and Defense, Chemical Addiction Prevention, Healthy Aging and Quality of Life and Regional Development was announced. It is also forbidden for a year to hold government recruitment exams for permanent positions, and forbidden the funding of international travels, except when the purpose is the inspection of contracts, raising of investments or for diplomatic reasons.

The reduction of discretionary expenses (sum of contracts and personnel expenses), provided for in decree 45,680, in force since July 1<sup>st</sup>, was 38%, if the amounts settled from January to August this year are compared to those of a similar period in 2015, excluding health, education and safety areas.

Furthermore, audits of Rioprevidência benefits will generate savings of R\$ 420 million this year. In the last four years, 11,000 irregular pensions have been suspended. The state's social security system has a projected deficit of R\$ 12 billion this year, aggravated by the sharp decrease in revenue from oil royalties and special oil and natural gas participation.

Some cuts already made:

- Personnel, charges e benefits: R\$ 210 million
- Rental of vehicles: R\$ 12.9 million
- Cleaning: R\$ 13.8 million
- Data transmission: R\$ 14.1 million
- Outsourcing of workforce: R\$ 49.3 million
- Public services of power, gas and rates: R\$ 1.2 million

### **8.2 – Team of Alagoas Previdência visits the headquarters of Rioprevidência**

On November 17th and 18th, a team of the Specific Social Security Regime of the Public Servants of the State of Alagoas, Alagoas Previdência, visited the headquarters of Rioprevidência in order to exchange experiences and learn about the advantages of the digital process and its operation, the audits of pensions carried out by Rioprevidência, and the results of the registrations, among other subjects.

During the meeting, they discussed the procedure for granting of benefits in the State of Rio de Janeiro and ways to search for inconsistencies in the processes, thus avoiding errors in the granting of social security benefits. "It was an excellent opportunity to exchange knowledge", says the Service Coordinator, Carla Marques.

The Chief Executive Officer of Rioprevidência, Reges Moisés, the Service Manager, Cristina de Souza, the Channel Support Coordinator, João Paulo Gomes, the Service Coordinator, Carla Marques, the Pension and Allowance Coordinator, Diogo Leite, the Director of Alagoas Previdência, Lurdes Pinheiro, and the Coordinators Bruna Castilho and Vivian Campelo, for Granting of Benefits and Maintenance of Benefits, respectively, participated in the meeting.





### 8.3 – Rioprevidência promotes another campaign of Blood Donation

On November 25<sup>th</sup>, it was celebrated the World Blood Donor Day. In order to support this campaign, Rioprevidência promoted for the 4<sup>th</sup> consecutive year an internal action of solidarity and encouraged its public servants to donate blood.

On December 2<sup>nd</sup>, it took eight public servants and trainees to the State Institute of Hematology Arthur Siqueira Cavalcanti, HemoRio, so that they could donate blood.

According to data from the Ministry of Health, only 1.9% of the Brazilian population donates blood regularly. This attitude is of extreme importance, because with only one donation of blood it is possible to help save up to four lives.

The public servant Cecília Girão, from the Directorate of Social Security (DSE), stressed that initiatives like this make a big difference. "The campaign is very important to raise people's awareness. I hope that every year more servants are interested in participating and helping others", she said.



Issue:

Corporate Governance Advisory

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