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## JOINT COMMITTEE

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### TARPON INVESTIMENTOS S.A.

CNPJ/MF 05.341.549/0001-63

NIRE 35.300.314.611

### MINUTES OF THE ANNUAL AND EXTRAORDINARY GENERAL MEETING HELD ON FEBRUARY 16, 2009

**Date, hour and venue:** The Meeting was held on February 16, 2009, at 2:00 pm, in the head office of Tarpon Investimentos S.A. ("Company"), in the City of São Paulo, in the State of São Paulo, at Avenida Brigadeiro Faria Lima, nº 3144, conjunto 52.

**Call Notice:** Waiver of previous call notice, in conformity with Article 124, paragraph 4 of Law n.º 6.404, of December 15, 1976, as amended ("Brazilian Corporate Law"), by virtue of the attendance of the shareholders representing the Company's total capital stock.

**Attending Shareholders:** Any and all shareholders representing the total capital stock, in accordance with the signatures in the Book of Attendance of Shareholders.

**Board:** Chairman: Mr. Jose Carlos Reis de Magalhães Neto; Secretary: Mr. Fernando Shayer.

#### **Agenda:**

- 1. In the Annual General Meeting:** (i) Analyze the management's report, and audit, analyze and approve the Company's financial statements for the fiscal year ended December 31, 2008; (ii) Analyze the net income for the fiscal year ended December 31, 2008; (iii) Elect the Company's Officers; and (iv) Establish the maximum value of the aggregate annual compensation payable to the members of the Company's management for the fiscal year commenced on January 1, 2009.
- 2. In the Extraordinary General Meeting:** (i) Approve the increase of the Company's capital stock in the value of R\$3,888,698.00 (three million, eight hundred and eighty eight thousand, six hundred and ninety eight Brazilian reais), upon the use of the value recorded in the Company's revenue reserve account, by means of the issuance of the Company's new shares;

(ii) Take resolution on the splitting of the shares issued by the Company; (iii) Take resolution on the acquisition of 3,580,348 (three million, five hundred and eighty thousand, three hundred and forty eight) shares issued by the Company and held by Tarpon Investment Group Ltd. ("TIG"); (iv) Take resolution on the Company's registration as publicly-held company with the Brazilian Securities and Exchange Commission and the listing of the Company's shares in the *Novo Mercado* segment ("*Novo Mercado*") of the São Paulo Stock Exchange (Bovespa), and the subsequent amendment to and consolidation of the Bylaws for purposes of adequacy to the requirements set forth in the Brazilian Corporate Law and the terms and conditions set forth in the Listing Rules of the *Novo Mercado* ("Listing Rules of the *Novo Mercado*"); (v) Elect the members of the Company's board of directors; (vi) Take resolution on the engagement of the Company's independent auditors; (vii) Take resolution on the Company's stock option plan ("Stock Option Plan"); (viii) Take resolution on the change of the newspaper used to disclose the Company's publications.

**Resolutions:** Upon commencement of the meeting, the Chairman of the Meeting declared that (a) the minutes of the meeting shall be drafted in order to contain a summary of the events occurred, solely containing the transcription of the resolutions taken, and shall be published upon exclusion of the signatures of all shareholders, as set forth in paragraphs 1 and 2 of Article 130 of the Brazilian Corporate Law; (b) the documents or proposals, declarations of vote, objections or disagreements concerning the matters to be voted shall be submitted in writing to the Board which, for any such purpose, shall be represented by the Secretary of the General Meeting; and (c) the reading of the documents concerning the matters to be voted in this Annual and Extraordinary General Meeting was not required, upon the unanimous votes of the shareholders in attendance, as the content of any such documents was known by the shareholders. After the analysis and discussion of the matters included in the agenda, the shareholders unanimously approved the following matters without any qualifications or restrictions:

**1. In the Annual General Meeting:**

- (i) Approve the Company's management's report and financial statements, together with the opinion of the independent auditors, for the fiscal year ended December 31, 2008. It is hereby verified the lack of the opinion set forth in items II, III and VII of Article 163 of the Brazilian Corporate Law, by virtue of the failure to establish the Fiscal Council.
- (ii) Analyze the calculation of the Company's net income, corresponding to the value of net losses of R\$7,554,403.73;
- (iii) Elect 2 (two) members for the Company's board of executive officers, qualified below, with a term of office of 2 (two) years, up to the date of the Annual General Meeting that will audit the financial statements for the fiscal year ending December 31, 2010:
  - **JOSE CARLOS REIS DE MAGALHAES NETO**, a Brazilian citizen, married, business administrator, resident and domiciled in the City and in the State of São Paulo, bearer of the Identity Card (R.G.) n° 22.390.173-8 SSP/SP and enrolled with the Individual Taxpayers' Register of the Ministry of Finance (CPF/MF) under n° 286.951.128-02, with business address in the City of São Paulo, in the State of São Paulo, at Avenida Brigadeiro Faria Lima, n°. 3144, conjunto 52, who will hold the position of Chief Executive and Investment Officer.
  - **EDUARDO SILVEIRA MUFAREJ**: a Brazilian citizen, married, economist, resident and domiciled in the City and in the State of São Paulo, bearer of the Identity Card (R.G.) n° 27.074.850-7 SSP/SP and enrolled with the Individual Taxpayers' Register of the Ministry of Finance (CPF/MF) under n° 263.395.488-06, with business address in the City of São Paulo, in the State of São Paulo, at Avenida Brigadeiro Faria Lima, n°. 3144, conjunto 52, who will hold the position of Investor Relations Officer.

The elected officers listed above shall be invested in the respective offices upon the execution of the instrument of investiture registered in the Book of Minutes of the Meetings of the Board

of Executive Officers and hereby declare, for any and all purposes set forth in paragraphs 1 and 2 of Article 147 of the Brazilian Corporate Law, that any such officers are subject to any of the restrictions set forth in the legislation in connection with the performance of the business activity and that any such officers were not subject to any penalty of temporary suspension or disqualification by CVM, and are qualified to hold a management position in the Company; and

- (iv) Approve the limit of the aggregate annual compensation payable to the Company's officers and directors for the fiscal year commenced on January 1, 2009, which value shall correspond to up to R\$10,175,000.00 (ten million, one hundred and seventy five thousand Brazilian reais).

## **2. In the Extraordinary General Meeting:**

- (i) Approve the increase of the Company's capital stock in the value of R\$3,888,698.00 (three million, eight hundred and eighty eight thousand, six hundred and ninety eight Brazilian reais), upon the use of the value recorded in the Company's capital reserve account as of the date hereof, by means of the issuance of 3,888,698 (three million, eight hundred and eighty eight thousand, six hundred and ninety eight) shares by the Company, at the value of R\$1.00 (one Brazilian real) per share, subject to the applicable legal provisions. The shares issued by virtue of the capital increase hereby approved shall be allocated, as bonus, to the Company's shareholders as of the date hereof, and shall confer upon the shareholders the same rights conferred upon by the remaining shares in conformity with the Brazilian Corporate Law and the Company's Bylaws. By virtue of the capital increase hereby approved, the Company's capital stock shall be increased from R\$115,561.00 (one hundred and fifteen thousand, five hundred and sixty one Brazilian reais) to R\$4,004,259.00 (four million, four thousand, two hundred and fifty nine Brazilian reais), consisting of 4,003,265 (four million, three thousand, two hundred and sixty five) common shares, without par value. In view of the foregoing, the amendment to Article 5 of the Company's Bylaws was approved, which shall come into effect with the following wording: *"Article 5. The Company's capital stock is R\$4,004,259.00 (four million, four thousand, two hundred and fifty nine Brazilian reais), consisting of 4,003,265 (four million, three thousand, two hundred and sixty five) registered common shares, without par value."*
- (ii) Approve the splitting of the shares issued by the Company, and each share issued by the Company, as of the date hereof, shall be represented by 11.1795 shares, without any change in the value of the capital stock by virtue of the splitting hereby approved. In view of the foregoing, the amendment to Article 5 of the Company's Bylaws was approved, which shall come into effect with the following wording: *"Article 5. The Company's capital stock is R\$4,004,259.00 (four million, four thousand, two hundred and fifty nine Brazilian reais), consisting of 44,754,348 (forty four million, seven hundred and fifty four thousand, three hundred and forty eight) registered common shares, without par value."*
- (iii) Approve the acquisition, for purposes of holding in treasury or subsequent cancellation, of 3,580,348 (three million, five hundred and eighty thousand, three hundred and forty eight) shares issued by the Company and held by TIG, based on the book value of the shares issued by the Company calculated on December 31, 2008, that is, R\$0.1463 per share, in the total value of R\$523,684.00, increased by the LIBOR rate plus a percentage rate of 3% counted from the date of acquisition of the shares up to the payment date, within a period of up to 1 (one) year counted from the acquisition date.
- (iv) Approve the Company's registration as publicly-held company with the Brazilian Securities and Exchange Commission and the listing of the Company's shares in the *Novo Mercado* segment. In view of the foregoing, the amendment to and consolidation of the Company's Bylaws was approved for purposes of adequacy to the requirements set forth in the Brazilian Corporate Law and the terms and conditions set forth in the Listing Rules of the *Novo Mercado*, which shall come into effect with the wording contained in the Appendix I hereto.

(v) Elect the members of the Company's board of directors qualified below, with a term of office of 2 (two) years, up to the date of the Annual General Meeting that will audit the financial statements for the year ending December 31, 2010:

- **JOSE CARLOS REIS DE MAGALHAES NETO**, qualified above;
- **PEDRO DE ANDRADE FARIA**, a Brazilian citizen, married, business administrator, resident and domiciled in the City and in the State of São Paulo, bearer of the Identity Card (R.G.) n° 22.265.414-4 SSP/SP and enrolled with the Individual Taxpayers' Register of the Ministry of Finance (CPF/MF) under n° 271.782.078-76, with business address in the City of São Paulo, in the State of São Paulo, at Avenida Brigadeiro Faria Lima, n°. 3144, conjunto 52;
- **FERNANDO SHAYER**, a Brazilian citizen, married, lawyer, resident and domiciled in the City and in the State of São Paulo, bearer of the Identity Card (R.G.) n° 22.218.916 SSP/SP and enrolled with the Individual Taxpayers' Register of the Ministry of Finance (CPF/MF) under n° 066.182.178-14, with business address in the City of São Paulo, in the State of São Paulo, at Avenida Brigadeiro Faria Lima, n°. 3144, conjunto 52;
- **EDUARDO SILVEIRA MUFAREJ**, qualified above;
- **HORACIO LAFER PIVA**, a Brazilian citizen, divorced, economist, resident and domiciled in the City and in the State of São Paulo, bearer of the Identity Card (R.G.) n° 8.687.110-8 and enrolled with the Individual Taxpayers' Register of the Ministry of Finance (CPF/MF) under n° 038.613.618-17, with business address in the City of São Paulo, in the State of São Paulo, at Avenida Brigadeiro Faria Lima, n°. 3600, 5° andar; and
- **CELSO CLEMENTE GIACOMETTI**, a Brazilian citizen, married, administrator, resident and domiciled in the City and in the State of São Paulo, bearer of the Identity Card (R.G.) n° 3.179.758-1 and enrolled with the Individual Taxpayers' Register of the Ministry of Finance (CPF/MF) under n°029.303.408-78, with business address in the City of São Paulo, in the State of São Paulo, at Avenida Vereador Jose Diniz, n°. 3725, conjunto 61.

The members of the board of directors qualified above shall be invested in the respective offices upon the execution of the instrument of investiture registered in the Book of Minutes of the Meetings of the Board of Directors. The members of the board of directors hereby elected declare, for any and all purposes set forth in paragraphs 1 and 2 of Article 147 of the Brazilian Corporate Law, that any such directors are subject to any of the restrictions set forth in the legislation in connection with the performance of the business activity and that any such directors were not subject to any penalty of temporary suspension or disqualification by CVM, and are qualified to hold a management position in the Company.

- (vi) Approve the engagement of KPMG Auditores Independentes in the capacity of the Company's independent auditors.
- (vii) Approve the Company's Stock Option Plan, in conformity with the terms and conditions submitted by the Company's management.
- (viii) Approve the change of the widely-distributed newspaper used to disclose the Company's publications, which are required in conformity with the Brazilian Corporate Law, which shall be the "Gazeta Mercantil" newspaper.

Notwithstanding the approval of all the resolutions listed above as of the date hereof, the validity of the approval of the matter set forth in item 1(iii) and of any and all matters approved in the Extraordinary General Meeting shall be subject to the approval of the corporate restructuring process of Tarpon Investment Group Ltd., as described in the Proxy Statement dated as of the date hereof, in TIG's Annual

Shareholders' Meeting to be held on March 10, 2009, in conformity with the terms and conditions approved by the board of directors of TIG in a meeting held on February 16, 2009.

**Conclusion, Drafting and Approval of the Minutes:** With nothing further to be discussed, the meeting was concluded and this minutes was drafted in the format of a summary. This minutes, after read, verified and found in order, was executed by any and all shareholders in attendance. São Paulo, February 16, 2009. **Signatures: Board:** Chairman – Mr. Jose Carlos Reis de Magalhães Neto; Secretary – Mr. Fernando Shayer. **Attending Shareholders:** Tarpon Investment Group Ltd.

This minutes is a true copy of the minutes registered in the book of minutes.

São Paulo, February 16, 2009

  
Secretário



SECRETARIA DA FAZENDA  
JUNTA COMERCIAL DO ESTADO  
DE SÃO PAULO

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CERTIFICADO DE REGISTRO  
SOB O NÚMERO ANA CRISTINA DE S. F. CALANDRINI  
SECRETÁRIA GERAL

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**APPENDIX I**  
**MINUTES OF THE ANNUAL AND EXTRAORDINARY GENERAL MEETING OF TARPON**  
**INVESTIMENTOS S.A. HELD ON FEBRUARY 16, 2009**

**CONSOLIDATED BYLAWS**

**BYLAWS OF**  
**TARPON INVESTIMENTOS S.A.**  
CNPJ/MF 05.341.549/0001-63  
NIRE 35.300.314.611

**Chapter I**

**Name, Head Office, Purpose and Duration Term**

**Article 1.** Tarpon Investimentos S.A. ("Company") is a publicly-held company, governed by this Bylaws, by Law n° 6.404, of December 15, 1976, as amended, ("Brazilian Corporate Law") and by any supplementary legislation, as well as by the applicable regulation.

**Article 2.** The Company's head office and jurisdiction is located in the City of São Paulo, in the State of São Paulo, at Avenida Brigadeiro Faria Lima, n° 3.144, conj. 52, CEP 01451-000.

**Sole Paragraph.** Upon resolution of the board of executive officers, the Company may open, transfer and close branches, offices or any other establishments and facilities in any part of the Brazilian territory and abroad.

**Article 3.** The Company's purposes are to:

- (a) act in the capacity of portfolio manager and investment advisor in connection with own and third-party resources invested in investment funds, portfolios and any other investment vehicles, in Brazil and abroad;
- (b) purchase, sell and trade in securities issued by publicly and privately-held companies, in or out of the stock exchanges, in Brazil and abroad;
- (c) perform any similar or corresponding activity; and
- (d) hold ownership interest in other companies and investment funds, portfolios and any other investment vehicles.

**Article 4.** The Company has an indefinite duration term.

**Chapter II**

**Capital Stock and Shares**

**Article 5.** The Company's capital stock is R\$ 4,004,259.00 (four million, four thousand, two hundred and fifty nine Brazilian reais), consisting of 44,754,348 (forty four million, seven hundred and fifty four thousand, three hundred and forty eight) registered common shares, without par value.

**Sole Paragraph.** The capital stock shall solely consist of common shares at all times, and the issuance of preferred shares or founders' shares shall be prohibited.

**Article 6.** Any and all shares issued by the Company are book-entry, held in a deposit account on behalf of the respective holders with a financial institution authorized by the Brazilian Securities and Exchange Commission ("CVM").

**Sole Paragraph.** The costs incurred in connection with the transfer and registration of the shares, as well as the costs incurred in connection with the services concerning the shares held in custody, shall be directly charged against the shareholder by the book-runner financial institution, as defined in the book-entry share agreement.

**Article 7.** Each common share entitles the holder thereof the right to 1 (one) vote in the resolutions of the Annual or Extraordinary General Meeting.

**Article 8.** The capital stock may be increased, notwithstanding any amendment to the Bylaws, upon resolution of the board of directors, up to the limit of R\$100.000.000,00 (one hundred million Brazilian reais).

**Paragraph 1.** The establishment of the issuance price and the number of shares to be issued in conformity with the *caput* of this Article 8, as well the payment terms and conditions, shall be incumbent upon the board of directors.

**Paragraph 2.** Within the limit of the authorized capital stock, the board of directors may take resolution on the issuance of subscription warrants.

**Paragraph 3.** The payment of shares by means of assets shall rely upon the approval of the respective appraisal report by the Annual General Meeting, in conformity with the legislation.

**Article 9.** At the discretion of the board of directors, the issuance of new shares, debentures convertible into shares or subscription warrants, which placement is carried out by means of trading in stock exchanges, public subscription or swap of shares in takeover bids in conformity with Articles 257 to 263 of the Brazilian Corporate Law, or also in conformity with any supplementary legislation with respect to tax incentives, may be carried out without any granting of preemptive rights to the shareholders in connection with the subscription of new shares or upon reduction of the minimum term set forth in the legislation in connection with the exercise of any such preemptive right.

### **Chapter III** **General Meeting**

**Article 10.** The General Meeting shall be held ordinarily once a year, in the 4 (four) first months subsequent to the end of each fiscal year, in conformity with Article 132 of the Brazilian Corporate Law and, extraordinarily, whenever required in accordance with the Company's interests or the applicable legislation, provided that the General Meeting is called in conformity with the terms and conditions set forth in the Brazilian Corporate Law or herein.

**Article 11.** Without prejudice to any other duties set forth in the legislation and herein, the General Meeting shall be responsible for:

- (a) audit the management's accounts, audit, analyze and approve the Company's financial statements;
- (b) amend this Bylaws;
- (c) pay bonuses in shares and take resolution on any potential grouping and splitting of shares;
- (d) take resolution on, in accordance with the proposal submitted by the management, the allocation of the net income for the year and the payment of dividends;
- (e) elect and remove the members of the board of directors;



- (f) elect and remove the members of the Fiscal Council, if any;
- (g) elect the liquidator, as well the Fiscal Council that shall operate during the liquidation period;
- (h) establish the overall compensation of the members of the Company's board of directors and board of executive officers, as well as the members of the Fiscal Council, if any, subject to the provisions set forth in paragraph 3, of Article 162 of the Brazilian Corporate Law with respect to the compensation payable to the members of the Fiscal Council;
- (i) approve stock option plans to the officers, directors and employees of the Company or of any company under the Company's control, as well as to any persons who render services to the Company or any company under the Company's control;
- (j) approve the distribution of profits to the officers and directors, subject to the legal limits, and to the employees, taking into consideration the Company's human resources policy and taken into account the non-binding recommendations provided by the Company's Compensation Committee;
- (k) take resolution on the cancellation of the publicly-held company's registration with the CVM;
- (l) take resolution on the delisting from the *Novo Mercado* segment ("Novo Mercado") of the São Paulo Stock Exchange - BOVESPA ("BOVESPA");
- (m) select, among the companies indicated by the board of directors, the specialized institution or company which shall be responsible for the establishment of the Company's Market Value and the preparation of the respective appraisal report, in the event of cancellation of the publicly-held company's registration or delisting from the *Novo Mercado* segment, as set forth in Clause II, Chapter XI hereof;
- (n) take resolution on the Company's merger, or any merger of shares involving the Company, and also take resolution on the Company's consolidation, spin-off, transformation or dissolution;
- (o) suspend the exercise of shareholder's rights, in conformity with Article 120 of the Brazilian Corporate Law;
- (p) take resolution on any petition for bankruptcy, judicial or extrajudicial reorganization;
- (q) take resolution on any matters submitted by the board of directors;
- (r) change the duties of the Company's board of directors;
- (s) change the benefits or rights relating to the shares or any other securities issued by the Company;
- (t) change the dividend policy;
- (u) approve the participation in a group of companies;
- (v) reduce the mandatory dividend;

(w) change the Company's purpose; and

(x) take resolution on the interruption of the Company's liquidation.

**Article 12.** The General Meeting shall be called by the board of directors, the shareholders or the Fiscal Council, in the events set forth in the Brazilian Corporate Law or also in any other events set forth herein. The first call notice shall be delivered, at minimum, 15 (fifteen) days prior to the meeting and the second call notice, if applicable, shall be delivered, at minimum, 8 (eight) days prior to the meeting.

**Article 13.** The documents concerning the matters to be voted in the General Meeting shall be made available to the shareholders, in the Company's head office, on the publication date of the first call notice, except for the events in connection with which the legislation or the regulation in force requires the disclosure thereof for a greater period.

**Article 14.** In order to attend the General Meeting and vote the matters to be approved, the shareholder shall deliver in the Company's head office within, at minimum, 72 (seventy two) hours prior to the date of the respective General Meeting, the following documents:

- (a) a certificate issued, in conformity with Article 126 of the Brazilian Corporate Law, by the trustee of the book-entry shares held by any such shareholder, within up to 5 (five) days prior to the date of the General Meeting;
- (b) a power of attorney and/or any documents which confirm the powers of the shareholder's legal representative, duly executed in conformity with the legislation and herewith; and
- (c) with respect to the shareholders participating in the fungible custody of registered shares, the statement containing the respective ownership interest issued by the Brazilian Chamber of Settlement and Custody or any other applicable agency, within, at maximum, 5 (five) days prior to the date of the General Meeting.

**Article 15.** Prior to the date of the General Meeting, the shareholders shall sign the "Book of Attendance of Shareholders", and provide own information thereon and the number of shares held by any such shareholders.

**Paragraph 1.** The list of the attending shareholders shall be concluded by the Chairman of the Meeting, immediately after the commencement of the meeting.

**Paragraph 2.** The shareholders which attend the General Meeting after the completion of the list of attending shareholders may be authorized to participate in the General Meeting but shall have no right to vote in connection with any corporate resolution.

**Article 16.** The General Meeting shall be held, on the first call, with the presence of shareholders representing, at minimum, a percentage rate of 25% (twenty five percent) of the total shares issued by the Company, except if the law or this Bylaws requires a greater quorum; and, on the second call, with the presence of any number of shareholders.

**Sole Paragraph.** The General Meeting shall be presided over by the Chairman of the board of directors or, in the absence thereof, by the Vice Chairman of the board of directors and, in the absence of both the Chairman or the Vice Chairman, by any person appointed by the General Meeting. The Chairman of the General Meeting may appoint up to 2 (two) secretaries.

**Article 17.** The resolutions of the General Meeting shall be taken by the majority of the votes of the attending shareholders, excluding blank votes or abstentions, other than the exceptions set forth in the Brazilian Corporate Law or herein.

**Paragraph 1.** The General Meeting may solely take resolution on the matters included in the agenda described in the respective call notice, other than the exceptions set forth in the Brazilian Corporate Law.

**Paragraph 2.** The minutes of the Meetings shall be drafted in the book of Minutes of the General Meetings, containing a summary of the events occurred, and shall be published upon the exclusion of the signatures.

**Article 18.** The General Meeting may suspend the exercise of the rights, including voting rights, of any shareholder that fails to perform any obligation set forth in the Brazilian Corporate Law, in the regulations thereof or herein. The suspension may be approved by the General Meeting in any meeting, whether annual or extraordinary, in which agenda, described in the call notice, the matter was included.

**Paragraph 1.** The shareholders representing, at minimum, a percentage rate of 5% (five percent) of the total shares issued by the Company, may call the General Meeting described in the *caput* of this Article 18 whenever the board of directors fails to satisfy, within a period of 8 (eight) days, the call notice delivered by any such shareholders. The call notice of the General Meeting for purposes of suspension of the rights of any shareholder shall contain the non-performed obligation and the identification of the defaulting shareholder.

**Paragraph 2.** The establishment of the extent of the suspension, among other aspects, shall be incumbent upon the General Meeting that approves the suspension of the political rights of the shareholder, being prohibited the suspension of the rights to inspect and to request information set forth in the legislation.

**Paragraph 3.** The suspension of rights shall cease upon the performance of the obligation that gave rise to the aforesaid suspension.

**Article 19.** Any shareholder shall be prevented from interfering with any resolution with respect to which any such shareholder has or represents any interest conflicting with the Company's interests. The vote cast by any shareholder in connection with any resolution with respect to which any such shareholder has or represents any interest conflicting with the Company's interests shall be deemed as abusive, for purposes of the provisions set forth in Article 115 of the Brazilian Corporate Law.

#### **Chapter IV** **Management**

**Article 20.** The Company shall be managed by the board of directors and the board of executive officers, and the composition and operation thereof shall be governed hereby and by the Brazilian Corporate Law, the supplementary legislation and the applicable regulation.

**Article 21.** The investiture in the offices of the Company's management bodies shall be carried out upon the execution, by the officer or director invested in the office, of the instrument of investiture drafted in the respective book, without any guarantee of office, and of the Instrument of Consent of the Officers and Directors described in the Listing Rules of the *Novo Mercado*.

**Paragraph 1.** The officers and directors shall remain in the respective offices up to the investiture of the respective alternates, except if otherwise approved by the General Meeting or the board of directors, however the case may be.

**Paragraph 2.** The Company's officers and directors shall abide by the Policy for Disclosure of Material Action or Event and the Policy for Trading of Securities Issued by the Company, upon the execution of the respective commitment instrument.

**Article 22.** Upon the election of the members of the board of directors, the shareholders shall be authorized to request the adoption of the multiple vote process, in conformity with Article 141 of the Brazilian Corporate Law, CVM Instruction n° 165, of December 11, 1991, as amended, and any other applicable legal and regulatory rules.

**Paragraph 1.** After the receipt of any request in this regard, the Company shall inform that the election of the members of the board of directors shall be carried out by means of the multiple vote process:

- (a) immediately thereafter, by electronic means, to CVM and BOVESPA; and
- (b) within up to 2 (two) days counted from the receipt of the request, solely taking into consideration the days in which the newspapers regularly used by the Company are distributed, upon publication of notice to the shareholders.

**Paragraph 2.** Upon the regular induction of the General Meeting in which the members of the board of directors shall be elected by means of the multiple vote process, the Chairman of the Meeting shall carry out, based on the Book of Attendance of Shareholders and the number of shares held by the attending shareholders, the calculation of the number of votes to which each shareholder shall be entitled. Each shareholder shall have the right to cast the votes to which any such shareholder is entitled in one sole candidate or distribute the votes among various candidates.

**Paragraph 3.** The positions which remain vacant by virtue of a tie shall be subject to a new vote, based on the same multiple vote process, upon the adjustment of the number of votes to which each shareholder shall be entitled to the number of positions to be filled.

**Paragraph 4.** Whenever the election is carried out upon the adoption of the multiple vote process, the removal of any member of the board of directors by the General Meeting shall give rise to the removal of the remaining members, and a new election shall be carried out. In any other events in which any position in the board of directors is vacant, the first General Meeting shall elect all the members of the board of directors.

**Article 23.** Other than the exceptions set forth herein, any meeting of any management bodies is validity held with the presence of the majority of the respective members and takes resolution based on the vote of the majority of the attending members.

**Paragraph 1.** The meetings of the management bodies shall be previously called in conformity with the terms and conditions set forth herein. Notwithstanding the delivery of any call notice, the meeting with the presence of all members of the respective management body shall be considered as validly held.

**Paragraph 2.** The meetings of the management bodies may be held by means of conference call, video conference or any other communication mean that permits the identification of the members and the simultaneous communication with any other persons attending the meeting. The absent officers and

directors may also delegate the vote thereof, in writing, to any other officers and directors comprising the same management body.

**Paragraph 3.** The officers and directors who participate in any meeting in the manner described above shall be deemed as present in the meeting for any and all purposes whatsoever, it being understood that the execution of the respective minutes by fax or any other electronic mean shall be valid, and a copy thereof shall be filed in the Company's head office together with the original and executed counterpart thereof.

## **Chapter V** **Board of Directors**

**Article 24.** The board of directors shall consist of 6 (six) members, all shareholders, elected by the General Meeting for a joint term of office 2 (two) years, reelection being permitted. The board of directors shall have, at minimum, a percentage rate of 20% (twenty percent) of Independent Directors, as defined in the Listing Rules of the *Novo Mercado*.

**Sole Paragraph.** The members of the board of directors shall have a solid reputation and it shall not be permitted the election of, unless otherwise approved by the General Meeting, any person who (a) holds positions in companies that may be considered as the Company's competitors; or (b) has or represents any interests contrary to the Company's interests.

**Article 25.** The board of directors shall have 1 (one) Chairman and 1 (one) Vice Chairman, who shall be elected by the absolute majority of the votes of the attending shareholders in the first meeting of the board of directors which is held immediately after the investiture of any such members, or in the event of resignation from or vacancy in any such positions.

**Paragraph 1.** The Chairman of the board of directors shall call and preside over the meetings of the board of directors and the General Meetings, except for, with respect to the General Meetings, the events in which the Chairman appoints, in writing, another director, Officer or shareholder to preside over the meetings.

**Paragraph 2.** In the resolutions of the board of directors, the Chairman, in addition to the own vote, shall have the casting vote, in the event of tie.

**Paragraph 3.** The Vice Chairman shall perform the duties incumbent upon the Chairman in the absences and temporary impediments thereof, notwithstanding the adoption of any formal procedures. In the event of absence or temporary impediment of the Chairman and the Vice Chairman, the duties incumbent upon the Chairman shall be performed by another member of the board of directors appointed by the Chairman.

**Article 26.** Except for the events in which the members of the board of directors are elected by the multiple vote process and subject to the provisions set forth in Paragraph 2 of this Article, in the event of vacancy in any position in the board of directors, the remaining members of the board of directors shall be authorized to appoint a temporary alternate, who shall remain in the office up to the date of the first subsequent General Meeting, in which date a new director shall be elected to complete the term of office of the director who was substituted. In the event of vacancy in the majority of the positions in the board of directors, a General Meeting, for purposes of election of the alternates, shall be called within a maximum period of 15 (fifteen) days counted from the event, which alternates shall complete the term of the office of the directors who were substituted.

**Paragraph 1.** Any position in the board of directors is vacant in the event the respective director fails to attend, without any reason whatsoever, 3 (three) consecutive meetings of the board of directors.

**Paragraph 2.** In the event of vacancy in the position of Chairman of the board of directors, the Vice Chairman shall hold the vacant position up to the election of a new Chairman.

**Article 27.** In the event of absence or temporary impediment, the absent or temporarily impeded director may be represented in the meetings of the board of directors by another director appointed in writing who, in addition to the own vote, shall cast the vote of the absent or temporarily impeded director.

**Sole Paragraph.** In the event the director to be represented is an Independent Director, the director who represents any such director shall also be qualified as Independent Director.

**Article 28.** In addition to any other duties set forth in the legislation or herein, the following duties shall also be incumbent upon the board of directors:

- (a) lay down the general guidelines in connection with the Company's business, including the approval and change of the annual budget, and the establishment of the Company's goals and strategies for the subsequent period;
- (b) elect and remove the Company's Officers and establish the respective powers, in conformity with the terms and conditions set forth herein;
- (c) inspect the management of the Officers, audit the Company's books and documents on any time, as well as request information on agreements entered into or to be entered into by the Company or any other actions involving the Company;
- (d) establish the individual compensation payable to the officers and directors, subject to the overall compensation limit approved by the General Meeting and the non-binding recommendations provided by the Company's Compensation Committee;
- (e) approve the internal regulations of the advisory committees of the board of directors and respective amendments thereto;
- (f) analyze the Management's Report, audit the board of executive officers' accounts and the financial statements for each fiscal year and take resolution on the submission thereof to the General Meeting;
- (g) submit to the General Meeting a proposal for the allocation of the net income for the year;
- (h) submit to the General Meeting a proposal for the amendment hereto;
- (i) previously issue an opinion on any matter to be submitted to the General Meeting;
- (j) take resolution on the calling of the Annual General Meeting, in conformity with the provisions set forth in Article 132 of the Brazilian Corporate Law, and the calling of the Extraordinary General Meeting, whenever applicable;
- (k) take resolution on the payment or credit of interest attributed to equity to the shareholders, in conformity with the applicable legislation;
- (l) approve the own budget of expenses, which shall be included in the Company's annual budget to be submitted to the approval of the General Meeting;

- (m) previously authorize the execution of agreement of any nature, including transactions and waiver of rights, resulting in the assumption of obligations in a value equivalent to or greater than R\$10,000,000.00 (ten million Brazilian reais), individually or jointly taken into consideration in the period of 1 (one) year, and which are not provided for in the annual budget;
- (n) previously approve any loan, financing, issuance or cancellation of simple debentures, not convertible into shares and without any collateral;
- (o) take resolution on the assumption, guarantee and endorsement of or liability for (directly, under any type of condition or in any other manner) any third-party obligations involving the Company which, individually or jointly, in the period of 1 (one) year, exceed the value of R\$10,000,000.00 (ten million Brazilian reais);
- (p) previously authorize the acquisition, disposal or creation of any liens or encumbrances of any nature on any permanent assets owned by the Company in connection with transactions involving a value equivalent to or greater than R\$10,000,000.00 (ten million Brazilian reais), which transactions shall be, individually or jointly, considered as concluded in the period of 1 (one) year, and which are not provided for in the annual budget;
- (q) take resolution on the issuance of shares or subscription warrants within the limit of the authorized capital, and simple debentures not convertible into shares, and establish the issuance price, the subscription and payment method and any other issuance terms and conditions;
- (r) establish the authority of the board of executive officers in connection with the issuance of any credit instruments for the raising of funds, such as bonds, notes; commercial papers or any other instruments of regular use in the market, and also take resolution on the conditions for the issuance and redemption thereof, and require the previous authorization of the board of directors, in the events so approved, as a condition for the validity of the action;
- (s) pursuant to the plan approved by the General Meeting, grant share purchase options to the officers, directors and employees of the Company or any company under the Company's control, as well as to any individuals who render services to the Company or any company under the Company's control, without any preemptive right to the shareholders in connection with the granting or subscription of any such shares, in conformity with the non-binding recommendations provided by the Compensation Committee;
- (t) establish the value of the profit sharing payable to the Company's officers, directors and employees, in conformity with the non-binding recommendations provided by the Compensation Committee;
- (u) appoint and dismiss the independent auditors, and also request any further explanations deemed necessary from any such independent auditors with respect to any matter within the scope of authority thereof;
- (v) authorize the acquisition, by the Company, of shares issued by the Company itself, for purposes of holding in treasury and/or subsequent cancellation or disposal;
- (w) define the triple list of institutions or companies specialized in the economic appraisal of companies for purposes of preparation of the appraisal report concerning the shares issued by the Company, in the event of cancellation of the publicly-held company's registration or

delisting from the *Novo Mercado* segment, in conformity with the terms and conditions set forth in Article 62 hereof;

- (x) perform any other duties established by the General Meeting in conformity with the Brazilian Corporate Law and the terms and conditions set forth herein;
- (y) approve the increase of the capital stock by means of the capitalization of profits or reserves, with or without the issuance of new shares;
- (z) subject to the terms and conditions set forth herein and in the legislation in force, take resolution on the order of priority of the activities thereof and adopt or enforce regulatory rules for the operation thereof;
- (aa) authorize the preparation of interim balance sheets or any balance sheets for shorter periods for purposes of payment of interim dividends or interest attributed to equity, in conformity with Article 204 of the Brazilian Corporate and Law and the terms and conditions set forth herein;
- (bb) take resolution on programs for the repurchase of shares within the limit of the authorized capital;
- (cc) hire new officers, directors and employees or enter into service rendering agreements with any officer, director or employee, in each case with an annual basic wage (other than fees, bonuses and any other remuneration or fringe benefits) in a value greater than R\$10,000,000.00 (ten million Brazilian reais);
- (dd) enter into any agreement between the Company and/or its subsidiaries and any of the shareholders, officers, directors, related parties thereof and any of the respective affiliates thereof, in a value greater than R\$10,000,000.00 (ten million Brazilian reais), individually or jointly, in the period of 1 (one) year;
- (ee) take resolution on any purchase, acquisition, sale, lease, license or disposal, on any other manner whatsoever, of any material assets or properties, including in what concerns the intangible assets owned by the Company and/or its subsidiaries, in a value greater than R\$10,000,000.00 (ten million Brazilian reais), individually or jointly, in the period of 1 (one) year; and
- (ff) take resolution on the cancellation or discharge of any encumbrance or the payment or discharge of any material obligation or liability (whether fixed or contingent) which is not consistent with the Company's and/or its subsidiaries' business or which, upon inclusion in the normal course of the Company's and/or its subsidiaries' business, is greater than R\$10,000,000.00 (ten million Brazilian reais), individually or jointly, in the period of 1 (one) year.

**Sole Paragraph.** The members of the board of directors which also hold the position of Officers shall abstain from voting in connection with the matters set forth in items "c", "d", "s" and "t" of this Article 28.

**Article 30.** The board of directors shall meet:

- (a) ordinarily, at minimum, on quarterly basis, in accordance with the schedule to be disclosed in the first month of each fiscal year by the Chairman of the board of directors at all times; and
- (b) extraordinarily, whenever necessary.



**Article 31.** The meetings shall be called by the Chairman of the board of directors or, in the event of the absence thereof, by the Vice Chairman or, in the event of the Chairman's and the Vice Chairman's absence, by 2 (two) members of the board of directors. The call notices of the meetings of the board of directors shall be delivered in writing at all times, by means of letter, telegram, fax, e-mail, or any other mean that permits the confirmation of receipt of the call notice by the addressee, and any such call notice shall contain the venue, date, hour and agenda of the meeting.

**Paragraph 1.** The call notices shall be delivered with prior notice of, at minimum, 5 (five) business days, in the event of annual meetings, and with prior notice of, at minimum, 2 (two) business days, in the event of extraordinary meetings.

**Paragraph 2.** The resolutions taken in the meetings of the board of directors shall be restricted to the matters listed in the call notice, however, the resolution on matters which were not included in the call notice shall be authorized in the event the meeting was held with the presence of any and all members of the board of directors.

**Article 32.** The quorum for the holding of the meetings of the board of directors, on the first call, shall consist of the majority of the members of the board of directors. On the second call, which shall be subject to a new call notice delivered to the directors in conformity with Article 31, the meeting shall be held with any number of directors.

**Sole Paragraph.** Notwithstanding the adoption of any calling procedures, the meeting of the board of directors attended by all members of the board of directors shall be deemed as regularly held.

**Article 33.** Except if otherwise set forth herein, the resolutions of the board of directors shall be taken based on the vote of the majority of the members attending the meetings.

**Paragraph 1.** No member of the board of directors with any interests contrary to the Company's interests, in conformity with the legislation, shall have access to any information, participate in resolutions and discussions of the board of directors or any other management bodies, exercise the vote or in any manner whatsoever interfere with the meetings of any such management body.

**Paragraph 2.** Any and all resolutions of the board of directors shall be included in minutes drafted in the respective book and executed by the attending directors.

## **Chapter VI** **Advisory Committees of the Board of Directors**

**Article 34.** The Audit and Compliance Committee shall perform advisory duties, in conformity with the internal regulation thereof, in order to advise the board of directors in connection with the activities of evaluation and control of the independent and internal audits, and to review the Company's financial statements.

**Article 35.** The Compensation Committee shall perform the following duties in conformity with the internal regulation thereof, and the recommendations provided by the Compensation Committee shall not be binding:

- (a) support the board of directors for purposes of establishment of the compensation plans, policies and programs for the Company's officers, directors and employees; and

- (b) approve the payment of compensation and granting of options for the purchase of shares issued by the Company to the Company's officers, directors and employees, in accordance with the plan approved by the General Meeting.

**Article 36.** The board of directors shall elect, among the members thereof, 3 (three) members to participate in each of the Audit and Compensation Committees, of which 2 (two) members shall be Independent Directors.

**Paragraph 1.** The operation of the advisory committees of the board of directors shall be governed by the board of directors, subject to the respective internal regulations and the provisions set forth herein.

**Paragraph 2.** The board of directors shall have authority to create additional advisory committees for restricted and specific purposes and with duration term, and shall appoint the respective members thereof among the members of the Company's management and/or any other persons related, whether directly or indirectly, to the Company.

## **Chapter VII**

### **Board of Executive Officers**

**Article 37.** The board of executive officers, which members shall be elected and removed on any time by the board of directors, shall consist of, at minimum, 2 (two) Officers. The Officers shall have a joint term of office of 2 (two) years, reelection being permitted.

**Sole Paragraph.** In the event of vacancy in any of the positions in the Board of Executive Officers, the temporary alternate shall be appointed by the Chief Executive Officer, or in the event of vacancy in the position of Chief Executive Officer, the temporary alternate shall be appointed by the remaining Officers, who shall remain in the position up to the date of the subsequent meeting of the board of directors, which shall be promptly called by the Chairman of the board of directors or, in the absence thereof, by the persons listed in Article 31 hereof, for the appointment of the respective alternate who shall remain in the position up to the remainder of the term of office of the officer who was substituted.

**Article 38.** The board of executive officers is the Company's representation body, and the Officers shall comply and cause compliance herewith and with the resolutions of the General Meeting and the board of directors, and shall perform, within the scope of the authority thereof, any and all actions for the management of the Company's business and any and all actions required in connection with the Company's regular operation.

**Sole Paragraph.** Subject to the authority levels set forth in Article 28 hereof, the management and administration of the Company's business shall be incumbent upon the board of executive officers, which board of executive officers shall in particular:

- (a) comply and cause compliance herewith and with the resolutions of the General Meeting and the board of directors;
- (b) coordinate, manage, guide and supervise any and all Company's activities, including those related to the accounting, financial, administrative and human resources areas;
- (c) manage and allocate the services and tasks of the Company's internal management;
- (d) hire or dismiss employees invested in management positions;
- (e) open and carry out transfers from/to bank accounts;

- (f) carry out financial transactions, execute agreements and articles of dissolution, create liens and tender pledges, sureties and collaterals, in conformity with the terms and conditions set forth herein and in the Brazilian Corporate Law;
- (g) issue, endorse, accept, redeem and pledge trade notes, invoices, bills of exchange, checks, promissory notes, warrants or any other credit notes;
- (h) prepare the Management's Report, the Board of Executive Officers' accounts and the Company's financial statements, as well as the proposal for allocation of the net income recorded, for purposes of analysis by the board of directors and the General Meeting;
- (i) submit, to the board of directors, the Company's annual budget, business plan and capital budget;
- (j) perform the duties inherent to other authorities which were assigned by the General Meeting or the board of directors; and
- (k) take resolution on any matters which are not solely incumbent upon the General Meeting or the board of directors.

**Article 39.** In addition to any other powers assigned by the board of directors, the Chief Executive Officer shall call and preside over the meetings of the board of executive officers, manage and coordinate the activities performed by the board of executive officers and manage the activities related to the Company's general planning.

**Article 40.** In addition to any other powers assigned by the board of directors, the Investor Relations Officer shall provide any and all information to the investors, CVM and the stock exchange or over-the-counter market where the securities issued by the Company were traded, and shall also keep the Company's registration updated in conformity with CVM's applicable regulations.

**Article 41.** The board of executive officers shall validly meet with the presence of the absolute majority of the Officers and shall take resolution based on the vote of the majority of the attending Officers.

**Paragraph 1.** The call notices for the meetings of the board of executive officers shall be delivered by means of a notice in writing to the Officers, with minimum prior notice of 2 (two) business days, and shall contain the agenda, date, hour and venue of the meeting.

**Paragraph 2.** Any and all resolutions taken by the board of executive officers shall be included in the minutes drafted in the respective book and executed by the attending Officers.

**Article 42.** Except for the events set forth in the paragraphs of this Article, the Company shall be represented and shall solely be considered as validly bound by virtue of the performance of any action by or upon the signature of:

- (a) 2 (two) Officers;
- (b) any Officer together with an attorney-in-fact with specific powers; or
- (c) 2 (two) attorneys-in-fact with specific powers.

**Paragraph 1.** The actions with respect to which any previous authorization of the board of directors is required in conformity with the terms and conditions set forth herein shall solely be considered as valid provided that upon fulfillment of any such requirement.

**Paragraph 2.** The Company may be solely represented by 1 (one) Officer or 1 (one) attorney-in-fact with specific powers in connection with the performance of the following actions:

- (a) the Company's representation in connection with regular activities performed outside the head office;
- (b) the Company's representation in the meetings of shareholders of any companies in which the Company holds ownership interest;
- (c) the Company's representation in the courts, other than the performance of actions resulting in the waiver of rights; and
- (d) the performance of actions of mere administrative routine, including before governmental agencies, mixed-capital companies, trade boards, Labor Court, INSS, FGTS and the collecting banks thereof, and any other agencies of similar nature.

**Paragraph 3.** The board of directors may authorize the performance of specific actions which are binding upon the Company by virtue of the signature of only 1 (one) Officer or 1 (one) attorney-in-fact validly retained, or also, may establish the powers and authority level for the performance of actions by one single representative.

**Article 43.** Any and all powers of attorneys shall be jointly granted by 2 (two) Officers, upon mandate with specific powers and defined validity period, other than in the events of *ad judicia* powers of attorney, in which event the power of attorney may have an indefinite validity period, by means of public or private instrument. Any Officer or attorney-in-fact may, individually, represent the Company before the courts, in the capacity of plaintiff or defendant.

**Article 44.** The Officers shall be prohibited from:

- (a) binding the Company in any business which are not consistent with the Company's purpose and interests;
- (b) binding the Company in connection with any financing, pledges, sureties or guarantees of endorsement that are not related to the Company's business; and
- (c) receiving from third parties any personal benefit, whether direct or indirect, by virtue of the exercise of the position thereof.

### **Chapter VIII** **Fiscal Council**

**Article 45.** The Company shall have a Fiscal Council consisting of, at minimum, 3 (three) and, at maximum, 5 (five) members, and an equal number of alternates, whether shareholders or not, with a joint term of office of 1 (one) year, reelection being permitted. The Fiscal Council shall operate on temporary basis, and the respective powers, responsibilities and duties thereof shall be provided for in the legislation. The Fiscal Council shall solely be established upon resolution of the General Meeting or at the request of the shareholders in the events set forth in the Brazilian Corporate Law. In the event of existence of Controlling Shareholder or Group of Controlling Shareholders, the provisions set forth in paragraph 4, Article 161 of the Brazilian Corporate Law shall be applicable and, in the event of Widespread Control, the provisions set forth in Paragraphs 1, 2 and 3 of this Article shall be applicable.

**Paragraph 1.** The absolute majority of the shareholders attending the General Meeting shall elect the majority of the members of the Fiscal Council and the respective alternates. The remaining shareholders shall elect the remaining members of the Fiscal Council and the respective alternates.

**Paragraph 2.** The shareholder or Group of Shareholders, other than that which elected any member of the Fiscal Council as set forth in Paragraph 1 of this Article, shall be entitled to similar rights, in conformity with the same election terms and conditions.

**Paragraph 3.** The remaining shareholders, other than those which voted in the election of the members of the Fiscal Council as set forth in Paragraphs 1 or 2 of this Article, may elect the active members and alternates which, in any circumstance whatsoever, shall be in a number equivalent to the members elected in conformity with Paragraphs 1 or 2 of this Article, plus 1 (one) member.

**Paragraph 4.** The members of the Fiscal Council shall be elected by the General Meeting that approves the establishment of the Fiscal Council and the respective terms of office shall end in the first Annual General Meeting subsequent to the election thereof on any account.

**Paragraph 5.** Upon establishment of the Fiscal Council, the investiture in the positions shall be carried out by means of an instrument drafted in own book and executed by the member of the Fiscal Council thereby invested in the position, and by means of the previous execution of the Instrument of Consent of the Members of the Fiscal Council in conformity with the provisions set forth in the Listing Rules of the *Novo Mercado*.

**Paragraph 6.** The members of the Fiscal Council shall elect the Chairman in the first meeting of the Fiscal Council to be held after the establishment thereof.

**Paragraph 7.** The members of the Fiscal Council shall be substituted, in the event of absence and impediment thereof, by the respective alternates. In the event of vacancy in any position in the Fiscal Council, the respective alternate shall be invested in the respective position. In the event of lack of any alternate, the General Meeting shall be promptly called in order to elect the alternate who shall remain in the position for the remainder of the term of office of the substituted member.

**Article 46.** The Fiscal Council shall meet, in conformity with the legislation, whenever necessary and shall analyze the Company's financial statements, at minimum, on quarterly basis.

**Paragraph 1.** Notwithstanding the adoption of any formal procedures, the meeting attended by all members of the Fiscal Council shall be considered as regularly called.

**Paragraph 2.** The Fiscal Council shall be established with the presence of the majority of the members thereof and shall vote by means of the majority of the attending members.

**Paragraph 3.** Any and all resolutions of the Fiscal Council shall be included in the minutes drafted in the respective book and executed by the attending members.

**Article 47.** The remuneration payable to the members of the Fiscal Council shall be established by the General Meeting that elected any such members, in conformity with the provisions set forth in Paragraph 3, Article 162 of the Brazilian Corporate Law.

## **Chapter IX**

### **Fiscal Year. Financial Statements and Allocation of Profits**

**Article 48.** The fiscal year shall begin on January 1 and shall end on December 31.

**Sole Paragraph.** At the end of each fiscal year, the board of executive officers shall prepare the financial statements provided for in the legislation and in the applicable regulation.

**Article 49.** The board of directors shall submit to the Annual General Meeting a proposal for the allocation of the net income for the year, together with the financial statements for the year.

**Paragraph 1.** The net income for the year, which will be the subject matter of the proposal for allocation in conformity with the terms and conditions set forth in the *caput* of this Article 49, shall be reduced by virtue of:

- (a) any potential accumulated losses;
- (b) provision for Income Tax; and
- (c) the profit sharing set forth in Article 190 of the Brazilian Corporate Law and Paragraph 2 of this Article 49.

**Paragraph 2.** For purposes of calculation of the dividends to be paid to the Company's shareholders in conformity with Article 202 of the Brazilian Corporate Law, after the deductions set forth in Paragraph 1 of this Article 49, the net income for the year shall be adjusted by the following factors:

- (a) deduction of, at minimum, a percentage rate of 5% (five percent), to be recorded in the legal reserve account, until any such reserve reaches a value equivalent to a percentage rate of 20% (twenty percent) of the capital stock. In the year in which the value recorded in the legal reserve account increased by the value recorded in the capital reserve account represents a value greater than a percentage rate of 30% (thirty percent) of the capital stock, the deduction and the allocation set forth herein shall not be mandatory;
- (b) deduction of the value allocated for the establishment of the provision for contingencies, which value shall be proposed by the management, and any potential reversal of any such reserve, if applicable;
- (c) deduction of the value necessary for the payment of the minimum annual mandatory dividend, which value shall not be lower, in each year, than a percentage rate of 25% (twenty five percent) of the annual net income adjusted as set forth herein and in Article 202 of the Brazilian Corporate Law. In the year in which the value of the mandatory dividend exceeds the realized portion of the net income for the year, the meeting may, upon management's proposal, allocate the surplus value for the establishment of the unrealized revenue reserve;
- (d) deduction of a percentage rate of up to 10% (ten percent) of the outstanding balance after the payment of the dividends set forth in item (c) above, to be allocated for the redemption, repurchase or acquisition of shares issued by the Company, or for the performance of the Company's activities, without prejudice to the provisions set forth in Article 196 of the Brazilian Corporate Law; and
- (e) any potential outstanding balance shall be allocated as established by the General Meeting, in conformity with the legal provisions, and any retention of profits for the year by the Company shall be provided for in a capital budget previously approved by the board of directors, in conformity with Article 196 of the Brazilian Corporate Law. In the event the balance of the revenue reserves exceeds the value of the capital stock, the General Meeting shall take resolution on the allocation of the surplus value for the payment or increase of the capital stock, or also the distribution of dividends.

**Paragraph 3.** The dividend provided for in item "c", of Paragraph 2 of this Article 49 shall not be mandatory in the fiscal year in which the board of directors informs the Annual General Meeting that the payment of any such dividend is inconsistent with the Company's financial condition. Any such financial condition shall be disclosed to CVM, within a period of 5 (five) days counted from the date of the Annual General Meeting, by means of a notice duly accompanied by the respective explanation provided by the board of directors and the opinion of the Fiscal Council thereon.

**Article 50.** Upon the proposal submitted by the board of executive officers, approved by the board of directors, by referendum of the Annual General Meeting, the Company shall be authorized to pay or credit interest attributed to equity to the shareholders, on the dates established based on the Company's discretion, as interest attributed to the equity interest held by any such shareholders, in conformity with the applicable legislation. Any potential values to be so disbursed may be included in the value of the dividends to be paid by the Company, and shall become an integral portion thereof for any and all legal purposes.

**Paragraph 1.** In the event of payment of interest to the shareholders during the fiscal year, the shareholders shall be remunerated by means of the payment of dividends to which any such shareholders are entitled, and any such shareholders shall be entitled to the payment of any potential outstanding balance. In the event the value of the dividends is lower than the value actually paid, the Company shall not charge the shareholders for the excess balance.

**Paragraph 2.** The actual payment of the interest attributed to equity, upon payment in the fiscal year, shall be made upon resolution of the board of directors, during the fiscal year or in the subsequent year but shall not be made subsequent to the dates of payment of the dividends in no manner whatsoever.

**Article 51.** The Company may prepare interim balance sheets or balance sheets for shorter periods and may declare, upon resolution of the board of directors:

- (a) the payment of interim dividends or interest attributed to equity out of the profits recorded in the interim balance sheet;
- (b) the payment of dividends for periods lower than 6 (six) months, or interest attributed to equity, provided that the total dividends paid in each six-month period of the fiscal year are not greater than the value of the capital reserves set forth in Paragraph 1, of Article 182 of the Brazilian Corporate Law; and
- (c) the payment of interim dividends or interest attributed to equity out of the retained earnings or revenue reserves accounts recorded in the most recent balance sheet for the year or six-month period.

**Article 52.** The General Meeting may take resolution on the capitalization of revenue or capital reserves, including those recorded in interim balance sheets, in conformity with the applicable legislation.

**Article 53.** Any dividends not received or claimed shall lapse within a period of 3 (three) years counted from the date in which any such dividends were made available to the shareholder, and shall revert to the Company.

**Article 54.** The General Meeting may establish a profit sharing program to the Company's officers, directors and employees, which value shall not be greater than a percentage rate of 10% (ten percent) of the outstanding balance of the net income for the year, after the deduction of accumulated losses

and the provision for income tax and social contribution, in the events, in the manner and based on the limits set forth in the Brazilian Corporate Law and herein.

**Paragraph 1.** The profit sharing shall solely be paid in the year in which the mandatory dividends set forth in item "c", of Paragraph 2, of Article 49 hereof, are paid to the shareholders.

**Paragraph 2.** Whenever the Company pays interim dividends based on the net income recorded in the balance sheet for the six-month period, which value is, at minimum, equivalent to a percentage rate of 25% (twenty five percent) of the net income for the period, calculated in conformity with the terms and conditions set forth in Article 49 hereof, the board of directors may take resolution, by referendum of the General Meeting, on the payment of profit sharing for the six-month period to the officers and directors.

## **Chapter X**

### **Transfer of Control, Cancellation of the Publicly-held Company's Registration, Delisting from the *Novo Mercado***

#### Clause I – Transfer of Control

**Article 55.** The transfer of the Company's Controlling Power, whether by means of one single transaction or by means of a series of successive transactions, shall be carried out on precedent or resolutive condition that the buyer of the Controlling Power undertakes to carry out a public offering for the acquisition of the outstanding shares held by the Company's remaining shareholders, in conformity with the terms and conditions set forth in the legislation in force and in the Listing Rules of the *Novo Mercado*, in order to ensure that the Company's remaining shareholders are entitled to the same terms and conditions granted to the Selling Controlling Shareholder.

**Paragraph 1.** For the purposes of the public offering set forth in the *caput* of Article 55, the Selling Controlling Shareholder and the buyer shall promptly deliver to BOVESPA the statement containing the price and any other terms and conditions concerning the transaction for transfer of the Company's Controlling Power.

**Article 56.** The public offering set forth in Article 55 hereof shall also be required:

- (a) in the event of remunerated assignment of the rights for subscription of shares and any other securities or rights relating to any securities convertible into shares, that gives rise to the transfer of the Company's control; or
- (b) in the event of transfer of the Controlling Power of any company which is the holder of the Company's Controlling Power and, in any such event, the Selling Controlling Shareholder shall be required to declare to BOVESPA the value attributed to the Company in connection with any such transfer and attach the supporting documentation thereon.

**Article 57.** Any company or person which is the holder of the shares issued by the Company and acquires the Company's Controlling Power by virtue of a private agreement for the purchase of shares entered into with the Controlling Shareholder, involving any number of shares, shall be required to:

- (a) carry out the public offering set forth in Article 58 hereof; and
- (b) reimburse the shareholders from which any such company or person acquired shares in the stock exchange within a period of 6 (six) months prior to the date of transfer of the Company's Controlling Power, which shareholders shall receive the difference between the price paid to the Selling Controlling Shareholder and the price paid in the stock exchange in



connection with the shares issued by the Company in the same period, duly restated up to the payment date, based on the IGP-M or any other similar basic index which substituted the IGP-M.

**Article 58.** The Selling Controlling Shareholder or the Group of Selling Controlling Shareholders shall not transfer the ownership of the shares held by any such Selling Controlling Shareholder or Group of Selling Controlling Shareholders, nor the Company shall register any transfer of shares to the buyer or to any company(ies) or person(s) which become the holder(s) of the Controlling Power, so long as the buyer or any such company(ies) or person(s) do(es) not execute the Instrument of Consent of the Controlling Shareholders described in the Listing Rules of the *Novo Mercado*.

**Paragraph 1.** The Company shall not register any shareholders' agreement which provides for the exercise of the Controlling Power so long as the signatories thereof do not execute the Instrument of Consent stated in the *caput* of this Article.

**Paragraph 2.** After any transaction for the transfer of the Company's Controlling Power, the buyer shall, if necessary, adopt any and all applicable measures to re-establish the minimum percentage rate of outstanding shares provided for in the Listing Rules of the *Novo Mercado*, within a period of 6 (six) months subsequent to the transfer of the Controlling Power.

Clause II – Delisting from the *Novo Mercado* and Cancellation of the Publicly-held Company's Registration

**Article 59.** In the event the shareholders present in the General Meeting approve:

- (a) the cancellation of the publicly-held company's registration, the Controlling Shareholder, the Group of Controlling Shareholders or the Company, however the case may be, shall carry out the public offering for the acquisition of the shares held by the Company's remaining shareholders, at minimum, based on the respective Market Value, to be calculated by means of an appraisal report prepared in conformity with Paragraphs 1 to 3 of this Article 59, in conformity with the applicable legal and regulatory rules; or
- (b) the delisting from the *Novo Mercado* segment, so that the shares held by the aforesaid shareholders are registered for trading outside the *Novo Mercado* segment or by virtue of the corporate restructuring in which the surviving company is not listed on the *Novo Mercado* segment, the Controlling Shareholder or Group of Controlling Shareholders shall carry out the public offering for the acquisition of the shares held by the Company's remaining shareholders, at minimum, based on the respective Market Value, to be calculated by means of an appraisal report prepared in conformity with Paragraphs 1 to 3 of this Article 59, in conformity with the applicable legal and regulatory rules.

**Paragraph 1.** The appraisal reports described in the *caput* of this Article shall be prepared, in conformity with the terms and conditions set forth in Paragraph 1 of Article 8 of the Brazilian Corporate Law, by a specialized institution or company, with recognized experience and independent from the Company, its officers, directors and/or Controlling Shareholder with respect to the decision-making power, and any such institution or company shall be responsible for the respective appraisal in conformity with paragraph 6, of Article 8 of the Brazilian Corporate Law.

**Paragraph 2.** The selection of the specialized institution or company responsible for the establishment of the Company's Market Value shall be solely incumbent upon the General Meeting. Any such specialized institution or company shall be selected out of a triple list submitted by the board of directors, and the respective resolution thereon, excluding blank votes, shall be taken by the majority of the votes of the shareholders representing the Outstanding Shares, present in the respective General Meeting which, if established on the first call, shall be attended by the shareholders representing, at

minimum, a percentage rate of 20% (twenty percent) of the total Outstanding Shares or which, if established on the second call, shall be attended by any number of shareholders representing the Outstanding Shares.

**Paragraph 3.** The costs incurred in connection with the preparation of the appraisal reports shall be fully borne by the persons or companies in charge of the conduction of the public offering.

**Article 60.** In the event of the Company's Widespread Control, whenever the General Meeting approves:

- (a) the cancellation of the Company's registration as publicly-held company, the Company shall carry out a public offering for the acquisition of the shares issued by the Company itself and, in any such event, the Company shall solely acquire the shares held by the shareholders that voted favorably to the cancellation of the registration in the General Meeting, after the acquisition of the shares held by the remaining shareholders that voted against the cancellation and that have accepted the public offering; and
- (c) the Company's delisting from the *Novo Mercado* segment, whether by virtue of registration for trading of the shares outside the *Novo Mercado* segment or by virtue of a corporate restructuring as set forth in item "b" of the *caput* of Article 59 hereof, the shareholders that voted favorably to the delisting in the General Meeting shall carry out the public offering for the acquisition of the shares held by the Company's remaining shareholders.

**Article 61.** In the event of the Company's Widespread Control and if BOVESPA establishes that the prices of the securities issued by the Company shall be individually disclosed or that the trading of the securities issued by the Company on the *Novo Mercado* segment shall be interrupted by virtue of the failure to perform the obligations contained in the Listing Rules of the *Novo Mercado* by means of any management's action or fact, a General Meeting shall be called, in conformity with Article 123 of the Brazilian Corporate Law, in order to remove and substitute the members of the board of directors or adopt the procedures necessary to resolve the failure to perform the obligations contained in the Listing Rules of the *Novo Mercado*.

**Article 62.** In the event the adoption of the procedures stated in Article 61 above does not resolve the failure to perform the obligations contained in the Listing Rules of the *Novo Mercado* within the period defined by BOVESPA for any such purpose, the Company shall, subject to the applicable legal provisions, carry out the public offering for acquisition of shares for purposes of cancellation of the publicly-held company's registration, which public offering shall be targeted to any and all shareholders.

**Sole Paragraph.** In the event the General Meeting takes resolution on the maintenance of the Company's registration as publicly-held company, the public offering for the acquisition of shares shall be targeted to the shareholders that voted favorably to any such resolution.

**Article 63.** In the event of the Company's Widespread Control and in the event of the Company's delisting from the *Novo Mercado* segment by virtue of the failure to perform the obligations contained in the Listing Rules of the *Novo Mercado* (i) if the failure to perform arises out of any resolution taken by the General Meeting, the public offering for the acquisition of shares shall be carried out by the shareholders that voted favorably to the resolution that gave rise to the failure to perform, and (ii) if the failure to perform arises out of any management's action or fact, the Company shall carry out the public offering for the acquisition of shares, which public offering shall be targeted to any and all Company's shareholders.

**Article 64.** The preparation of one sole public offering is permitted for purposes of attainment of more than one of the purposes set forth in Chapter XI hereof, the Listing Rules of the *Novo Mercado*, the Brazilian Corporate Law or the regulation issued by CVM, provided that:

- (a) the procedures adopted in connection with any and all types of public offering are compatible;
- (b) no loss is incurred by the target audience of the public offering; and
- (c) the CVM's authorization is obtained when required in conformity with the applicable legislation.

**Article 65.** The Company or the shareholders in charge of the conduction of the public offering provided for herein, in the Listing Rules of the *Novo Mercado*, the Brazilian Corporate Law or the regulation issued by CVM may guarantee the conduction thereof by means of any shareholder, any third party and, however the case may be, the Company itself. The Company or the shareholder, however the case may be, shall not be hold harmless from and against the obligation to carry out the public offering until any such public offering is concluded in conformity with the applicable rules.

## **Chapter XI**

### **Definitions**

**Article 66.** For the purposes hereof, the following terms in capital letters shall have the following meanings:

"Controlling Shareholder" means the shareholder or Group of Shareholders bound by a shareholders' agreement or under common control and which exercises the Company's Controlling Power.

"Selling Controlling Shareholder" means the Controlling Shareholder which transfers the Company's control.

"Outstanding Shares" mean any and all shares issued by the Company, other than the shares held by the Controlling Shareholder, any persons related to the Controlling Shareholder, any Company's officers and directors, any shares held in treasury and any preferred shares of extraordinary class which purpose is to ensure different political rights, non-transferable and solely held by any governmental entity, if applicable.

"Independent Director" means the director who (a) has no relationship with the Company, other than equity interest in the capital stock; (b) is not a Controlling Shareholder, spouse or relative up to the second degree of the director, or is or has not been, in the last 3 (three) years, an employee of any company or entity related to the Controlling Shareholder (except for persons related to public schools and/or research institutions); (c) has not been, in the last 3 (three) years, the Company's employee or Officer, or an employee or Officer of the Controlling Shareholder or any entity controlled by the Company; (d) is not a supplier or buyer, whether direct or indirect, of the Company's services and/or products, to an extent that could jeopardize the independence thereof; (e) is not an employee, officer or director of any company or entity that offers or demands services and/or products to/from the Company; (vi) is not the spouse or relative up to the second degree of any Company's officer and director; (vii) does not receive any other compensation from the Company, other than that related to the position of director (except for revenues arising out of equity interest in the capital stock).

"Controlled Company" means the company in which the Company holds the Controlling Power.

"Controlling Company" means the company which exercises the Company's Controlling Power.

"Widespread Control" means the Controlling Power exercised by any shareholder holding a percentage rate lower than 50% (fifty percent) of the capital stock, and also by any shareholder(s) which is(are) not classified as member(s) of the Group of Shareholders.

"Group of Shareholders" means the group consisting of two or more members (including, for example, any individual or legal entity, joint-ventures, investment funds or groups, foundations, associations, trusts, cooperatives, securities portfolios, universal rights, or any other methods of organization or development, incorporated in Brazil or abroad):

- (a) that is bound by agreements or contracts of any nature, including shareholders' agreements, whether verbal or in writing, directly or by means of Controlled Companies, Controlling Companies or Companies under Common Control;
- (b) amongst which there is any relationship of Controlling Power, whether directly or indirectly;
- (c) under common Controlling Power; or
- (d) that acts representing a common interest. Among the persons representing a common interest are: (d.i) any person that holds, whether directly or indirectly, equity interest equivalent to or greater than a percentage rate of 30% (thirty percent) in the capital stock of another person; and (d.ii) two persons which have a third-party common investor that holds, whether directly or indirectly, equity interest equivalent to or greater than a percentage rate of 30% (thirty percent) in the capital stock of each of the two persons;
- (e) in the event of joint ventures, investment funds or groups, foundations, associations, trusts, cooperatives, securities portfolios, universal rights, or any other methods of organization or development, incorporated in Brazil or abroad, the foregoing shall be considered as part of the same Group of Shareholders, whenever two or more of the aforesaid entities: (e.i) are administered or managed by the same legal entity or by parties related to the same legal entity; or (e.ii) have the majority of the officers and directors in common, it being understood that in the event of investment funds with a common manager, it shall solely be considered as members of one Group of Shareholders those which decision on the exercise of votes in General Meetings, in conformity with the respective bylaws, is incumbent upon the manager, on discretionary basis;

"Controlling Power" means the power actually exercised to manage the corporate activities and guide the operation of the Company's bodies, whether directly or indirectly, in fact and by operation of law. There is a relative assumption of ownership of the controlling power with respect to any person or group of persons bound by a shareholders' agreement or under common control which is the holder of shares that ensures the absolute majority of the votes of the shareholders in attendance in the Company's three last General Meetings, even though any such person or group of persons is not the holder of the shares that ensures the absolute majority of the voting capital.

"Market Value" means the Company's and its shares' market value which is established by a specialized company, upon the adoption of a recognized method or based on any other criterion to be defined by CVM.

## **Chapter XII** **Liquidation**

**Article 67.** The Company shall be dissolved and liquidated in the events set forth in the legislation. The method of liquidation, election of the liquidator(s) and the members of the Fiscal Council, which shall

operate in the liquidation period, and the establishment of the powers and compensation of the members of the Fiscal Council and the liquidator(s) shall be incumbent upon the General Meeting.

### **Chapter XIII**

#### **Arbitration**

**Article 68.** The Company, its shareholders, officers, directors and the members of the Fiscal Council, if any, shall be required to resolve by means of arbitration any and all dispute or controversy that may arise among the Company, its shareholders, officers, directors and the members of the Fiscal Council, if any, related to or arising out of, in particular, the application, validity, enforceability, interpretation, breach and the results thereof, of the provisions contained herein, in the Brazilian Corporate Law, in the rules edited by the National Monetary Council, the Central Bank of Brazil and CVM, in any other rules applicable to the operation of the capital markets in general, in addition to those contained in the Listing Rules of the *Novo Mercado*, the Agreement for Listing on the *Novo Mercado*, the Arbitration Rules of the Market Arbitration Committee, which arbitration shall be conducted with the Market Arbitration Committee established by BOVESPA, in conformity with the Regulation of the aforesaid Committee.

**Paragraph 1.** Without prejudice to the validity of this arbitration clause, any of the parties to the arbitration proceeding shall have the right to appeal to the Judiciary Branch in order to request, if and when applicable, preliminary injunctions for the protection of rights, whether in connection with any arbitration proceeding already commenced or not yet commenced and, immediately after the granting of the preliminary injunction of any such nature, the authority to hand down a decision on the merits of the case shall be promptly returned to the arbitration court established or to be established. For the purposes of this sole paragraph, the court of the Judiciary District of São Paulo, in the State of São Paulo, is hereby elected, to the exclusion of any other, however privileged it may be.

### **Chapter XIV**

#### **General Provisions**

**Article 69.** No shareholders' agreement that governs the exercise of the voting rights in breach of the provisions set forth herein shall be filed by the Company.

**Article 70.** The Company shall deliver, by means of e-mail, any and all notifications, notices, financial statements and periodical information disclosed or sent to the Brazilian Securities and Exchange Commission, to any and all shareholders that request any such delivery in writing, containing the respective validity period, which shall not be greater than a period of 2 (two) years, and that inform the respective e-mail; any such notice shall not substitute the publications required by the law and shall be made upon the express waiver of rights, by the shareholder, in connection with the Company's liability for any failures or omissions with respect to the delivery.

**Article 71.** The events not provided for herein shall be resolved by the General Meeting and governed in accordance with the provisions set forth in the Brazilian Corporate Law.

### **Chapter XV**

#### **Temporary Provisions**

**Article 72.** The events not provided for herein shall be resolved by the General Meeting and governed in accordance with the provisions set forth in the Brazilian Corporate Law.

**Article 73.** The members of the board of directors elected as of the date of approval hereof shall be invested in the office up to the date of the Annual General Meeting that approves the financial

statements for the year ended December 31, 2010. Thereafter, the term of the office of the members of the board of directors shall correspond to the term of office set forth in Article 24 hereof.

**Article 74.** The provisions contained in Chapters X and XI and the rules concerning the Listing Rules of the *Novo Mercado* of the São Paulo Stock Exchange shall solely be valid as of the date of approval of the Company's registration as publicly-held company by CVM.

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