

SECURITIES AND EXCHANGE COMMISSION

FORM 8-A12B

Form for the registration/listing of a class of securities on a national securities exchange pursuant to
Section 12(b)

Filing Date: **2006-03-27**
SEC Accession No. **0001104659-06-019487**

([HTML Version](#) on [secdatabase.com](#))

FILER

PERDIGAO SA

CIK: **1122491** | IRS No.: **000000000** | State of Incorporation: **D5** | Fiscal Year End: **1231**
Type: **8-A12B** | Act: **34** | File No.: **001-15148** | Film No.: **06712235**
SIC: **2011** Meat packing plants

Mailing Address
760 AVE ESCOLA
POLITECNICA
JAGUARE 05350 901 SAO
APAULO SP
BRAZIL D5 00000

Business Address
760 AV ESCOLA POLITECNIA
JAGUARE 05350-000
SAO PAULO SP BRAZIL D5
00000

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-A

**FOR REGISTRATION OF CERTAIN CLASSES OF SECURITIES
PURSUANT TO SECTION 12(b) OR (g) OF THE
SECURITIES EXCHANGE ACT OF 1934**

PERDIGÃO S.A.

(Exact name of registrant as specified in its charter)

FEDERATIVE REPUBLIC OF BRAZIL

(State of incorporation or organization)

NOT APPLICABLE

(I.R.S. Employer Identification No.)

760, Avenida Escola Politécnica, Jaguaré 05350-000 São Paulo, SP, Brazil

(Address of principal executive offices)

(Zip Code)

Securities to be registered pursuant to Section 12(b) of the Act:

Title of each class to be so registered	Name of each exchange on which each class is to be registered
Common shares, without par value	The New York Stock Exchange*
American Depositary Shares (as evidenced by American Depositary Receipts), each representing two shares of common stock	The New York Stock Exchange

*Not for trading purposes, but only in connection with the registration on The New York Stock Exchange of American Depositary Shares representing those common shares.

If this form relates to the registration of a class of securities pursuant to Section 12(b) of the Exchange Act and is effective pursuant to General Instruction A.(c), check the following box.

If this form relates to the registration of a class of securities pursuant to Section 12(g) of the Exchange Act and is effective pursuant to General Instruction A.(d), check the following box.

Securities Act registration statement file number to which this form relates: 1-15148 (if applicable)

Securities to be registered pursuant to Section 12(g) of the Act:

(Title of class)

ITEM 1. DESCRIPTION OF REGISTRANT' S SECURITIES TO BE REGISTERED

Set forth below is a summary of the material terms of provisions of our common shares, including related provisions of our bylaws, Brazilian Corporation Law and the rules and regulations of the CVM regarding management, reporting and disclosure requirements, and other corporate matters.

This description does not purport to be complete and is qualified by reference to our bylaws, Brazilian Corporation Law, the rules and regulations of CVM and the rules of the *Novo Mercado*.

Unless otherwise indicated or the context otherwise requires, all references in this description to “we”, “our”, “ours”, “us”, the “Company” or similar terms refer to Perdigão S.A. and its consolidated subsidiaries.

Capital Stock

As of March 8, 2006 our share capital corresponded to R\$ 800,000,000.00 all of which fully subscribed and paid in, comprising 15,471,957 common shares and 29,180,427 preferred shares, all with no par value.

At a shareholders meeting held on March 8, 2006 and a special meeting of holders of our preferred shares, held on that same date, our shareholders, among other things, approved: (i) the conversion of all of our preferred shares into common shares, on a 1-to-1 basis; (ii) the 1-to-3 stock split of our capital stock; (iii) the Company' s adherence to the *Novo Mercado* rules and the transfer of trading of the shares issued by the Company to the *Novo Mercado*; and (iv) amendments to our bylaws. Such decisions, including our new bylaws, will come into effect on April 12, 2006.

In order to join the *Novo Mercado*, we will enter into the *Novo Mercado* Participation Agreement with the BOVESPA. Through this agreement, which will become effective on April 12, 2006, we will be required to adhere to heightened requirements relating to corporate governance and the disclosure of information to the market. Additionally, as of such date, our shares will be traded on the *Novo Mercado* segment of the BOVESPA.

After the conversion of the preferred shares into common shares and the subsequent split of the common shares on April 12, 2006, as approved by our shareholders on March 8, 2006, our share capital was comprised of 133,957,152 common shares, all with no par value. Under our bylaws, our board of directors may increase our share capital up to the limit of our authorized share capital by issuing up to 180,000,000 common shares without seeking specific shareholder approval. Our shareholders must approve any capital increase above that amount at a shareholders' meeting. Pursuant to the *Novo Mercado* Regulations, we are not permitted to issue preferred shares, participation bonuses or any kind of shares with restricted voting rights. Therefore, this section does not discuss the Brazilian statutory rights conferred upon holders of preferred shares.

This section is based on the Company' s new bylaws, approved at the shareholders meeting held on March 8, 2006, which will become effective on April 12, 2006.

Rights of Common Shares

At our shareholders' meetings, each share of common stock is generally empowered with one vote. Pursuant to our bylaws and our BOVESPA listing agreement in connection with the listing of our shares on the *Novo Mercado*, we cannot issue shares without voting rights or with restricted voting rights. In addition, our bylaws and Brazilian Corporation Law provide that holders of our shares are entitled to dividends or other distributions made in respect of our shares ratably in accordance with their respective participation in the total amount of

our issued and outstanding shares. See “– Payment of Dividends and Interest Attributable to Shareholders’ Equity” for a more complete description of payment of dividends

and other distributions on our shares. In addition, upon our liquidation, holders of our shares are entitled to share our remaining assets, after payment of all of our liabilities, ratably in accordance with their respective participation in the total amount of our issued and outstanding shares. Holders of our shares are not obligated to subscribe to future capital increases and are generally entitled to preemptive rights to subscribe for new shares as provided by Brazilian Corporation Law. See “– Preemptive Rights.”

According to Brazilian Corporation Law, neither our bylaws nor actions taken at a shareholders’ meeting may deprive a shareholder of the following rights:

the right to participate in the distribution of profits;

the right to participate equally and ratably in any remaining residual assets in the event of liquidation of the Company;

preemptive rights in the event of issuance of shares, convertible debentures or warrants, except in certain specific circumstances under Brazilian law described in “Preemptive rights;”

the right to inspect our management in accordance with the provisions of the Brazilian Corporation Law; and

the right to withdraw from the Company in the cases specified in Brazilian Corporation Law, which are described in “Withdrawal Rights.”

Meetings of Shareholders

Pursuant to Brazilian Corporation Law, our shareholders are generally empowered at our shareholders’ meetings to take any action relating to our corporate purposes and to pass resolutions that they deem necessary to our interests and development at duly called and convened general meetings. Shareholders at our annual shareholders’ meeting, which is required to be held within 120 days of the end of our fiscal year, have the exclusive right to approve our audited financial statements and to determine the allocation of our net profits and the distribution of dividends with respect to the fiscal year ended immediately prior to the relevant shareholders’ meeting and to elect the members of our board of directors and fiscal council.

An extraordinary shareholders’ meeting may be held concurrently with the annual shareholders’ meeting and at other times during the year. Pursuant to our bylaws and Brazilian Corporation Law, the following actions, among others, may be taken only at a shareholders’ meeting:

amendment of our bylaws;

election and dismissal, at any time, of the members of our board of directors and fiscal council and approval of their aggregate compensation;

approval of management accounts and our audited financial statements;

granting stock awards and approval of stock splits or reverse stock splits;

approval of stock option plans for our management and employees, as well as stock option plans for companies directly or indirectly controlled by us;

suspension of the rights of a shareholder;

approval, in accordance with the proposal submitted by our board of directors, of the distribution of our profits and payment of dividends;

acceptance or rejection of the valuation of in-kind contributions offered by a shareholder in consideration for issuance of shares of our share capital;

approval of our transformation, merger, consolidation, spin-off or any dissolution or liquidation, and the appointment and dismissal of a liquidator and review of the reports prepared by the liquidator and by the fiscal council acting during our liquidation;

election of the liquidator, as well as the members of our fiscal council which shall be installed in the event of our liquidation;

authorization to delist from the *Novo Mercado* and to become a private company, as well as to retain a specialized firm to prepare a valuation report with respect to the value of our shares, in any such event; and

authorization to petition for bankruptcy or file a request for judicial or extra-judicial restructuring.

Quorum

As a general rule, Brazilian Corporation Law provides that the quorum for our shareholders' meetings consists of shareholders representing at least 25% of our issued and outstanding shares on the first call and, if that quorum is not reached, any percentage on the second call. In most cases, the affirmative vote of shareholders representing at least the majority of our issued and outstanding shares present in person or represented by proxy at a shareholders' meeting is required to ratify any proposed action, and abstentions are not taken into account. However, the affirmative vote of shareholders representing not less than one-half of our issued and outstanding shares is required to, among other measures:

reduce the percentage of mandatory dividends;

change our corporate purpose;

consolidate with or merge the Company into another company;

spin-off assets of the Company;

approve our participation in a centralized group of companies;

apply for cancellation of any voluntary liquidation;

approve our dissolution; and

approve the merger of all of our shares into another Brazilian company.

A quorum smaller than the quorum established by the Brazilian Corporation Law may be authorized by the CVM for a public company with widely traded and held stocks that has had at least half of the holders of its voting shares in attendance at its last three shareholders' meetings.

Elimination of or amendment to limit the shareholder's rights under article 34 of our bylaws, which requires any shareholder who becomes the holder of 20% or more of our total capital stock to effect a

public tender offer for all of our outstanding stock, is only permitted when approved by the majority of shareholders present at the shareholders' meeting. For purposes of this approval, each shareholder will be entitled to one vote, irrespective of the amount of shares actually held by such shareholder. The shareholders that approve such elimination or amendment must launch a public tender offer in accordance with the rules established by article 34 of our bylaws.

Notice of our Shareholders' Meeting

Under Brazilian Corporation Law, notice of each of our shareholders' meetings must be published at least three times in the *Diário Oficial de Sao Paulo*, the official newspaper of the state of Sao Paulo, and in another widely circulated newspaper in the same state, which is currently a newspaper specialized in business matters called *Valor Econômico*. The first notice must be published at least 15 days before the date of the meeting on the first call, and no later than eight days before the date of the meeting on second call. However, pursuant to our bylaws, the shareholders' meeting to approve our delisting from the *Novo Mercado* or a going private transaction must be called not less than 30 days prior to the meeting. In certain other circumstances, the CVM may require that the first notice be published not later than 30 days prior to the meeting. In addition, upon request of any shareholder, the CVM may suspend for up to 15 days the required prior notice of the extraordinary shareholders' meeting so that the requesting shareholder may become familiar with and analyze the proposals to be voted upon at the meeting. Such notice must contain the agenda for the meeting and, in the case of an amendment to our bylaws, a summary of the proposed amendment.

Location of our Shareholders' Meeting

Our shareholders' meetings take place at our head offices in the city of São Paulo, state of Sao Paulo. Brazilian Corporation Law allows our shareholders to hold meetings in another location in the event of *force majeure*, provided that the meetings are held in the city of São Paulo and the relevant notice includes a clear indication of the place where the meeting will occur.

Who May Call our Shareholders' Meetings

Our board of directors may call shareholders' meetings. Shareholders' meetings also may be called by:

any shareholder, if our board of directors fails to call a shareholders' meeting within 60 days after the date which it is required to do so under applicable law and our bylaws;

shareholders holding at least five percent of our shares, if our board of directors fails to call a meeting within eight days after receipt of a justified request to call the meeting by those shareholders indicating the proposed agenda;

shareholders holding at least five percent of our shares if our board of directors fails to call a meeting within eight days after receipt of a request to call the meeting for the creation of the fiscal council;

our fiscal council, if one is created, if the board of directors fails to call an annual shareholders' meeting within one month after the date it is required to do so under applicable law and our bylaws. The fiscal council may also call an extraordinary general shareholders' meeting if it believes that there are important or urgent matters to be addressed; and

the chairman of our board of directors, within two days of a determination by the BOVESPA that the prices of our securities must be disclosed separately or regarding the suspension of trading of our shares on the *Novo Mercado*, due to our non-

Conditions of Admission

Our shareholders may be represented at a shareholders' meeting by a proxy appointed less than a year before the meeting, which proxy must be either a shareholder, a corporate officer, a lawyer or, in the case of a publicly traded company, such as the Company, a financial institution. An investment fund shareholder must be represented by its investment fund officer or a proxy.

Pursuant to our bylaws, shareholders attending a shareholders' meeting must deliver, at least 5 days prior to the shareholders' meeting, proof of their status as shareholders and proof that they hold the shares they intend to vote by delivery of proper identification and, if necessary, a receipt issued by the custodian agent, a power of attorney (if the shareholder is represented by a third party) and/or an extract evidencing the holding of registered shares.

The shareholders that do not submit proof of their status as shareholders or who cannot provide the power of attorney (if the shareholder is represented by a third party) within at least 5 days hours prior to the shareholders' meeting may be prevented from attending a shareholders' meeting, to the extent there is no legal restriction to this provision of our bylaws. Any disputes relating to this provision of our bylaws may be submitted to arbitration conducted in accordance with the *Novo Mercado* rules.

Board of Directors

According to our bylaws, our board of directors consists of seven members and an equal number of alternates. The members of our board of directors are elected at the annual shareholders' meeting for a period of two years, and may be reelected. Brazilian Corporation Law requires each director to hold at least one of our shares. At least 20% of such directors must be Independent (as defined in the *Novo Mercado* regulations). There is no mandatory retirement age for our directors.

Pursuant to our bylaws, a shareholder that intends to nominate one or more members of our board of directors, other than the current members of the board of directors, must notify us in writing at least five days prior to the shareholders' meeting at which the members of the board of directors will be elected, providing us with the name and resume of the candidate. In case we receive such a notification, we must disclose receipt and the contents of such notification (i) immediately, electronically, to CVM and BOVESPA; and (ii) through a press release to our shareholders, within not less than three days after receipt of such notification, considering only the days in which the newspapers generally used by us are published.

Pursuant to our bylaws, if a shareholder requests the adoption of the multiple vote system, as provided by Section 141, Paragraph One of the Brazilian Corporations Law, we must disclose receipt and the contents of such notification (i) immediately, electronically, to CVM and BOVESPA, and (ii) through a press release to our shareholders, within not more than two days after receipt of such notification, considering only the days in which the newspapers generally used by us are published.

Transactions in Which Directors Have a Conflict of Interest

Our bylaws contain a specific provision limiting the right of a director to vote on a proposal, arrangement or contract in which the director has an interest that conflicts with our interests. In addition, Brazilian Corporation Law prohibits a director or officer from:

performing any charitable act at our expense, except for such reasonable charitable acts for the benefit of employees or of the community in which we participate, upon approval by the board of directors or the executive officers;

by virtue of the director' s or officer' s position, receiving any type of direct or indirect personal advantage from third parties without authorization in our bylaws or from a shareholders' meeting;

borrowing money or property from us or using our property, services or credits for the director' s or officer' s own benefit, for the benefit of a company in which the director or officer has an interest or of a third party, without the prior approval of the shareholders' meeting or of our board of directors;

taking part in any corporate transaction in which the director or officer has an interest that conflicts with our interests, or in the decisions made by other directors or officers on the matter;

using, for its own benefit or for the benefit of third parties, commercial opportunities made known to it as a result of its participation in our management;

failing to exercise or protect our rights or, for the purposes of obtaining benefits for itself or third parties, missing business opportunities for us; and

purchasing, for resale, assets or rights known to be of interest to us or necessary for our activities.

Allocation of Net Profits and Distribution of Dividends

At each annual shareholders' meeting, our board of executive officers and our board of directors is required to recommend how to allocate our net profits, if any, from the preceding fiscal year. This allocation is subject to deliberation by our shareholders.

Brazilian Corporation Law defines "net profits" for any fiscal year as net profits after income and social contribution taxes for that fiscal year, net of any accumulated losses from prior fiscal years and any amounts allocated to employees' and management' s participation in our net profits in such fiscal year. The Executive Board' s and our Board of Directors' participation in our net profits, when allocated, can be in an amount approved by the shareholders' meeting up to 10% of our profits, as adjusted as provided below, in such fiscal year.

Pursuant to Brazilian Corporation Law, net profits of any given fiscal year may be allocated to profit reserves and to distribution to shareholders as dividends.

Profit Reserve Accounts

Our profit reserve account is comprised of legal reserve, mandatory minimum dividend, reserve for capital increase and expansion reserve.

Legal Reserve. Under Brazilian Corporation Law and our bylaws, we must allocate 5% of our net profits for each fiscal year to our legal reserve until the aggregate amount of our legal reserve equals 20% of our share capital. The amount of our legal reserve may only be used to increase our share capital or to absorb losses, but is unavailable for the payment of dividends. At December 31, 2005, we had a legal reserve of R\$ 40.3 million.

Mandatory Minimum Dividend. Under [Brazilian Corporation Law] and our bylaws, we must allocate a specified percentage of our net income as a mandatory minimum dividend, as adjusted in accordance with Section 202 of the Brazilian Corporation Law, to be paid with respect to all shares of our capital stock. Our bylaws establish the minimum percentage at 25% of net profits stated in our financial statements, as that amount may be adjusted in accordance with Brazilian Corporation Law. The mandatory dividend

may be made in the form of dividends or interest attributable to shareholders' equity, which may be deducted by us in calculating our income and social contribution obligations.

Statutory Reserve. Under Brazilian Corporation Law, our bylaws may create reserves provided that the purpose of the reserve is determined along with the allocation criteria and the maximum amount to be maintained in it. Our bylaws provide for two corporate reserves:

Reserves for increases in capital. 20% of our adjusted net profits for each fiscal year should be allocated to the reserves for increases in capital until the aggregate amount in such reserve equals 20% of our capital stock. At December 31, 2005 we had R\$ 72.2 million in our reserves for increases in capital.

Expansion reserves. Under our bylaws, shareholders' meetings may decide to retain a portion of net profits to allocate to an expansion reserve, up to a limit of 80% of our capital stock. This reserve is intended to minimize the effects of a decrease in our working capital. At December 31, 2005 the balance of our statutory reserve was R\$ 313.5 million.

The balance of the profit reserve accounts may not exceed our stock capital. If this happens, a shareholders' meeting must resolve whether the excess will be applied to pay in the subscribed and unpaid capital, to increase and pay in the subscribed stock capital or to distribute dividends.

Payment of Dividends and Interest Attributable to Shareholders' Equity

The bylaws of a Brazilian company must specify a minimum percentage of profit available for distribution, which must be paid to shareholders as mandatory dividends or as interest attributable to shareholders' equity.

Consistent with Brazilian Corporation Law, our bylaws provide that an amount, equal to at least 25% of our net profits, as further adjusted pursuant to Article 202 of the Brazilian Corporation Law, must be distributed as mandatory dividends. The calculation of our net profits and allocations to reserves for any fiscal year are determined on the basis of our financial statements prepared in accordance with Brazilian Corporation Law. The participation of our directors and executive officers in any profit-sharing plan, if applicable, may not exceed 10% of our profits for our fiscal year.

While we are required under Brazilian Corporation Law to pay a mandatory dividend each year, we may suspend the mandatory dividends if our administrative bodies report to our annual shareholders' meeting that the distribution is incompatible with our financial condition. Our fiscal council, if in operation, must review any suspension of mandatory dividends recommended by our management. In such case, our management would be required to submit a report to the CVM setting out the reasons for any suspension of dividends. Profits not distributed by virtue of such a suspension are allocated to a special reserve and, if they are not absorbed by any subsequent losses, are required to be distributed as dividends, as soon as our financial condition permits their distribution.

By decision of our board of directors, the mandatory dividends may be made in the form of interest attributable to shareholders' equity, which is deductible when calculating our income tax and social contribution.

Dividends. We are required by Brazilian Corporation Law and by our bylaws, to hold an annual shareholders' meeting no later than the fourth month following the end of each fiscal year at which, among other things, the shareholders must vote to declare an annual dividend. The annual dividend is calculated based on our audited financial statements prepared for the immediately preceding fiscal year.

Any holder of shares on the date on which the dividend is declared is entitled to receive dividends. Under Brazilian Corporation Law, dividends are generally required to be paid within 60 days of the declaration date, unless the shareholders' resolution establishes another date of payment, which, in any case, must occur before the end of the fiscal year in which the dividend is declared.

Our bylaws do not require that we index the amount of any dividend payment to inflation.

Our board of directors may declare interim dividends or interest attributable to shareholders' equity based on realized profits verified in semi-annual financial statements. The board of directors may also declare dividends based on financial statements prepared in shorter periods. Any payment of interim dividends may be set off against the amount of mandatory dividends relating to the net profits earned in the year in which the interim dividends were paid.

Interest Attributable to Shareholders' Equity. Since January 1, 1996, Brazilian companies are permitted to pay interest attributable to shareholders' equity and treat those payments as a deductible expense for purposes of calculating Brazilian income tax and since 1998, for the purpose of social contribution tax. The amount of the deduction is limited to the greater of (1) 50% of our net profits (after deduction of social contribution and before payment of any interest or any deduction for income taxes) relating to the period to which the payment is made and (2) 50% of our accumulated profits. The payment of interest attributable to shareholders' equity is an alternative to the payment of mandatory dividends. The rate applied in calculating interest attributable to shareholders' equity cannot exceed the TJLP (*Taxa de Juros de Longo Prazo*), the Brazilian long-term interest rate, for the applicable period. The amount distributed to our shareholders as interest attributable to shareholders' equity, net of any income tax, may be included as part of the mandatory dividends. In accordance with applicable law, we are required to pay to shareholders an amount sufficient to ensure that the net amount they receive in respect of interest attributable to shareholders' equity, after payment of any applicable withholding tax, plus the amount of declared dividends is at least equivalent to the mandatory dividend amount.

Withdrawal Rights

Shareholders who dissent from certain actions taken by our shareholders in a shareholders' meeting have withdrawal rights. According to Brazilian Corporation Law, a shareholder's withdrawal rights may be exercised in the following circumstances, among others:

spin-off (as described below);

reduction in our mandatory dividends;

change in our corporate purpose;

our consolidation with or merger into another company;

merger of shares involving us, in accordance with article 252 of the Brazilian Corporation Law;

our participation in a centralized group of companies, as defined in Brazilian Corporation Law; or

the acquisition by us of the control of any company if the acquisition price exceeds the limits established in the second paragraph of Article 256 of Brazilian Corporation Law.

However, under Brazilian Corporation Law, a spin-off will not trigger withdrawal rights unless, as a result:

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there is a change of our corporate purpose, except to the extent that the principal business purpose of the entity to which the spun-off assets and liabilities were transferred is consistent with our business purpose;

there is a reduction in our mandatory dividend; or

we are made part of a centralized group of companies, as defined in Brazilian Corporation Law.

In cases where we:

merge into or consolidate with another company;

participate in a centralized group of companies;

participate in a merger of shares in accordance with Article 252 of Brazilian Corporation Law; or

acquire the control of any company if the acquisition price exceeds the limits established in the second paragraph of Article 256 of Brazilian Corporation Law,

our shareholders will not be given withdrawal rights if our shares: (1) are “liquid,” which means that they are part of the BOVESPA Index or an other traded stock exchange index, as defined by the CVM, and (2) are widely held, such that our controlling shareholders and their affiliates jointly hold less than 50% of the type or class of shares that are being withdrawn.

The right to withdraw expires 30 days after publication of the minutes of the relevant shareholders’ meeting. We are entitled to reconsider any action giving rise to withdrawal rights for 10 days after the expiration of this period if we determine that the redemption of shares of dissenting shareholders would jeopardize our financial stability.

Any shareholder that exercises withdrawal rights is entitled to receive book value for its shares, based on our most recent audited balance sheet approved by our shareholders. However, if the resolution giving rise to the withdrawal rights is made more than 60 days after the date of our most recent balance sheet, a shareholder may request that its shares be valued in accordance with a new balance sheet dated no more than 60 days prior to the date of the resolution. In such case, we are obligated to pay 80% of the refund value of the shares according to our most recent balance sheet approved by our shareholders, and the balance must be paid within 120 days after the date of the resolution of the shareholders’ meeting that gave rise to withdrawal rights.

Redemption

According to Brazilian Corporation Law, we may redeem our shares by a decision taken in an extraordinary shareholders’ meeting by shareholders representing at least 50% of our share capital. The share redemption may be paid with our profit, profit reserves or capital reserves.

If the share redemption is not applicable to all shares, the redemption will be made by lottery. If custody shares are picked in the lottery and there are no rules established in the custody agreement, the financial institution will specify on a pro rata basis, the shares to be redeemed.

Preemptive Rights

Except as described below, each of our shareholders has a general preemptive right to participate in any issuance of new shares, convertible debentures and warrants, in proportion to its shareholding at such

time, but the conversion of debentures and warrants into shares, the granting of options to purchase shares and the issuance of shares as a result of its exercise, are not subject to preemptive rights.

A period of at least 30 days following the publication of notice of the issuance of shares, convertible debentures and warrants is allowed for the exercise of the preemptive right, and the right may be transferred or disposed of for value. Under the terms of article 172 of Brazilian Corporation Law and our bylaws, our board of directors may exclude preemptive rights or reduce the exercise period with respect to the issuance of new shares, debentures convertible into our shares and warrants up to the limit of our authorized stock capital if the distribution of those securities is effected through a stock exchange, through a public offering or through an exchange offer for shares in a public offering the purpose of which is to acquire control of another company.

Mechanism to Promote Widespread Ownership of Our Shares

Our bylaws contain provisions that have the effect of avoiding concentration of our shares in the hands of one small group of investors, in order to promote more widespread ownership of our shares.

To this end, these provisions require each shareholder that becomes the holder of 20% or more of our total capital stock to make a public tender offer in accordance with CVM and the BOVESPA regulations and the provisions of our bylaws, within 30 days of the acquisition of such holding, offering to buy all of our outstanding shares. Shareholders that become holders of 20% or more of our capital stock through beneficial ownership of our shares are also required to make a public tender offer.

These provisions are not applicable to shareholders who already hold 20% or more of our shares.

These provisions are also not applicable to shareholders that become holders of 20% or more of our shares as a result of (i) legal succession, provided that the shareholder sells any shares in excess of the 20% limit within 60 days of the event; (ii) the merger of another company into us; (iii) the merger of shares of another company by us; (iv) the acquisition of 20% or more of our shares through a primary offering which has been approved at a shareholders' meeting duly called by our board of directors; provided that the share issue price has been set based on the economic value of the shares, as determined by a valuation report prepared by a specialized and independent firm.

Involuntary capital increases resulting from cancellation of treasury shares or capital reductions with cancellation of shares shall not be considered in the calculation of the 20% of total shares issued by us.

The public tender offer must be (i) directed to all our shareholders, (ii) made through an auction to take place at the BOVESPA, (iii) launched at a set price in accordance with the procedure set forth below, and (iv) paid upfront, in Brazilian currency. The price per share in the public tender offer shall be at least higher than: (i) the economic value determined in a valuation report; (ii) 135% of the issuance price of shares in any capital increase made by public distribution that occurred in the 24 months preceding the date on which the public offer becomes mandatory, as adjusted by the IPCA until payment; and (iii) 135% of the average trading price of our shares on the stock exchange on which our shares are most widely traded based on the average during the 30 days prior to the public offering.

In the event CVM regulations applicable to the public tender offer determine the adoption of a share price calculation criteria which results in a higher share price, the price set in accordance with the CVM regulations shall prevail.

The realization of the public tender offer does not exclude the right of another of our shareholders or, if the case may be, of our right to launch a competing public tender offer, in accordance with applicable regulations.

All shareholders that vote in favor of an amendment to the provisions of our bylaws, that result in the limitation of rights of shareholders to make the public tender offer or the elimination of such mechanism, are obligated to launch a public tender offer based on the existing rules.

Restriction on Certain Transactions by Controlling Shareholders, Directors and Officers

We, our controlling shareholders, members of our board of directors, executive officers and members of our fiscal council and members of any technical or advisory body or whomever which, by virtue of its title, duty or position in us, or in our controlling shareholders, controlled companies or affiliates, have knowledge of a material fact, and any other person who has knowledge of material information and knows it has not been disclosed to the market (including auditors, analysts, underwriters and advisers), are considered insiders, and must abstain from trading our securities, including derivatives based on our securities, prior to the disclosure of such material information to the market.

Such restriction will also apply:

to any of our former officers, directors or members of the fiscal council for a 6-month period, if any such officer, director or member of the fiscal council left office prior to disclosure of a material information occurred while in office;

if we intend to merge or combine with another company, consolidate, spin off part or all of our assets or reorganize, until such information is disclosed to the market;

to us, if an agreement for the transfer of our control has been executed, or if an option or mandate for such effect has been granted, until such information is disclosed to the market;

during the 15-day period before the disclosure of the quarterly and annual financial statements required by CVM;
or

to the controlling shareholders, the officers, and members of the board of directors, whenever we, or any of our controlling companies, affiliates or companies subject to the same control, are in process of purchasing or selling shares issued by us.

Restriction on Certain Transactions Outside our Corporate Purposes

Brazilian Corporation Law forbids us to undertake any business practices inconsistent with our central corporate purpose and core business, including the granting of pledges, collateral, endorsement or any guarantees not related to our central corporate purpose, or contrary to our bylaws, except for those practices already in force, and any such practices will be null and void.

Arbitration

Any disputes or controversies relating to the listing rules of the *Novo Mercado*, our bylaws, Brazilian Corporation Law, the rules published by the CMN, the Central Bank, the CVM, any shareholders' agreement filed at the Company's headquarters, and other rules applicable to the Brazilian capital markets in general, must be submitted to arbitration conducted in accordance with the Rules of the Market Arbitration Chamber established by the BOVESPA. According to Chapter 12 of such Rules, the parties may consensually agree to use another arbitration chamber or center to resolve their disputes. Any shareholder that becomes holder of 5% or more of our total capital stock must agree to comply with the rules of the BOVESPA Arbitration Chamber within 30 days of the acquisition of the shares.

Going Private Process

We may become a private company by decision of our controlling shareholder or group of controlling shareholders only if we or our controlling shareholders conduct a public tender offer to acquire all of our outstanding shares in accordance with the rules and regulations of the Brazilian Corporation Law and the CVM regulations. The minimum price offered for the shares in the public tender offer will correspond to the economic value of such shares, as determined by a valuation report issued by a specialized firm.

The valuation report must be prepared by a specialized and independent firm of recognized experience chosen by the shareholders representing the majority of the outstanding shares (excluding, for such purposes, the shares held by the controlling shareholder, its partner and any dependents included in the income tax statement, should the controlling shareholders be an individual, treasury shares, shares held by our affiliates and by other companies that are a part of our economic group, as well as blank votes) from a list of three institutions presented by our Board of Directors. All the expenses and costs incurred in connection with the preparation of the valuation report must be paid for by the controlling shareholder.

Shareholders holding at least 10% of our outstanding shares may require our management to call a special shareholders' meeting to determine whether to perform another valuation using the same or a different valuation method. This request must be made within 15 days following the disclosure of the price to be paid for the shares in the public offering. The shareholders who make such request as well as those who vote in its favor, must reimburse us for any costs involved in preparing the new valuation, if the new valuation price is not higher than the original valuation price. If the new valuation price is higher than the original valuation price, the public offering must be made at the higher price.

If our shareholders determine to take us private and at that time we are controlled by a shareholder holding less than 50% of our total capital stock or by a shareholder that is not a member of a group of shareholders (as defined in our bylaws), we must conduct the public tender offer, within the limits imposed by law. In this case, we may only purchase shares from shareholders that have voted in favor of us becoming a

private company after purchasing all shares from the other shareholders that did not vote in favor of such deliberation and that have accepted the public tender offer.

Delisting from the *Novo Mercado*

At any time, we may delist our shares from the *Novo Mercado*, provided that shareholders representing the majority of our shares approve the action and that we give at least 30 days written notice to the BOVESPA. The deliberation must specify if the delisting will occur because the securities will no longer be traded on the *Novo Mercado*, or because we are going private. Our delisting from the *Novo Mercado* will not result in the loss of our registration as a public company on the BOVESPA.

If we delist from the *Novo Mercado*, by deliberation taken at a shareholders' meeting, our controlling shareholder or group of controlling shareholder must conduct a public offering for the acquisition of our outstanding shares, within a period of 90 days, if we delist in order for our shares to be tradable outside the *Novo Mercado*, or within a period of 120 days, if we delist as a result of a corporate reorganization, in which the surviving company is not listed on the *Novo Mercado*. The price per share shall be equivalent to the economic value of those shares as determined in a valuation report prepared by a specialized and independent company of recognized experience, which will be chosen at a shareholders' meeting from a list of three institutions presented by our board of directors, by an absolute majority of the votes of our outstanding shares of the shareholders present at the meeting (excluding, for such purposes, the shares held by the controlling shareholder, its partner and dependents included in the income tax statement, should the controlling shareholder be an individual, treasury shares, shares held by our affiliates and by other companies that are a part of our economic group, as well as blank votes). All the expenses and costs incurred in connection with the preparation of the valuation report must be paid by the controlling shareholder.

If we are subject to widespread control, our delisting from the *Novo Mercado*, either for our shares to be traded outside the *Novo Mercado* or as a result of a corporate reorganization, the shareholders that voted in favor of such deliberation must conduct a public tender offer for the acquisition of our shares.

Pursuant to our bylaws, we may also be delisted if the BOVESPA decides to suspend trading of our shares on the *Novo Mercado* due to our non-compliance with the *Novo Mercado* Regulations, in this case, the chairman of the board of directors must call a shareholders' meeting, within two days of the determination by the BOVESPA, in order to replace all members of our board of directors. If the chairman of the board of directors does not call the shareholders' meeting, any shareholder may do so. The new board of directors will be responsible for the compliance with the requirements that resulted in the delisting.

Additionally, if we delist from the *Novo Mercado* (i) as a result of our non-compliance with the *Novo Mercado* Regulations resulting from a deliberation taken at our shareholders' meeting, the public tender offer must be conducted by the shareholders that voted in favor of the deliberation, or (ii) as a result of our non-compliance with the *Novo Mercado* Regulations resulting from acts of our management, we must conduct the public tender offer in order to become a private company, within the limits imposed by law.

According to the *Novo Mercado* Listing Regulations, in the event of a transfer of our shareholding control within 12 months following our delisting from the *Novo Mercado*, the selling controlling shareholders and the acquirer must offer to acquire the remaining shares for the same price and terms offered to the selling controlling shareholders, adjusted for inflation.

If our shares are delisted from the *Novo Mercado*, we will not be permitted to have shares listed on the *Novo Mercado* for a period of two years after the delisting date, unless there is a change in the Company's control after this delisting from the *Novo Mercado*.

Widespread Control

We will be subject to widespread control in case we are controlled by a holder representing less than 50% of our total capital stock or by holders not belonging to a group of shareholders (as defined in our bylaws). Pursuant to our bylaws, such shareholders are not considered controlling shareholders for, among others, the following purposes:

in case we become a private company, we must conduct the public tender offer, within the limits imposed by law, at the economic value determined by a valuation report prepared by a specialized firm. In this event, we may only purchase shares from shareholders that have voted in favor of the decision to go private after purchasing all shares from the other shareholders that did not vote in favor of such deliberation and that have accepted the public tender offer.

in case of our delisting from the *Novo Mercado* by deliberation of shareholders, the shareholders who have voted in favor of the delisting must conduct the public tender offer at the economic value determined by a valuation report prepared by a specialized firm;

in case of our delisting from the *Novo Mercado* as a result of our non-compliance with the *Novo Mercado* Regulations, shareholders who have voted in favor of the deliberation which resulted in the non-compliance must conduct the public tender offer at the economic value determined by a valuation report prepared by a specialized firm, except if the non-compliance resulted from an act of our management, in which event we shall conduct the public tender offer, within the limits imposed by law.

In case we are subject to widespread control, our bylaws establish a differentiated process for the election of members of the fiscal council. In such event two seats on the fiscal council are secured for each shareholder or group of shareholders who, respectively, hold at least 10% of our total capital stock.

Change of Control

According to the rules of the *Novo Mercado*, the sale of control of the Company, in one transaction or in a series of transactions must (1) be consummated when trading for shares are suspended or traded subject to a general resolution and (2) contemplate an obligation by the acquirer to complete, within 90 days, a public tender offer for the acquisition of all other outstanding shares on the same terms and conditions granted to the selling controlling shareholder.

A public offering is also required:

when there is a significant assignment of share subscription rights or rights of other securities convertible into our shares, which results in the transfer of control of the Company;

in case of an indirect transfer of our control; and

when an existing shareholder acquires control in the context of a private transaction. In this case, the acquiring shareholder must (1) complete a public tender offer for the acquisition of our remaining shares on the same terms and conditions offered to the selling shareholder and (2) reimburse the counterparties from whom it has acquired our shares on the stock exchange in the six-month period preceding the transaction which resulted in a change in control. The reimbursement amount corresponds to the positive difference between the price paid to the selling shareholder in the transaction that resulted in a change of control and the adjusted price paid in the transactions carried out on the BOVESPA during this six-month period.

In the event we are subject to widespread control, the shareholder that acquires our control will only be obligated to conduct a public tender offer to acquire our remaining shares if there is a sale of an amount of shares of our capital stock that entitles the acquiring shareholder to, directly or indirectly, in fact or for legal purposes effectively control our business and orient our management. Such situations must be analyzed on a case-by-case basis. The change of control concept provided for in our bylaws and the situations in which the acquiring shareholder is required to make a public tender offer, includes and may be broader than the concepts and situations provided for in the Brazilian Corporation Law and in the *Novo Mercado* Listing Regulations.

The acquirer, if applicable, must take all necessary measures to reconstitute the minimum 25% free float within six months of the acquisition.

The controlling shareholder shall not transfer our shares held by it to the purchaser of control of the Company, and we shall not register the transfer of such shares, if the purchaser fails to execute the Terms of Consent of the *Novo Mercado* Regulations and the Rules of the Market Arbitration Chamber established by the BOVESPA.

Public Tender Offers

Pursuant to our bylaws, if more than one of the requirements to conduct a public tender offer is satisfied at the same time, we or our shareholders, as the case may be, may decide to conduct one single public tender offer, provided it is possible to follow the procedures required for both public tender offers and, provided, further, that there is no prejudice to the beneficiaries of the public tender offer and that, when necessary, CVM authorization is obtained.

Additionally, our bylaws allow any shareholder or third party and, if the case may be, ourselves to conduct public tender offers on our behalf or on the behalf of the shareholder who would otherwise be required to launch the public tender offer. We or the controlling shareholder, as the case may be, are responsible for conducting the public tender offer until it is concluded, in accordance with the applicable rules.

Suspension of Rights of Acquiring Shareholder for Violation of our Bylaws

In the event an acquiring shareholder violates the provisions of our bylaws regarding the need to conduct a public tender offer as a result of a change of our control or of the purchase of shares representing 20% or more of our capital stock, the rights of such acquiring shareholder will be suspended by deliberation at our shareholders' meeting. If such a violation occurs, we must hold a shareholders' meeting and the acquiring shareholder will not be entitled to vote at such meeting.

Purchases of Our Shares by Our Company

Our bylaws entitle our board of directors to approve the acquisition of our shares. The acquisition of our shares for cancellation or maintenance in treasury may not, among other actions:

result in a reduction of our share capital;

require the use of resources greater than our retained earnings or reserves (other than the legal reserve, unrealized profit reserve, revaluation reserve, and special mandatory dividend reserves) recorded in our most recent balance sheet;

create, directly or indirectly, any artificial demand, supply or share price condition, or use any unfair practice as a result of any action or omission;

be conducted during the course of a public offering for the purchase of our shares; or

be used to purchase shares not fully paid or held by our controlling shareholder.

The decision to purchase our own shares must be taken by the board of directors, which shall specify (i) the purpose of the transaction; (ii) the amount of shares to be purchased; (iii) the period in which we will proceed with such purchases, not to exceed 365 days; (iv) the amount of the free-float of our shares; and (v) the financial institutions that will act as intermediaries for such purchases.

We cannot hold in treasury more than 10% of our total outstanding shares, including the shares held by our subsidiaries and affiliates.

Any acquisition of our shares by the Company itself must be made on a stock exchange unless prior approval for the acquisition outside a stock exchange is obtained from the CVM. The purchase price of any such shares may not exceed its market price. We also may purchase our

own shares for the purpose of going private. Moreover, subject to certain limitations, we may acquire or issue put or call options related to our shares.

Reporting Requirements

We are subject to the reporting requirements established by Brazilian Corporation Law and the regulations of the CVM. Also, as a result of our listing on the *Novo Mercado*, we must meet the information requirements set forth in the reporting requirements of the *Novo Mercado*.

Information Required by CVM

Brazilian securities regulations require that a publicly held corporation must provide CVM and the relevant stock exchanges with the following periodic information:

financial statements prepared in accordance with Brazilian GAAP and related management and auditors' reports, within 3 months from the end of its fiscal year or on the date in which its is published or made available to shareholders, whichever occurs first, together with the *Demonstrações Financeiras Padronizadas* (a report on standard form containing relevant financial information derived from our financial statements required to be filled out by us and filed with CVM);

notices of our annual shareholders' meeting, on the same date of its publication;

summary of the decisions taken in the annual general shareholders' meeting, on the day the meeting is held;

copy of the minutes of the annual shareholders' meeting, within 10 days from its occurrence;

Informações Anuais – IAN (a report on standard form containing our relevant corporate, business, and selected financial information), within a month from the date of the annual general shareholders' meeting, whichever occurs first; and

Informações Trimestrais – ITR (a report on standard form containing our relevant quarterly corporate, business and financial information), together with a limited review report issued by our independent auditor, within 45 days from the end of each quarter (except for the last quarter of each year) or upon disclosure of such information to the public if it occurs within 45 days from the end of the relevant quarter.

In addition to the foregoing, we must also file with the CVM and the BOVESPA the following information:

notice of our extraordinary or special shareholders' meetings, on the same date in which it is published;

summary of the decisions taken at our extraordinary or special shareholders' meetings, on the next following day;

minutes of our extraordinary or special shareholders' meetings, within ten days from the date in which the meeting occurred;

copy of shareholders' agreement on the date in which it is filed with us;

any press release giving notice of material facts, on the same date it is published in the press;

information on any filing for corporate reorganization (*concordata*), the reason for such filing, special financial statements prepared for obtaining a legal benefit, and, if applicable, plan for payment of holders of debentures, as well as copy of any judicial decision granting such request, on the same date it is filed and on the date we take notice of it, respectively; and

copy of any judicial decision granting a bankruptcy request and appointment of a bankruptcy trustee, on the date we take notice of it.

Information Required by the BOVESPA from the Companies listed on the Novo Mercado

Besides the disclosure obligations mandated by corporate law and the CVM, we also must observe the following additional disclosure requirements:

no later than six months following our listing on the *Novo Mercado*, we must disclose financial statements and consolidated financial statements at the end of each quarter (except the last quarter of each year) and at the end of each fiscal year, including a cash flow statement which must indicate, at a minimum, the changes in our cash and cash equivalents, divided into operational, finance and investment cash flows;

as from the date in which we release our financial statements relating to the second fiscal year following our listing on the *Novo Mercado* we must, no later than 4 months after the end of the fiscal year: (1) release our annual financial statements and consolidated financial statements in accordance with U.S. GAAP or the rules of the International Financing Reporting Standards or IFRS in *reais* or U.S. dollars, in the English language, together with the management's reports, the notes to the financial statements, and including information on net profits and net worth calculated at the end of such fiscal year in accordance with Brazilian GAAP as well as management proposal for allocation of net profits and our independent auditors' report; or (2) disclose, in the English language, the complete financial statements, management reports and notes to the financial statements, prepared in accordance with Brazilian Corporation Law, accompanied by an additional explanatory note regarding the reconciliation of year-end results and net worth calculated in accordance with the Brazilian GAAP and the U.S. GAAP or IFRS, as the case may be. which must include the main differences between the accounting principles used, and by the independent auditors' report; and

as from the date in which we release our first financial statement prepared as provided above, no more than 15 days following the term established by law for the publication of quarterly financial information, we must: (1) disclose, in its entirety, our quarterly financial information translated into the English language or (2) disclose our financial statements and consolidated financial statements in accordance with U.S. GAAP or IFRS, accompanied by the independent auditors' report.

Due to the listing of our shares on the *Novo Mercado*, we must disclose the following information, within the terms set forth in the *Novo Mercado* Regulations, together with our quarterly information (*Informações Trimestrais*):

our consolidated balance sheet, consolidated income statement, and a discussion and analysis of our consolidated performance, if we are obliged to disclose consolidated financial statements at year end;

any direct or indirect ownership interest exceeding five percent of our capital stock, looking through to any ultimate individual beneficial owner;

the number and characteristics of our shares held directly or indirectly by our controlling shareholders, members of our board of directors, board of executive officers and fiscal council;

changes in the numbers of our shares held by the controlling shareholders, members of our board of directors, board of executive officers and fiscal council in the immediately preceding 12 months;

our cash flow statement and consolidated cash flow statement, together with an explanatory note thereto; and

the number of free float shares, and their percentage in relation to the total number of issued shares.

Information relating to the ownership interest exceeding five percent of our capital stock, number and characteristics of the Company's shares directly or indirectly held by the controlling shareholders and members of the board of directors, board of executive officers and fiscal council, changes in the number of securities held by such persons within the immediately preceding 12 months, as well as the number of free float shares and their respective percentage in relation to the total of shares issued must also be included in the Company's annual report (*Informações Anuais – IAN*) in the section "Additional information deemed relevant by the Company."

Information regarding any trading carried out by our controlling shareholders, members of our board of directors, our board of executive officers or members of our fiscal council

Pursuant to the rules of the *Novo Mercado*, each of our controlling shareholders, officers, directors, and members of the fiscal council must disclose to us and we shall inform BOVESPA regarding information in connection with the total amount and characteristics of securities owned, directly or indirectly, by them issued by us, or any derivatives referenced in such securities, as well as any subsequent trading of such securities and derivatives. In case of individuals, such information shall also include securities held by the spouse, companion or dependents of such persons, included in the annual income tax statement of such controlling shareholder, officer, director or member of the fiscal council. This information must be communicated to the BOVESPA within 10 days following the end of each month.

CVM regulations require our officers, directors, members of the fiscal council, and of any other technical or advisory body to disclose to us, to the CVM and to the BOVESPA, the total amount, the characteristics and form of acquisition of securities issued by us, listed companies under our control or by our listed controlling shareholders, including derivative referenced in such securities, that are held by each of them, as well as any change in such investments. In case of individuals, such information shall also include securities held by the spouse, companion or dependents of such persons, included in the annual income tax statement and companies controlled directly or indirectly by such person.

Information regarding the acquisition of our shares must be provided to the CVM and to the BOVESPA immediately upon taking office and within a period of 10 days of the end of the month in which these securities were traded. In addition, our controlling shareholders, our shareholders who have caused the election of members of our board of directors or fiscal council, as well as any individual, legal entity, or group of persons acting jointly, that holds directly or indirectly 5% or more of our shares, must provide to us, the CVM and the BOVESPA the following information:

the name and qualification of the person providing the information;

amount, price, type, and/or class, in the case of acquired shares, or characteristics, in the case of securities;

form of acquisition (private placement, purchase through a stock exchange, among others);

reason and purpose of the acquisition; and

information on any agreement regarding the exercise of voting rights or the purchase and sale of our securities,

According to the *Novo Mercado* listing agreement, in case we are subject to widespread control, the selling shareholder will only be required to provide the information listed above while holding 10% or more of our total capital stock and only during the first six months from the date of publication of the announcement of commencement of the offering.

The disclosure requirement referred to above will also apply to any person, or group of persons acting jointly, holding participation equal to or in excess of five percent, each time such person increases or decreases its participation in our shares by an amount equal to 5% of our shares.

Disclosure of Material Developments

According to Law No. 6,385, of December 7, 1976 and subsequent amendments, and the rules published by the CVM, we must disclose any material development related to our business to the CVM and to the BOVESPA and must publish a notice of the material development. A development is deemed to be material if it impacts the price of our securities, the decision of investors to trade in our securities or the decision of investors to exercise any rights as holders of any of our securities.

Under special circumstances, we may request confidential treatment of certain material developments from the CVM, when our management believes that public disclosure could result in adverse consequences to us.

Trading on Stock Exchanges

Our shares will trade on the *Novo Mercado* segment of the BOVESPA, which is a not-for-profit entity owned by its member brokerage firms. Trading on the BOVESPA is carried out by member brokerage firms. The CVM and the BOVESPA have discretionary authority to suspend trading in shares of a particular issuer under certain circumstances.

Settlement of transactions on the BOVESPA occurs three business days after the trade date. Delivery of and payment for shares is made through the facilities of an independent clearinghouse. The clearinghouse for BOVESPA is the CBLC. The CBLC is the central counterparty for transactions effected on the BOVESPA, carrying out multi-party settlement for financial obligations and securities transfers. Under the regulations of the CBLC, financial settlement is carried out through the Reserve Transfer System of the Central Bank (*Sistema de Transferência de Reservas*). The settlement of trades of shares is carried out in the custodial system of the CBLC. All deliveries against final payment are irrevocable.

Regulation of Foreign Investment

Investors residing outside Brazil, including institutional investors, are authorized to purchase equity instruments, including our common shares, on the Brazilian stock exchange, provided that they comply with the registration requirements set forth in Resolution 2,689 and CVM Instruction No. 325.

With certain limited exceptions, Resolution 2,689 investors (1) are permitted to carry out any type of transaction in Brazilian capital markets involving a security traded on a stock, future or organized over-the-counter market but (2) may not transfer the ownership of investments made under Resolution 2,689 to other non-Brazilian holders through private transactions. Investments and remittances outside Brazil of gains, dividends, profits or other payments under our common shares are made through the foreign exchange market.

In order to become a Resolution 2,689 investor, an investor residing outside Brazil must:

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appoint at least one representative in Brazil that will be responsible for complying with registration and reporting requirements and procedures with the Central Bank and the CVM. If the representative is an individual or a non-financial company, the investor must also appoint an institution duly authorized by the Central Bank that will be jointly and severally liable for the representative's obligations;

complete the appropriate foreign investor registration form;

register as a foreign investor with the CVM;

register the foreign investment with the Central Bank;

appoint a tax representative in Brazil; and

obtain a taxpayer identification number from the Brazilian federal tax authorities.

Securities and other financial assets held by foreign investors pursuant to Resolution 2,689 must be registered or maintained in deposit accounts or under the custody of an entity duly licensed by the Central Bank or the CVM. In addition, securities trading by foreign investors is generally restricted to transactions on the BOVESPA or in organized over-the-counter markets licensed by the CVM.

DESCRIPTION OF AMERICAN DEPOSITARY SHARES

American Depositary Receipts

The Bank of New York, as depositary, will execute and deliver the ADRs in respect of our common stock. Each ADR is a certificate evidencing a specific number of American Depositary Shares, also referred to as ADSs. Each ADS will represent two common shares (or a right to receive two common shares) deposited with the principal São Paulo office of Banco Itaú S.A., as custodian for the depositary in Brazil. Each ADS will also represent any other securities, cash or other property which may be held by the depositary. The depositary's office at which the ADRs will be administered is located at 101 Barclay Street, New York, New York 10286.

Investors may hold ADSs either directly (by having an ADR registered in their name) or indirectly through their broker or other financial institution. If an investor holds ADSs directly, it is an ADR holder (a "holder" and "holders"). This description assumes a holder holds its ADSs directly. If it holds the ADSs indirectly, a holder must rely on the procedures of its broker or other financial institution to assert the rights of ADR holders described in this section. Holders should consult with their brokers or financial institutions to find out what those procedures are.

We will not treat holders as one of our shareholders and holders will not have shareholder rights. Brazilian law governs shareholder rights. The depositary will be the holder of the common shares underlying the ADSs. As a holder of ADRs, holders will have ADR holder rights. A deposit agreement among us, the depositary and ADR holders, and the beneficial owners of ADRs sets out ADR holder rights as well as the rights and obligations of the depositary. New York law governs the deposit agreement and the ADRs.

The following is a summary of the material provisions of the deposit agreement. For more complete information, holders should read the entire deposit agreement and the form of ADR.

Dividends and Other Distributions

How will holders receive dividends and other distributions on the shares?

The depositary has agreed to pay to holders the cash dividends or other distributions it or the custodian receives on common shares or other deposited securities, after deducting its fees and expenses described below. Holders will receive these distributions in proportion to the number of common shares their ADSs represent.

Cash. The depositary will convert any cash dividend or other cash distribution we pay on the common shares into U.S. dollars, if it can do so on a reasonable basis and can transfer the U.S. dollars to the United States. If that is not possible or if any government approval is needed and cannot be obtained, the deposit agreement allows the depositary to distribute the foreign currency only to those ADR holders to whom it is possible to do so. The depositary will hold the foreign currency it cannot convert for the account of the ADR holders who have not been paid and will not invest the foreign currency. The depositary will not be liable for any interest.

Before making a distribution, the depositary will deduct any withholding taxes that must be paid. It will distribute only whole U.S. dollars and cents and will round fractional cents to the nearest whole cent. *If the exchange rates fluctuate during a time when the depositary cannot convert the foreign currency, holders may lose some or all of the value of the distribution.*

Shares. The depositary may distribute additional ADSs representing any common shares we distribute as a dividend or free distribution. The depositary will only distribute whole ADSs. It will sell common shares, which would require it to deliver a fractional ADS and distribute the net proceeds in the same way as it does with cash. If the depositary does not distribute additional ADSs, the outstanding ADSs will also represent the new common shares.

Rights to purchase additional common shares. If we offer holders of our securities any rights to subscribe for additional common shares or any other rights, the depositary may make these rights available to holders. If the depositary decides it is not legal and practical to make the rights available, but that it is practical to sell the rights, the depositary will use reasonable efforts to sell the rights and distribute the proceeds in the same way as it does with cash. The depositary will allow rights that are not distributed or sold to lapse. *In that case, holders will receive no value for them.*

If the depositary makes rights to purchase common shares available to holders, it will exercise the rights and purchase the common shares on holders' behalf. The depositary will then deposit the shares and deliver ADSs to holders. The depositary will only exercise rights if a holder pay it the exercise price and any other charges the rights require holders to pay.

U.S. securities laws may restrict transfers and cancellation of the ADSs representing common shares purchased upon exercise of rights. For example, holders may not be able to trade these ADSs freely in the United States. In this case, the depositary may deliver restricted depositary shares that have the same terms as the ADRs described in this section except for changes needed to put the necessary restrictions in place.

Other Distributions. The depositary will send to holders anything else we distribute on deposited securities by any means it thinks is legal, fair and practical. If it cannot make the distribution in that way, the depositary has a choice. It may decide to sell what we distributed and distribute the net proceeds, in the same way as it does with cash. Or, it may decide to hold what we distributed, in which case ADSs will also represent the newly distributed property. However, the depositary is

not required to distribute any securities (other than ADSs) to holders unless it receives satisfactory evidence from us that it is legal to make that distribution.

The depositary is not responsible if it decides that it is unlawful or impractical to make a distribution available to any ADR holders. We have no obligation to register ADSs, common shares, rights or other securities under the Securities Act. We also have no obligation to take any other action to permit the distribution of ADRs, common shares, rights or anything else to ADR holders. *This means that holders may not receive the distributions we make on our common shares or any value for them if it is illegal or impractical for us to make them available to holders.*

Deposit, Withdrawal and Cancellation

How are ADSs issued?

The depositary will deliver ADSs if a holder or its broker deposits common shares or evidence of rights to receive common shares with the custodian. Upon payment of its fees and expenses and of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, the depositary will register the appropriate number of ADSs in the names a holder requests and will deliver the ADRs at its office to the persons requested.

How do ADS holders cancel ADSs and obtain shares?

If a holder surrenders ADSs to the depositary, upon payment of its fees and expenses and of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, the depositary will deliver the common shares and any other deposited securities underlying the surrendered ADSs to such holder or a person it designates at the office of the custodian. Or, at such holder's request, risk and expense, the depositary will deliver the deposited securities at its office, if feasible.

Voting Rights

How do you vote?

Holders may instruct the depositary to vote the shares underlying their ADRs. If we ask for instructions, the depositary will notify holders of the upcoming vote and arrange to deliver our voting materials to the holders. The materials will describe the matters to be voted on and explain how holders may instruct the depositary to vote the shares or other deposited securities underlying their ADRs as they direct by a specified date. For instructions to be valid, the depositary must receive them on or before the date specified. The depositary will try, as far as practical, subject to Brazilian law and the provisions of our bylaws, to vote or to have its agents vote the shares or other deposited securities as a holder instructs. Otherwise, holders will not be able to exercise their rights to vote unless they withdraw the shares. However, a holder may not know about the meeting far enough in advance to withdraw the shares. We will use our best efforts to request that the depositary notify holders of upcoming votes and ask for their instructions.

Fees and Expenses

Persons depositing preferred shares or ADR holders must pay:

\$5.00 (or less) per 100 ADSs (or portion of 100 ADSs)

For:

Issuance of ADSs, including issuances resulting from a distribution of preferred shares or rights or other property

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Cancellation of ADSs for the purpose of withdrawal, including if the deposit agreement terminates

\$.02 (or less) per ADS (to the extent not prohibited by the rules of any stock exchange on which the ADSs are listed for trading)

Any cash distribution to holders

A fee equivalent to the fee that would be payable if securities distributed to holders had been common shares and the shares had been deposited for issuance of ADSs

Distribution of securities distributed to holders of deposited securities which are distributed by the depositary to ADR holders

\$.02 (or less) per ADS per calendar year (to the extent the depositary has not collected a cash distribution fee of \$.02 per ADS during the year) (to the extent not prohibited by the rules of any stock exchange on which the ADSs are listed for trading)

Depositary services

Registration or transfer fees

Transfer and registration of common shares on our common share register to or from the name of the depositary or its agent when a holder deposits or withdraws common shares.

Expenses of the depositary in converting foreign currency to U.S. dollars

Expenses of the depositary

Cable, telex and facsimile transmissions (when expressly provided in the deposit agreement)

Taxes and other governmental charges the depositary or the custodian have to pay on any ADR or common share underlying an ADR, for example, stock transfer taxes, stamp duty or withholding taxes

Payment of Taxes

The depositary may deduct the amount of any taxes owed from any payments to holders. It may also sell deposited securities, by public or private sale, to pay any taxes owed. Holders will remain liable if the proceeds of the sale are not enough to pay the taxes. If the depositary sells deposited securities, it will, if appropriate, reduce the number of ADSs to reflect the sale and pay to holders any proceeds, or send to holders any property, remaining after it has paid the taxes.

Reclassifications, Recapitalizations and Mergers

If we:

Then:

Change the nominal or par value of our common shares

The cash, shares or other securities received by the depositary will become deposited securities. Each ADS will automatically represent its equal share of the new deposited securities.

Reclassify, split up or consolidate any of the deposited securities

Distribute securities on the common shares that are not distributed to holders

The depositary may distribute some or all of the cash, shares or other securities it received. It may also deliver new ADRs or ask holders to surrender their outstanding ADRs in exchange for new ADRs identifying the new deposited securities.

Recapitalize, reorganize, merge, liquidate, sell all or substantially all of our assets, or take any similar action

Amendment and Termination

How may the deposit agreement be amended?

We may agree with the depositary to amend the deposit agreement and the ADRs without holders' consent for any reason. If an amendment adds or increases fees or charges, except for taxes and other governmental charges or expenses of the depositary for registration fees, facsimile costs, delivery charges or similar items, or prejudices a substantial right of ADR holders, it will not become effective for outstanding ADRs until 30 days after the depositary notifies ADR holders of the amendment. *At the time an amendment becomes effective, holders are considered, by continuing to hold their ADRs, to agree to the amendment and to be bound by the ADRs and the deposit agreement as amended.*

How may the deposit agreement be terminated?

The depositary will terminate the deposit agreement if we ask it to do so. The depositary may also terminate the deposit agreement if the depositary has told us that it would like to resign and we have not appointed a new depositary bank within 60 days. In either case, the depositary must notify you at least 30 days before termination.

After termination, the depositary and its agents will do the following under the deposit agreement but nothing else: (a) advise holders that the deposit agreement is terminated, (b) collect distributions on the deposited securities, (c) sell rights and other property, and (d) deliver common shares and other deposited securities upon cancellation of ADRs. One year after termination, the depositary may sell any remaining deposited securities by public or private sale. After that, the depositary will hold the money it received on the sale, as well as any other cash it is holding under the deposit agreement for the *pro rata* benefit of the ADR holders that have not surrendered their ADRs. It will not invest the money and has no liability for interest. The depositary's only obligations will be to account for the money and other cash. After termination our only obligations will be to indemnify the depositary and to pay fees and expenses of the depositary that we agreed to pay.

Limitations on Obligations and Liability

Limits on our Obligations and the Obligations of the Depositary; Limits on Liability to Holders of ADRs

The deposit agreement expressly limits our obligations and the obligations of the depositary. It also limits our liability and the liability of the depositary. We and the depositary:

are only obligated to take the actions specifically set forth in the deposit agreement without negligence or bad faith;

are not liable if either of us is prevented or delayed by law or circumstances beyond our control from performing our obligations under the deposit agreement;

are not liable if either of us exercises discretion permitted under the deposit agreement;

have no obligation to become involved in a lawsuit or other proceeding related to the ADRs or the deposit agreement on your behalf or on behalf of any other party; and

may rely upon any documents we believe in good faith to be genuine and to have been signed or presented by the proper party.

In the deposit agreement, we agree to indemnify the depositary for acting as depositary, except for losses caused by the depositary's own negligence or bad faith, and the depositary agrees to indemnify us for losses resulting from its negligence or bad faith.

Requirements for Depositary Actions

Before the depositary will deliver or register a transfer of an ADR, make a distribution on an ADR, or permit withdrawal of common shares, the depositary may require:

payment of stock transfer or other taxes or other governmental charges and transfer or registration fees charged by third parties for the transfer of any common shares or other deposited securities;

satisfactory proof of the identity and genuineness of any signature or other information it deems necessary; and

compliance with regulations it may establish, from time to time, consistent with the deposit agreement, including presentation of transfer documents.

The depositary may refuse to deliver ADSs or register transfers of ADSs generally when the transfer books of the depositary or our transfer books are closed or at any time if the depositary or we think it advisable to do so.

Holders' Rights to Receive the Common Shares Underlying their ADRs

Holders have the right to surrender their ADSs and withdraw the underlying common shares at any time except:

When temporary delays arise because: (i) the depositary has closed its transfer books or we have closed our transfer books; (ii) the transfer of common shares is blocked to permit voting at a shareholders' meeting; or (iii) we are paying a dividend on our common shares.

When a holder owes money to pay fees, taxes and similar charges.

When it is necessary to prohibit withdrawals in order to comply with any laws or governmental regulations that apply to ADRs or to the withdrawal of common shares or other deposited

securities.

This right of withdrawal may not be limited by any other provision of the deposit agreement.

Pre-release of ADRs

The deposit agreement permits the depositary to deliver ADSs before deposit of the underlying common shares. This is called a pre-release of the ADSs. The depositary may also deliver common shares upon cancellation of pre-released ADSs (even if the ADSs are surrendered before the pre-release transaction has been closed out). A pre-release is closed out as soon as the underlying common shares are delivered to the depositary. The depositary may receive ADRs instead of common shares to close out a pre-release. The depositary may pre-release ADSs only under the following conditions: (a) before or at the time of the pre-release, the person to whom the pre-release is being made represents to the depositary in writing that it or its customer owns the common shares or ADSs to be deposited; (b) the pre-release is fully collateralized with cash or other collateral that the depositary considers appropriate; and (c) the depositary must be able to close out the pre-release on not more than five business days' notice. In addition, the depositary will limit the number of ADSs that may be outstanding at any time as a result of pre-release, although the depositary may disregard the limit from time to time, if it thinks it is appropriate to do so. We intend to limit pre-release at our discretion.

ITEM 2. EXHIBITS

Exhibit No.	Exhibit
3.(ii)	Bylaws of the Company (English Translation)
4.1	Deposit Agreement among Perdigão S.A., The Bank of New York, as Depositary and the Owners and Beneficial Owners of American Depositary Receipts, dated as of July 17, 1997, as amended and restated as of June 26, 2000 and as further amended and restated as of September 28, 2000 (such agreement is incorporated herein by reference to the Registration Statement on Form F-6, registration number 333-12534, as filed with the SEC on September 14, 2000)
99.1	Rules of the <i>Novo Mercado</i>

SIGNATURE

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this registration to be signed on its behalf by the undersigned, thereto duly authorized.

PERDIGÃO S.A.

Date: March 24, 2006

By: /s/ Nildemar Secches
 Name: Nildemar Secches
 Title: CEO

By: /s/ Wang Wei Chang

INDEX TO EXHIBITS

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PERDIGÃO S.A.
TAX PAYER REGISTRATION NUMBER (CNPJ/MF) NO. 01,838,723/0001-27
 Publicly-Held Corporation

BYLAWS

I - NAME, REGISTERED OFFICE, DURATION AND PURPOSES

SECTION ONE - PERDIGÃO S.A. is a Corporation with articles of incorporation filed before JUCESP under No. 35300149947 on 05.14.97 and governed by these Bylaws and relevant statutory provisions.

SECTION TWO - The Corporation has its registered office and legal seat in the City and Judicial District of São Paulo, State of São Paulo, at Av. Escola Politécnica, No. 760 - 2nd floor, District of Jaguaré, and may establish branch, office and other subordinate facilities anywhere within the Brazilian territory or abroad.

SECTION THREE - The primary purpose for which the Corporation is organized is to engage in the following activities within the Brazilian territory or abroad:

- 1) To manufacture, sell and transact any business relating to food generally, and particularly animal protein by-products and food products handled using the cold chain distribution process;
- 2) To manufacture and sell animal feeds and nutriment for animals;
- 3) To provide food services, generally;
- 4) To manufacture, refine and sell vegetable oils;
- 5) To produce, preserve, store, ensile and sell grains, grain by-products and grain derivatives;
- 6) To conduct reforestation activities, the harvesting, processing and selling of timbers;
- 7) To conduct the business of selling at retail and wholesale consumer and production goods, including the sale of equipment and vehicles for the development of its logistic activity;
- 8) To export and import production and consumer goods;
- 9) To hold equity interests in other companies, as a means to achieving the corporate purposes to full extent; and
- 10) To participate in any projects required for the operation of the business of the Corporation.

Sole Paragraph. The Corporation may further engage directly, or indirectly through others, in any support activities for the core business described in Section Three above, such as:

- a) To conduct supporting administrative, technical or operational activities, aiming at creating conditions for the development of its core business;
- b) To provide freight services, generally;
- c) To provide product storage and stocking services and all other ancillary services relating thereto;
- d) To promote and replace its retail products at points of display and points of sale to final consumers;

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- e) To provide the services of receiving and allocating raw materials to be used in production;
 - f) To provide machine and vehicle repair, maintenance and overhaul services;
 - g) To foster the agribusiness industry in Brazil through the promotion of activities, projects and technical assistance;
 - h) To manufacture, develop and sell packaging products of any kind;
 - i) To process and raise livestock;
 - j) To conduct research on and to develop techniques for the production and improvement of genetic matrices for the Corporation.

SECTION FOUR - The term of duration of the Corporation is indefinite.

II - CAPITAL STOCK

SECTION FIVE - The capital stock subscribed for and paid up is Eight Hundred Million Reais (R\$800,000,000.00), divided into one hundred thirty-three million nine hundred fifty-seven thousand one hundred fifty-two (133,957,152) no-par value common shares in book-entry form.

Paragraph One - The Corporation is authorized to increase the capital stock up to the limit of one hundred eighty million (180,000,000) common shares, irrespective of amendment to the bylaws, by resolution of the Board of Directors, who will have the authority to establish the conditions for the issue, including the price and time of payment of subscriptions.

Paragraph Two - Pursuant to a proposal from and attendant plan of the Board of Directors, the shareholders' meeting may authorize the Corporation to grant stock options to its directors, officers or employees, or to individuals providing services to the Corporation or any company controlled by Corporation, within the limits of authorized capital.

Paragraph Three - The shares are indivisible and each common share is entitled to one vote on each matter voted on at a shareholders' meeting.

SECTION SIX - No founders' shares shall be issued by the Corporation.

SECTION SEVEN - The capital stock of the Corporation will consist solely of shares of common stock, and no shares of preferred stock shall be issued.

SECTION EIGHT - It will be incumbent upon the Board of Directors to authorize the shares of common stock to be deposited with a designated financial institution.

Sole Paragraph - The cost of transferring title to shares, stock splits and reverse stock splits may be charged by the Corporation to the shareholders.

SECTION NINE - At the discretion of the Board of Directors or the shareholders' meeting, any issue of stock, convertible debentures and warrants to be placed by sale on a stock exchange, or through public subscription, or an exchange of shares in connection with a public offering may be made without or with limited preemptive rights to the shareholders, as provided by law and these Bylaws.

SECTION 10 - Failure by a subscriber to timely pay for any subscription will result in such subscriber being charged with interest at the rate of one percent (1%) per month and a ten

percent (10%) penalty on the past due obligation, in addition to any other applicable statutory penalties.

SECTION 11 - By resolution of the shareholders pursuant to a proposal from the Board of Directors, the capital stock of the Corporation may be increased through the capitalization of profits or reserves, and additional shares corresponding to such increase may or may not be issued to the shareholders in proportion to the number of shares held by them.

III - MEETINGS OF SHAREHOLDERS

SECTION 12 - Meetings of the shareholders, called and convened as prescribed by law and these Bylaws, will be held annually within the first four months after the end of each fiscal year, and especially, whenever the interests and business of the Corporation require action by the shareholders.

Paragraph One - The proceedings at shareholders' meetings will be directed by the Chairman of the Board of Directors or, in his or her absence, by the Vice Chairman, who will designate the secretary of the meeting. In the event of absence or temporary disability of the Chairman and Vice Chairman of the Board of Directors, the shareholders' meeting will be presided over by their respective alternates or, in the absence or disability of such alternates, by a Director specially designated by the Chairman of the Board of Directors.

Paragraph Two - The shareholders' meeting will have the powers defined by law and, subject to exceptions set forth in law and in these Bylaws, the shareholders will act by an absolute majority of the affirmative votes cast at the meeting by any system adopted by the chair and secretary.

Paragraph Three - The first notice of any shareholders' meeting shall be given not less than fifteen (15) days prior to the meeting.

Paragraph Four - Except in the case provided by Section 42 (ii) of these Bylaws, the shareholders' meeting held to consider the cancellation of registration as a publicly-held corporation or the delisting of the Corporation from the New Market shall be called on not less than thirty (30) days' notice.

Paragraph Five - Subject to statutory exceptions in the Corporations Law, the resolutions at shareholders' meetings will be limited to the order of business stated in the respective notice of call.

SECTION 13 - In addition to an identification document, each shareholder shall submit within not less than five (5) days before any shareholders' meeting, as the case may be: (i) the relevant proxy instrument containing the notarized signature of the person giving the proxy; and/or (ii) so far as concerns shareholders participating in the fungible custody of shares in book-entry form, an statement showing the respective holdings issued by the institution providing custodial services.

SECTION 14 - In addition to the powers granted by law and these Bylaws, the following powers are vested in the shareholders:

1) To take action with respect to stock dividends and any stock split and reverse stock split;

2) To approve stock option plans for directors, officers and employees of the Corporation, as well as for the directors, officers and employees of other companies directly or indirectly controlled by the Corporation;

3) To take action on the allocation of the profit for the fiscal year and a distribution of dividends, as proposed by the directors and officers;

4) To take action on the delisting from the New Market ("Novo Mercado") of the São Paulo Stock Exchange - BOVESPA ("BOVESPA");

5) To fix the compensation of the Fiscal Council pursuant to law and these Bylaws;

6) To take action for cancellation of registration with CVM as a publicly-held corporation, subject to the provisions of Article VII of these Bylaws;

7) To select the expert firm that will be responsible for preparing a valuation report on the shares of the Corporation in the event of cancellation of registration as a publicly-held corporation or delisting from the New Market, as provided for in Article VII of these Bylaws.

IV - MANAGEMENT

Part I - General Provisions Applicable to Management

SECTION 15 - The management of the Corporation is vested in the Board of Directors and the Board of Executive Officers, whose respective authority is granted by law and these Bylaws.

Paragraph One - The directors and officers of the Corporation need not post a fidelity bond to cover the discharge of their duties.

Paragraph Two - The directors and officers of the Corporation will take their offices by signing a statement of incumbency recorded in the proper books and by previously signing the relevant Consent to Appointment referred to in the New Market Listing Regulations.

Paragraph Three - Any act performed by any director or officer of the Corporation, whereby the Corporation will become liable for obligations arising from business or transactions unrelated to the corporate purposes, are expressly prohibited and will *ipso facto* be null and void, without prejudice to liability under civil or criminal law, if the case may be, being imposed on anyone who violates this Paragraph.

Paragraph Four - The term of office of the directors and officers of the Corporation will be extended until their replacement take office.

Paragraph Five - The shareholders' meeting will annually fix the aggregate annual compensation of the directors and officers of the Corporation, including any fringe benefits and entertainment allowances, taking into account their responsibilities, the time devoted to their duties, their competence and professional reputation, and the market value of their services. The Board of Directors will have the authority to establish the criteria for allocation of such compensation to each Director and each Executive Officer.

Part II - Board of Directors

SECTION 16 - The Board of Directors is composed of seven (7) regular members and an equal number of alternates, not less than twenty percent (20%) of whom shall be Independent Directors (as defined in Paragraph One), all such members to be shareholders of the

Corporation elected at a shareholders' meeting for a term of office of two (2) years beginning and ending on the same dates, reelection being permitted.

Paragraph One - For the purpose of this Section, an Independent Director means such director as is defined in the New Market Listing Regulations of Bovespa and is expressly declared to be such in the minutes of the shareholders' meeting at which he or she is elected. Upon election of the members of the Board of Directors, the shareholders' meeting will designate a Chairman and a Vice Chairman, the latter to substitute for the former in his or her disabilities or absences, as well as in case of vacancy.

Paragraph Two - Where the multiple vote system has not been requested, the members of the Board of Directors will decide by the vote of an absolute majority of its attending members the names of candidates to be placed on the nominating ticket for all offices in the Board. In the event the multiple vote system has been requested, each member of the then acting Board of Directors will be deemed to be a candidate for the Board of Directors.

Paragraph Three - If the Corporation receives a written request from shareholders wishing that the multiple vote system be adopted as provided by Section 141, Paragraph One of the Corporations Law, the Corporation will communicate the receipt and contents of such request: (i) promptly, by electronic means, to CVM and BOVESPA; and (ii) by publication of the relevant notice to the shareholders within not more than two (2) days from receiving such request, considering in the computation of such time only the days in which the newspapers usually designated by the Corporation for corporate publications have circulated.

Paragraph Four - In the event any shareholder wishes to appoint one or more representatives for the Board of Directors who have not recently been members thereof, such shareholder shall notify the Corporation in writing within not less than five (5) days before the shareholders' meeting at which the Directors will be elected, providing the name, qualifications and complete information on the professional experience of such candidates. Upon receiving notice with respect to one or more candidates for the Board of Directors, the Corporation will communicate the receipt and contents of such notice: (i) promptly, by electronic means, to CVM and BOVESPA; and (ii) by publication of the relevant notice to the shareholders within not less than three (3) days before the relevant shareholders' meeting, considering in the computation of such time only the days in which the newspapers usually designated by the Corporation for corporate publications circulate.

Paragraph Five - If there is a vacancy in the office of a regular member of the Board of Directors, his or her alternate will fill the vacancy. In the event of vacancy in the office of a regular and alternate member of the Board of Directors, the remaining members will designate a replacement, who will serve until the next shareholders' meeting, at which the shareholders will elect another Director to serve for the unexpired term of office. If more than one third ($\frac{1}{3}$) of the offices on the Board of Directors shall be vacant at the same time, the shareholders' meeting will be called within thirty (30) days from such event to elect the substitutes, who will qualify for a term of office to coincide with that of the other Directors.

Paragraph Six - Each member of the Board of Directors must be of good repute, and a person will not be eligible for election if such person: (i) holds a position with any company that may be deemed to be a competitor of the Corporation; or (ii) has or represents any conflicting interest with respect to the Corporation. In the event any member of the Board of Directors attracts any of the foregoing disqualifications after being appointed, such member shall immediately submit his or her resignation to the Chairman of the Board of Directors.

No elected member of the Board of Directors shall participate in any meetings at which action is proposed to be taken on matters with respect to which he or she may have or represent an interest conflicting with the interests of the Corporation, and no such member shall have access to information relating thereto.

SECTION 17 - The Board of Directors will meet regularly once every month and, specially, whenever required, on call by the Chairman or a majority of the Board members. Minutes of such meetings will be recorded in the proper book.

Paragraph One - At any meeting of the Board of Directors a quorum will consist of not less than $\frac{2}{3}$ of its members.

Paragraph Two - Except with respect to the matters set out in Section 19 of these Bylaws, the Board of Directors will act by a majority vote of its members attending a meeting, the Chairman to cast the tie-breaking vote in the event of a tie.

SECTION 18 - The Board of Directors will have authority:

- 1) To direct the conduct of the business of the Corporation;
- 2) To elect and remove the executive officers of the Corporation and to establish their duties, subject to the provisions of these Bylaws;
- 3) To supervise the performance of the executive officers, to examine at any time the books and papers of the Corporation, and to request information on contracts executed or about to be executed, as well as on any other action;
- 4) To call shareholders' meetings as may be deemed advisable and in the cases prescribed by law;
- 5) To approve the management report and the accounts of the Board of Executive Officers;
- 6) To allocate among the members of the Board of Directors and the Board of Executive Officers the aggregate annual compensation fixed by the shareholders' meeting, and to establish the criteria for directors' and officers' participation in the profits, subject to the provisions of these Bylaws;
- 7) To authorize the Executive Officers to give guarantees and aval to companies controlled by and affiliated with the Corporation, as well as to any third parties, in connection with matters related to the operations of the Corporation;
- 8) To authorize the Executive Officers to make any products and personal and real property of the Corporation available to companies controlled by and affiliated with the Corporation to be offered as security for borrowing transactions entered into with financial institutions.
- 9) To approve the creation or closing of any branch, agency and other offices and other subordinate corporate facilities anywhere in the Brazilian territory or abroad;
- 10) To choose and replace independent auditors proposed by the Fiscal Council;
- 11) To propose to the shareholders' meeting the issue of new shares beyond the limit of authorized capital;
- 12) To take action on the acquisition of the Corporation's own shares for cancellation or to be kept as treasury shares and, in this latter case, to take action on the subsequent disposition thereof;
- 13) To take action on the issuance of any commercial paper and other similar securities;

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- 14) To take action on the issue of shares of stock within the limits of authorized capital, establishing the number, terms of payment, and subscription price of such shares, including premium thereon, and whether or not the shareholders will have preemptive rights or be subject to a shorter period for exercise of such rights, as permitted under applicable regulations;
 - 15) To approve the preparation of semiannual or other interim balance sheets, and to declare semiannual or other interim dividends out of profits shown in such balance sheets or Retained Earnings or Profit Reserves shown in the latest annual or semiannual balance sheet, as provided by law, and/or to authorize the payment of interest on shareholders' equity, pursuant to Law No. 9,249/95;
 - 16) To approve and define in advance the action of the Board of Executive Officers on behalf of the Corporation in its capacity as a shareholder and/or quotaholder of other companies, directing the vote to be cast by the Corporation at any shareholders' and/or other meetings of the companies in which the Corporation holds an interest, except with respect to operational and non-financial matters;
 - 17) To submit to the shareholders' approval a proposal to grant stock options to the directors and officers or employees of the Corporation, or individuals providing services to the Corporation or to a company controlled by the Corporation, within the limits of authorized capital;
 - 18) To authorize changes in the conditions for trading and issuance of American Depositary Receipts - ADRs;
 - 19) To create technical or consultative committees without voting powers, aimed at discharging specific duties or carrying out general activities of interest to the Corporation. Such committees may function in the following areas, among others: (i) strategic and financing; (ii) governance and ethics; and (iii) directors' and officers' compensation and executive development;
 - 20) To supervise the performance of the duties of any committees that may be created to assist the Board of Directors, to approve the respective regulations and to consider any opinions and reports submitted by such committees pursuant to the prevailing legislation;
 - 21) To define the three-name list of firms with expertise in economic valuation of companies, for the purpose of preparing a valuation report on the shares of the Corporation in the event of cancellation of registration as a publicly-held corporation or delisting from the New Market, as provided under Section 43 of these Bylaws.

SECTION 19 - The following actions will require the affirmative vote of two thirds ($\frac{2}{3}$) of the members of the Board of Directors:

- 1) To propose amendments to the Bylaws with respect to the term of duration of the corporation, the corporate purposes, increases or decreases in capital stock, issue of securities, abrogation of preemptive rights for subscription of newly issued shares and other securities, dividends, interest on shareholders' equity, the powers and authority of the shareholders' meeting, the organizational structure and duties of the Board of Directors and Board of Executive Officers and the respective voting requirements;

- 2) To propose the spin-off, consolidation, merger of or into the Corporation, and the change of the type of the Corporation or any other form of corporate restructuring;
 - 3) To approve the liquidation, dissolution, appointment of liquidators, bankruptcy or any voluntary acts for the reorganization of the Corporation in or out-of-court and any financial restructuring in connection therewith;
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- 4) To propose the creation, acquisition, assignment, transfer, disposition and/or encumbrance, in any manner or by any means, of: a) ownership interests and/or any securities held in other companies; b) real properties with a market value of over 0.002% of the shareholders equity of the corporation; and c) any fixed assets representing, alone or in the aggregate, an amount equal to two and one half of one percent (2.5%) or more of the shareholders equity of the Corporation;
 - 5) To establish limitations on the value, term of duration, or kind of transaction for the borrowing of money and other financing transactions, or any security interests in real or personal property or other forms of guarantee;
 - 6) To approve expenses to be incurred and any financing transaction in connection with activities relating to soybeans, corn and other inputs not expressly included in the general budget, any hedging transactions in the futures and options markets or otherwise;
 - 7) To give guarantees, to lend money or provide other financing to any companies controlled by and/or affiliated with the corporation and/or its employees, in excess of the limitations imposed in item 4;
 - 8) To carry out transactions and business of any nature with shareholders, any persons controlling, controlled by and affiliated therewith, any directors and officers, employees and relatives of any of the foregoing, in excess of the limitations imposed in item 4;
 - 9) To approve integrated annual and multi-annual general capital budgets (operations budgets, investment budgets, and cash flow budgets) of the Corporation and companies controlled by and affiliated with the Corporation, to establish investment policies and the corporate strategy. The integrated annual general budget shall always be approved on or before the last day of the year preceding the calendar year to which it refers and shall cover the twelve months of the subsequent fiscal year. The budget of the corporation shall, at any time during a given calendar year, cover a minimum period of six (6) months. The implementation and execution of the approved budget will be reviewed on a monthly basis at the regular meetings of the Board of Directors;
 - 10) To elect the members of the Board of Executive Officers, designating the Chief Executive Officer and his or her substitute in case of disability or absence;
 - 11) To issue, repurchase, repay and/or redeem shares of stock, debentures, whether convertible or not, warrants and any other securities;
 - 12) To establish the dividend payment policy;
 - 13) To approve the assignment, transfer and/or acquisition of any rights in connection with trademarks, patents, production and technology processes.

Section III - Board of Executive Officers

SECTION 20 - The Board of Executive Officers, whose members will be elected and may be removed at any time by the Board of Directors, will be composed of not more than eight (8) members elected for a period of two (2) years, being one (1) Chief Executive Officer, one (1) Chief Financial Officer, one (1) Investor Relations Officer, the other Executive Officers to have their designated title and duties as may be proposed by the Chief Executive Officer to the Board of Directors pursuant to Section 21 hereof. All such members shall meet the requirements of Section 22 hereof and may be reelected. At the discretion of the Board of Directors, the Chief Financial Officer may discharge the duties of Investor Relations Officer cumulatively with his or her own duties.

SECTION 21 - It shall be the duty of:

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- 1) The Chief Executive Officer:
 - a) To call and preside over the meetings of the Board of Executive Officers;
 - b) To represent the Board of Executive Officers at any meetings of the Board of Directors;
 - c) To submit to the consideration of the Board of Directors any proposals from the Board of Executive Officers with respect to the investment plan, the organizational structure, qualifications for and duties of any offices or positions, adoption of and amendments to the Internal Regulations and other rules and general operating standards of the Corporation and any companies controlled by and affiliated with the Corporation;
 - d) To supervise and direct the conduct of the corporate business and the activities of all other Executive Officers;
 - e) To submit the financial statements, operations and investment budgets, the financial plan and cash flow to the Board of Directors;
 - f) To propose to the Board of Directors any positions in the Board of Executive Officers with or without a designated title, and the respective candidates to discharge specific duties as he or she deems necessary.
 - 2) The Chief Financial Officer:

- a) To prepare, in conjunction with the other executive officers and under the coordination of the Chief Executive Officer, budgets to be submitted for approval to the Board of Directors, and to control the implementation of these budgets, especially with respect to cash flow management;
 - b) To direct the implementation of the economic and financial policy, supervising the economic and financial activities as determined by the Board of Directors; to organize and coordinate the information system required for his or her activities, and to supervise all controllership activities.
- 3) The Investor Relations Officer:
- a) To represent the Corporation before the Brazilian Securities Commission (“CVM”) and all other entities in the securities market and financial institutions, as well as any Brazilian or foreign regulatory authorities and stock exchanges on which the securities of the Corporation are listed, and to cause any regulations applicable to the Corporation to be complied with in regard to registration with the CVM and any regulatory authorities and stock exchanges on which the securities of the Corporation are listed, and to manage the investors relations policy;
 - b) To monitor compliance with the obligations under Article VII of these Bylaws by the shareholders of the Corporation and to submit to the shareholders’ meeting and/or the Board of Directors, when requested, his or her conclusions, reports and actions taken.
- 4) The other Executive Officers, whose title will be designated by the Board of Directors based on a proposal from the Chief Executive Officer:
- a) To direct, coordinate and supervise specific activities under their responsibility;
 - b) To discharge specific duties as may be assigned to them by resolution of the Chief Executive Officer.
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SECTION 22 - The members of the Board of Executive Officers will be elected by the Board of Directors, who may choose from among candidates previously selected by the Chief Executive Officer. For such purpose, the Chief Executive Officer will send to the Board of Directors a copy of the résumé of each candidate, together with the proposed terms of his or her employment and all other information necessary as evidence of the qualifications required by the Sole Paragraph of this Section.

Sole Paragraph - The Board of Executive Officers will be composed solely of professionals having demonstrable technical knowledge acquired in courses or in the exercise of activities consistent with the position for which they have been proposed.

SECTION 23 - Subject to the limitations imposed by law and these Bylaws, general management powers are vested in the Board of Executive Officers to take all action necessary for the regular operation of the Corporation with a view to attaining the corporate purposes.

SECTION 24 - Any two (2) members of the Board of Executive Officers acting together, in or out of court, will have powers to perform any lawful acts and bind the Corporation in any matters affecting its rights and obligations, except that the acquisition, assignment, transfer, disposition and/or encumbrance, in any manner or by any means, of the following items shall be performed exclusively by the Chief Executive Officer, or his or her substitute acting together with another member of the Board of Executive Officers:

- a) any ownership interests in and/or other securities of any companies;
- b) real properties of any value and any fixed assets.

Sole Paragraph - Subject to the limitations and restrictions contained in the leading sentence of this Section and any other limitations and restrictions determined by the Board of Directors, any two members of the Board of Executive Officers may appoint attorneys-in-fact with specific powers to act on behalf of the Corporation, by proper instruments, which, except where given for in-court representation, shall be valid until December 31 of each year.

SECTION 25 - The Board of Executive Officers will meet whenever necessary, and minutes of such meetings will be recorded in the proper book.

Paragraph One - The Board of Executive Officers will act by a majority vote, the Chief Executive Officer or his or her substitute to cast the tie-breaking vote.

Paragraph Two - A quorum at any meetings of the Board of Executive Officers will consist of not less than two thirds ($\frac{2}{3}$) of its members, the Chief Executive Officer or his or her substitute to be always present at such meetings.

Paragraph Three - In the event of absence or temporary disability, the Executive Officers will substitute for one another, as directed by the Chief Executive Officer. In case of a vacancy, the Board of Directors will, within thirty (30) days, designate a person to fill the vacancy, whose term of office will coincide with that of the other Executive Officers.

V - FISCAL COUNCIL

SECTION 26 - The Corporation will have a Fiscal Council functioning on a permanent basis, composed of three regular members and an equal number of alternates, with the duties, powers and compensation prescribed by law.

Paragraph One - The members of the Fiscal Council will take their offices by signing a statement of incumbency in the proper book and by previously signing the relevant Consent to Appointment referred to in the New Market Listing Regulations.

Paragraph Two - The Fiscal Council will hold regular meetings every month and special meetings whenever necessary, and minutes of such meetings will be recorded in the proper book.

SECTION 27 - In addition to the duties provided in the Brazilian legislation, the Fiscal Council will discharge the functions of an Audit Committee, in accordance with the rules issued by the U.S. Securities and Exchange Commission - SEC and the Regulations of the Fiscal Council.

SECTION 28 - Compliance with the requirements of applicable legislation, the provisions of these Bylaws and the Regulations of the Fiscal Council is required for the full discharge of the functions of the Fiscal Council.

Paragraph One - At least one member of the Fiscal Council shall have a demonstrable knowledge of the accounting, audit and financial areas, such that he or she may be characterized as an expert in finance.

Paragraph Two - The members of the Fiscal Council will be subject to the same obligations and prohibitions imposed by law and these Bylaws on the directors and officers of the Corporation.

Paragraph Three - The members of the Fiscal Council may only be members of the Board of Directors, Fiscal Council or Audit Committee of one more company only in addition to the Corporation.

Paragraph Four - In the event of vacancy in the office any regular member of the Fiscal Council, the respective alternate will fill the vacancy. If there is a vacancy in the office of a regular member and the respective alternate, the shareholders' meeting will be called to elect a member to fill the vacancy.

SECTION 29 - The activities of the Fiscal Council will be governed by prevailing and applicable legislation, these Bylaws and the Regulations of the Fiscal Council, as approved by the Board of Directors of the Corporation, who will provide for the powers, functioning and other matters concerning the aforesaid bodies.

VI - FISCAL YEAR AND RESULTS

SECTION 30 - The fiscal year coincides with the calendar year and, on the close thereof, the Corporation will prepare a balance sheet to determine the results for such period, as well as other relevant financial statements for publication and consideration by the shareholders' meeting.

SECTION 31 - Any negative retained earnings and the provision for income tax shall be deducted from the results of each fiscal year before any distribution.

Sole Paragraph - After the deductions referred to in this Section are made, the shareholders' meeting may allocate to the directors and officers a share of not more than ten percent (10%) of the remaining profits, subject to any statutory limitations.

SECTION 32 - The net income for the year will be allocated successively as follows;

- 1) Five percent (5%) towards the establishment of the Legal Reserve, which shall not exceed twenty percent (20%) of the capital stock;
- 2) Twenty-five percent (25%) as a mandatory minimum dividend, as adjusted in accordance with Section 202 of Law No. 6,404/76, to be paid with respect to all shares of stock of the corporation;
- 3) Twenty percent (20%) towards the establishment of reserves for capital increase, which shall not exceed twenty percent (20%) of the capital stock;
- 4) The remaining balance will be allocated towards:
 - a) the creation of a reserve for expansion, which shall not exceed eighty percent (80%) of the capital stock, aimed at minimizing any reduction in working capital; or
 - b) the shareholders' meeting will decide, based on a valid proposal from the directors and officers, whether the balance will be:
 - b.1) distributed to the shareholders as an additional dividend;
 - b.2) carried forward to the following year, as retained earnings, if the directors and officers properly justify such an allocation to fund an investment plan included in the capital budget.

SECTION 33 - Unless otherwise resolved by the shareholders' meeting, payment of any dividends, interest on shareholders' equity and the distribution of shares resulting from a capital increase will be made within sixty (60) days from the date of the relevant resolution.

Sole Paragraph - The Corporation may, by a resolution of the Board of Directors pursuant to the foregoing Section 18, prepare semiannual and other interim balance sheets and declare dividends and/or interest on shareholders' equity out of profits shown on such balance sheets, retained earnings or profit reserves appearing in the latest annual balance sheet or interim balance sheets, as provided by law.

VII - SALE OF CORPORATE CONTROL, CANCELLATION OF REGISTRATION AS A PUBLICLY-HELD CORPORATION AND DELISTING FROM THE NEW MARKET

SECTION 34 - The sale of THE CORPORATE CONTROL in the Corporation (as defined in Paragraph One of this Section), either directly or indirectly, in a single transaction or a series of successive transactions, must be agreed upon under a condition precedent or subsequent that the purchaser of such corporate control will make a public offering (the "Public Offering") of the remaining shares of the Corporation, subject to the terms of and within the time limits prescribed by prevailing legislation and the New Market Listing Regulations, so that the holders of such shares will receive the same treatment as is accorded to the selling Controlling shareholder.

Paragraph One - For purposes of these Bylaws, any capitalized terms will have the following meanings:

"Purchasing Shareholder" means any person, including, but not limited to, any individual or entity, investment fund, joint ownership scheme, securities portfolio, universality of rights, or other form of organization, residing, domiciled or with registered office in Brazil or abroad, or a Group of Shareholders, who purchase shares of the capital stock of the Corporation, whether or not representing a Controlling Power.

"Controlling Shareholder" means a shareholder or Group of Shareholders, as defined below, who exercises a Controlling Power in the Corporation.

"Selling Controlling Shareholder" means a Controlling Shareholder that disposes of the Controlling Power in the Corporation.

"Outstanding Shares" means all shares issued by the Corporation, except such shares as are held by the Controlling Shareholder, any persons related to the Controlling Shareholder, directors and officers of the Corporation and treasury shares.

"Corporate Control" (and such related terms as "Controlled by", "under common Control with" or "Controlling Power") means the power, either directly or indirectly, to effectively manage the corporate affairs and direct the operation of the governing bodies of the Corporation, as a matter of fact or law.

"Group of Shareholders" means a group of two or more persons: (a) linked by contracts or agreements of any nature, including any shareholders' agreements, whether directly or through any companies Controlled by, Controlling or under common Control with such persons; or (b) having a controlling relationship with respect to one another, whether directly or indirectly; or (c) who are under common Control with another person; or (d) representing the same interest. Persons representing the same interest include, by way of example: (d.1) any person directly or indirectly holding ten percent (10%) or more of the capital stock of another person; and (d.2) two persons ten percent (10%) or more of the capital stock of which is directly or indirectly owned by a third person. Any joint venture, investment fund or club,

foundation, association, trust, joint ownership scheme, cooperative, securities portfolio, universality of rights, or any other form of organization or undertaking, whether organized in Brazil or abroad, will be deemed to be part of a same Group of Shareholders whenever any two or more such entities: (i) are controlled or managed by the same legal entity or by parties having a relationship with the same legal entity; or (ii) have a majority of its directors and officers in common with each other or one another.

“Exercise of Widespread Controlling Power” means such Controlling Power as is exercised by: (i) a shareholder owning less than fifty percent (50%) of the capital stock of the Corporation; (ii) shareholders that as a group own more than fifty percent (50%) of the capital stock of the Corporation, provided that such shareholders are not parties to a voting trust, are not under common control and do not represent a common interest; and (iii) shareholders who are parties to a shareholders’ agreement and who, collectively, own less than fifty percent (50%) of the capital stock of the Corporation.

Paragraph Two - Where the acquisition of the Corporate Control results in the imposition on the purchaser of such Corporate Control of an obligation to make the Public Offering required under Section 37 of these Bylaws, the tendered price will be the greater of the prices determined according to this Section 34 and Section 37, Paragraph Two of these Bylaws.

Paragraph Three - The Selling Controlling Shareholder shall not transfer title to the shares owned by such selling Controlling shareholder or selling Controlling Group of Shareholders, and the Corporation shall not record any transfer of shares representing the Corporate Control unless and until the Purchasing Shareholder signs the relevant Statement of Adherence referred to in the New Market Listing Regulations.

Paragraph Four - The Corporation will refrain from recording any transfer of shares to any shareholder(s) that may become the holder(s) of a Controlling Power, unless and until such Controlling shareholder(s) signs/sign the relevant Statement of Adherence.

Paragraph Five - No Shareholders’ Agreement providing for exercise of Controlling Power shall be filed with the Corporation’ s registered office if the signatories thereof have not subscribed the Statement of Adherence referred to in Paragraph Three of this Section.

SECTION 35 - The public offering referred to in the preceding Section must also be made: (i) upon an assignment for financial consideration of interests exercisable for newly-issued shares and other securities or interests convertible into or exercisable for newly-issued shares which may result in the sale of the Corporate Control in the Corporation; and (ii) in the event of the Control in the Controlling Shareholder of the Corporation, in which case such selling Controlling shareholder will be required to disclose to BOVESPA the value assigned to the Corporation in such sale, as well as the supporting documentation therefor.

SECTION 36 - Any person that is already a shareholder of the Corporation and acquires the Controlling Power of the Corporation as a result of a share purchase agreement entered into with the Controlling Shareholder for any number of shares, will be required: (i) to make a public offering as provided in Section 34 of these Bylaws; (ii) to compensate any shareholders from whom such person may have purchased shares on a stock exchange within a period of six (6) months preceding the date of transfer of the Corporate Control in the Corporation for the excess, if any, of the price paid to the Selling Controlling Shareholder over the market quotation of the Corporation’ s shares during the aforesaid period, as properly adjusted according to the positive variation in the Extended Consumer Price Index (*Índice de Preços ao Consumidor Amplo - IPCA*) (“IPCA”) up to the date of payment of such compensation; (iii) as the case may be, to take action as appropriate to restore the minimum twenty-five percent (25%) requirement of the total outstanding shares of the Corporation within a period of six (6) months following the acquisition of the Corporate Control.

SECTION 37 - Any Purchasing Shareholder that acquires or becomes the owner of twenty percent (20%) or more of all shares of the capital stock of the Corporation shall, within not more than thirty (30) days from the date of acquisition or event resulting in such share ownership being equal to or higher than twenty percent (20%) of all shares of the capital stock of the Corporation, register or, if the case may be, apply for the registration of a Public Offering with respect to all shares of the capital stock of the Corporation, subject to applicable CVM regulations, the rules of BOVESPA and the provisions of this Section.

Paragraph One - In such case, the following procedures will be applicable: (i) the Public Offering must be made indistinctly to all shareholders of the Corporation; (ii) the shares must be sold by auction on BOVESPA; (iii) the Public Offering must be launched for a price determined as provided in Paragraph Two of this Section; and (iv) the Public Offering must be a cash offer in lawful Brazilian currency for the shares of the capital stock of the Corporation.

Paragraph Two - The tendered price per share of the capital stock of the Corporation shall not be less than the greater of: (i) the economic value arrived at in a valuation report, subject to the provisions of Paragraph Three of this Section; (ii) one hundred and thirty-five percent

(135%) of the issue price of the shares in any capital increase carried out through a public distribution within a period of twenty-four (24) months preceding the date as of which the Public Offering has become mandatory pursuant to this Section 37, as properly adjusted according to the IPCA up to the date of payment; and (iii) one hundred and thirty-five percent (135%) of the average market quotation per share of the capital stock of the Corporation during a period of thirty (30) days preceding the Public Offering on the stock exchange trading the greatest volume of shares of the capital stock of the Corporation.

Paragraph Three - The valuation mentioned in item (i) of the foregoing Paragraph Two will be the arithmetic mean of the midpoints within the range of economic value in two valuation reports, as determined according to the discounted cash flow method, provided that the variation between such midpoints does not exceed ten percent (10%). If the difference between such midpoints exceeds 10%, the economic value of the Corporation will be determined by an arbitration conducted pursuant to the terms of Section 46 of these Bylaws.

Paragraph Four - The valuation reports referred to in the preceding Paragraph shall be prepared by two leading financial institutions of recognized standing and experience in the food industry, one to be selected by the Corporation and the other by the Purchasing Shareholder from among major institutions providing advisory services in mergers and acquisitions to customers in Brazil at the time. The cost of the valuation reports shall be borne respectively by the Corporation and the Purchasing Shareholder.

Paragraph Five - A Public Offering made as referred to in the leading sentence of this Section will not preclude another shareholder of the Corporation or the Corporation itself, as the case may be, from making a competing Public Offering according to applicable regulations.

Paragraph Six - A Purchasing Shareholder must comply with any requests or requirements made by CVM based on applicable regulations with respect to a Public Offering, within the maximum periods prescribed therein.

Paragraph Seven - In the event a Purchasing Shareholder fails to comply with the obligations imposed by this Section, including as regards adherence to the maximum time limits for (i) making or applying for registration of a Public Offering, or (ii) complying with any requests or requirements of CVM, then the Board of Directors of the Corporation will call a special shareholders' meeting, at which the Purchasing Shareholder will be barred from voting, to consider suspending exercise of such non-complying Purchasing Shareholder's rights as provided in Section 120 of the Corporations Law, without prejudice to the liability of the Purchasing Shareholder for any loss or damage caused to the other shareholders as a result of such failure to comply with the obligations imposed by this Section.

Paragraph Eight - Any Purchasing Shareholder who acquires or becomes the holder of other interests in the Corporation, including by way of a life estate (*usufruto*) or fideicommissum, equal to twenty percent (20%) or more of all shares of the capital stock of the Corporation, will likewise be required to either register or apply for the registration of a Public Offering as described in this Section, within not more than thirty (30) days from such acquisition or event resulting in twenty percent (20%) or more of all shares of the capital stock of the Corporation being so held.

Paragraph Nine - Except as provided in Sections 44 and 45 of these Bylaws, the obligations established in Section 254-A of the Corporations Law and Sections 34, 35 and 36 of these Bylaws will not release a Purchasing Shareholder from compliance with the obligations prescribed by this Section.

Paragraph 10 - The provisions of this Section will not apply in the event a person becomes the holder of more than twenty percent (20%) of all shares of the capital stock of the Corporation by reason of: (i) statutory succession, on condition that the shareholder shall dispose of any excess shares within sixty (60) days from the relevant event; (ii) merger of another company into the Corporation; (iii) absorption of shares of another company by the Corporation; or (iv) subscription for shares of the Corporation in a single primary issue that is approved at a shareholders' meeting called by the Board of Directors of the Corporation and with respect to which the proposed capital increase requires the issue price of the shares to be based on the economic value determined according to a valuation report on the economic and financial condition of the Corporation prepared by an expert firm of recognized experience in the valuation of publicly-held companies.

Paragraph 11 - For the purpose of calculating the percentage of twenty percent (20%) of all shares of the capital stock of the Corporation, as mentioned in the leading sentence of this Section, no involuntary increase in ownership interest resulting from cancellation of treasury shares or reduction of the capital stock of the Corporation entailing a cancellation of shares will be computed.

Paragraph 12 - If CVM regulations applicable to a Public Offering under this Section require adoption of any given criterion to determine the purchase price per share of the Corporation in the Public Offering, which criterion results in a purchase price higher than that determined pursuant to Paragraph Two of this Section, then the purchase price determined according to CVM regulations shall prevail with respect to such Public Offering.

Paragraph 13 - Any modification hereto limiting the right of the shareholders to a Public Offering under this Section, or the deletion of this Section, will require any shareholder(s) who may have voted favorably on such modification or deletion at a shareholders' meeting to make a Public Offering under this Section.

SECTION 38 - Should it be resolved at a special shareholders' meeting that the Corporation should delist from the New Market, the Controlling Shareholder of the Corporation shall make a public offering where the delisting is: (i) for the purpose of trading the shares outside the New Market; or (ii) caused by a corporate restructuring pursuant to which the shares of the Corporation resulting from such restructuring are not admitted to trading in the New Market. The minimum tendered price shall be equal to the economic value determined according to the valuation report referred to in Section 43 of these Bylaws.

SECTION 39 - The minimum tendered price stated in a public offering to be made by the Controlling Shareholder or the Corporation for the purpose of cancellation of registration as a publicly-held corporation shall be equal to the economic value determined according to the valuation report referred to in Section 43 of these Bylaws.

SECTION 40 - In the event of Exercise of a Widespread Controlling Power: (i) where the cancellation of registration as a publicly-held corporation is approved at a shareholders' meeting, except in the case provided in Section 42 (ii) of these Bylaws, the public offering

shall be made by the Corporation itself, and in this case the Corporation may only purchase the shares owned by those shareholders who have voted favorably on the cancellation of registration at such shareholders' meeting, after having purchased the shares of all other shareholders who have not voted favorably on the aforesaid cancellation of registration and who have accepted such public offering; (ii) where the delisting of the Corporation from the New Market is approved at a shareholders' meeting, whether for the purpose of registration for trading the shares outside the New Market or for a corporate restructuring as provided in Section 38 (ii) of these Bylaws, the public offering shall be made by the shareholders who have voted favorably thereon at such shareholders' meeting.

SECTION 41 - In the event of Exercise of a Widespread Controlling Power and BOVESPA requires that the market quotation of securities of the Corporation be published separately or that trading of any securities issued by the Corporation be suspended in the New Market by reason of non-compliance with any obligations imposed by the New Market Listing Regulations, the Chairman of the Board of Directors shall, within not more than two (2) days from such requirement, in the computation of which time only the days in which the newspapers usually designated by the Corporation for corporate publications have circulated, call a special shareholders' meeting to replace all members of the Board of Directors.

Paragraph One - If the Chairman of the Board of Directors fails to call the special shareholders' meeting mentioned in the leading sentence of this Section within the prescribed time limit, any shareholder of the Corporation may do so.

Paragraph Two - The new Board of Directors elected at the special shareholders' meeting mentioned in the leading sentence and in Paragraph One of this Section shall cure such non-compliance with obligations imposed by the New Market Listing Regulations within the shortest possible time or within a new time limit established by BOVESPA for such purpose, whichever is less.

SECTION 42 - In the event of Exercise of a Widespread Controlling Power and the delisting of the Corporation from the New Market results from non-compliance with any obligations imposed by the Listing Regulations: (i) if such non-compliance arises from a resolution of the shareholders' meeting, the public offering shall be made by the shareholders who have voted favorably on the proposed action resulting in such non-compliance; and (ii) if such non-compliance arises from a management act or event, the Corporation shall make the public offering for cancellation of registration as a publicly-held corporation to all the shareholders of the Corporation. In the event the shareholders' meeting decides to maintain the registration of the Corporation as a publicly-held company, the Public Offering shall be made by the shareholders who have voted favorably on such proposed action and, in this case, the provision of Section 40 (i) of these Bylaws will not apply.

SECTION 43 - The valuation report referred to in Sections 38 and 39 of these Bylaws shall be prepared by an expert firm of recognized experience, unrelated to the decision-making authority of the Corporation, its directors and officers and Controlling shareholders, in accordance with the requirements set out in Paragraph One of Section Eight of the Corporations Law, and contain an acknowledgement of responsibility as required under Paragraph Six of the said Section Eight.

Paragraph One - Selection of the institution or expert firm responsible for determining the economic value of the Corporation is reserved to the shareholders' meeting based on a three-name list of firms proposed by the Board of Directors. Action thereon shall be taken by the

affirmative vote of an absolute majority of the Outstanding Shares at the shareholders' meeting, provided that: (i) if the meeting is convened on first call, a quorum shall consist of not less than twenty percent (20%) of all Outstanding Shares; or (ii) where the meeting is convened on second call, a quorum may consist of any number of shareholders owning Outstanding Shares.

Paragraph Two - The costs of preparing the required valuation report shall be fully borne by the persons responsible for making the public offering.

SECTION 44 - A single Public Offering may be made for more than one of the purposes mentioned in this Article VII, in the New Market Listing Regulations or in CVM regulations, provided that it is possible to harmonize the requirements for the various forms of Public Offering, that no loss is incurred by any offeree and that, where required under applicable regulations, CVM's authorization is obtained.

SECTION 45 - The Corporation or the shareholders responsible for making a Public Offering under this Article VII, the New Market Listing Regulations or CVM regulations may secure the making of such Public Offering through any shareholder, a third party or the Corporation, as the case may be. Neither the Corporation nor a shareholder are released from the obligation to make the Public Offering until the Public Offering has been made in accordance with all applicable regulations.

VIII - ARBITRATION

SECTION 46 - The Corporation, its shareholders, directors and officers and members of the Fiscal Council agree that any disputes or controversies that might arise among them, particularly if relating to or caused by the application, validity, effectiveness, interpretation, violation, and the consequences of, any violation of the provisions of the New Market Participation Agreement, New Market Listing Regulations, these Bylaws, any shareholders' agreements on file at the registered office of the Corporation, the provisions of the Corporations Law, the rules established by the Brazilian National Monetary Council, the Central Bank of Brazil or CVM, the regulations of BOVESPA and any other rules governing the securities market generally, and the Rules of the Capital Market Arbitration Chamber will be settled by an arbitration conducted in accordance with the Rules of the Market Arbitration Chamber.

IX - LIQUIDATION OF THE CORPORATION

SECTION 47 - The Corporation will be liquidated in the cases provided by law. The shareholders' meeting will have the authority to elect the liquidator or liquidators and the Fiscal Council that will function during the period of liquidation, subject to statutory requirements.

X - GENERAL AND TRANSITION PROVISIONS

SECTION 48 - The provisions contained in statutes and in any Shareholders' Agreement on file at the registered office of the Corporation as provided by Section 118 of Law No. 6,404/76 will apply in the event of any dissent.

SECTION 49 - Any shareholders' agreement on file at the registered office of the Corporation will be binding on the Corporation. Any person directing or recording the

proceedings of any shareholders' or Board of Directors meeting is expressly prohibited from counting any votes of shareholders or members of the Board of Directors cast in violation of a shareholders' agreement to which such shareholders are parties that is duly filed with the Corporation at its registered office. The Corporation is also expressly prohibited from acknowledging and recording any share transfers and/or encumbrance, and/or any assignment of a preference right for the replacement of shares and/or other securities that are inconsistent with the terms of any such shareholders' agreement.

SECTION 50 - The provisions of Section 37 of these Bylaws will not apply to current shareholders or any Group of Shareholders that already own twenty percent (20%) or more of all shares of the capital stock of the Corporation, and any successors thereof; rather, the provisions of this Section will apply only to such investors as may become shareholders of the Corporation after the date in which the Corporation's adherence to and listing with the New Market becomes effective.

RULES OF THE NOVO MERCADO

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Novo Mercado (new market) is a listing segment for the trading of shares issued by companies that voluntarily undertake to abide by corporate governance practices and disclosure requirements in addition to those already required by Brazilian legislation.

The entry of a company on Novo Mercado implies the adherence to a series of rules, known generically as “good practices of corporate governance”, which are more stringent than those required by current laws in Brazil. These rules, consolidated in the Listing Rules, increase shareholders’ rights and enhance the quality of information usually provided by companies. Additionally, the creation of a Market Arbitration Panel offers investors a safer, faster and specialized method of dispute resolution.

The main innovation of Novo Mercado, when compared to the current legislation, is that non-voting shares may not be issued. However, this is not the only difference between what is required of listed companies at present. In summary, a publicly listed company that participates in Novo Mercado has the following additional obligations:

the holding of public share offerings through mechanisms which favor capital dispersion and broader retail access;

maintenance of a minimum free float equivalent to 25% of the capital;

the same conditions provided to majority shareholders in the transfer of the controlling stake will have to be extended to all shareholders (“Tag Along” rights);

establishment of a single one-year term of office for the entire Board of Directors;

annual balance sheet to be made available in accordance with US GAAP or IAS;

introduction of improvements in quarterly financial statements, including the requirement for consolidated financial statements and limited audit revision;

obligation to hold a tender offer by the economic value criterion, should a decision be taken to delist from Novo Mercado;

adherence to disclosure rules concerning trading of the company’ s securities by the controlling shareholders or senior managers.

Changes of this magnitude in the companies’ capital structure may well be implemented for companies that are going public, but are not so simple for companies already listed on BOVESPA, many of which have 2/3 of their capital stock represented by preferred shares. To ensure that all companies follow the guidelines to attain the corporate governance levels currently required by the market, the Differentiated Corporate Governance Levels 1 and 2 were also established. Nivel 1 (level 1) ensures greater transparency in the disclosure of information, whereas Nivel 2 (level 2) requires that companies adhere to all obligations set forth in the Novo Mercado rules, it being possible, however, to maintain preferred shares.

A Contract signed between BOVESPA and the company, with the participation of the controllers and senior managers, confirms the Company' s acceptance of the Novo Mercado rules, enabling its entrance to this segment.

The attached Listing Rules describe the listing criteria applying to Novo Mercado companies.

NOVO MERCADO LISTING RULES

PART I

PURPOSE

1.1 These Rules set out the requirements that must be followed for the trading in securities, issued by publicly-held companies, on a special stock market segment of the São Paulo Stock Exchange (Bolsa de Valores de São Paulo – BOVESPA), known as Novo Mercado, also laying down differentiated listing rules to be followed by these Companies, their Senior Managers and Controlling Shareholder.

PART II

DEFINITIONS

2.1 **Defined Terms.** For the purposes of these Rules, the terms stated below, in singular or plural form, shall have the meanings ascribed to them as follows:

“Annual Agenda “ shall mean a list of events that the Company shall disclose on a yearly basis, containing at least the acts and events set out in Attachment A to these Listing Rules.

“Arbitration Rules” shall mean the Rules (as amended from time to time) governing the arbitration procedures to be adopted for resolution of all disputes arising out of Novo Mercado Membership Agreement, as well as all disputes arising out of these Listing Rules and of the CVM rules and other laws governing the relationship between the Company, Senior Managers and shareholders.

“Associated Companies” shall mean the companies that exert a substantial influence over the management of another company, without controlling it. This substantial influence is characterized by the power to take part in any decisions on the financial, business and operational policies to be adopted by the company; this influential power is also assumed whenever these companies have a direct or indirect ownership interest of ten percent (10%) or more in the voting stock of the other company.

“Buyer” shall mean whoever is transferred the Control over a Company by the Selling Controlling Shareholder on account of a Disposal of Company' s Control.

“Closed Hearing” shall mean the consultation procedure to be carried out prior to any material amendment to the Listing Rules, the purpose of which is (i) to take suggestions from the Companies, their Senior Managers and Controlling Shareholder that have adhered to the Listing

Rules, in connection with the amendments proposed by BOVESPA, and (ii) to resolve on such amendments.

“Company” shall mean the publicly-held company authorized to have its securities traded on Novo Mercado.

“Control” shall mean the actual and effective power to direct the Company’s activities, as well as to lay down the guidelines for the operation of its management bodies, directly or indirectly, in a de facto or de jure manner. A relative controlling interest shall be deemed to exist in relation to the person or group of persons under common control or bound to a shareholders’ agreement (“controlling group”) that holds as many shares as necessary to ensure an absolute majority of votes accorded to the shareholders present at the latest three (3) general meetings of the Company, even if they do not hold the number of shares that actually provide them with an absolute majority of the voting stock.

“Controlled Company” shall mean the company in which the Company holds Control.

“Controlling Company” shall mean the company that exerts Control over the Company.

“Controlling Shareholder” shall mean the shareholder or group of shareholders under common control or bound by a shareholders’ agreement, exerting Control over the Company.

“Controlling Shares” shall mean the block of shares that directly or indirectly provides its holder(s) with individual and/or combined powers to exert Control over the Company.

“Corporation Law” shall mean Law No. 6404 of December 15, 1976, as amended from time to time.

“CVM “ shall mean the Brazilian Securities Commission (Comissão de Valores Mobiliários).

“Derivatives” shall mean the bonds and securities traded in futures markets or other instruments for which the Securities issued by the Company serve as underlying or referenced assets.

“Disposal of Company’s Control” shall mean the transfer of the Controlling Shares to a third party for compensation.

“Economic Value” shall mean the value of the Company and its shares as may be determined by a specialized company, based on reputable methodology or on any other criteria that may be defined by CVM.

“Free Float” shall mean all shares issued by the Company, other than (i) the shares held by the Controlling Shareholder, his spouse, common-law spouse, and dependents stated on the annual income tax return; (ii) the shares held in treasury; (iii) the shares held by the Company’s Controlled and Associated Companies, as well as by other companies under the same group as such Controlled and Associated Companies, whether de facto or de jure; (iv) the shares held by the Controlling Shareholder’s Controlled and Associated Companies, as well as by other

companies under the same group as such Controlled and Associated Companies, whether de facto or de jure; and (v) the preferred shares of a special class intended to ensure differentiated policy-making rights, held by the privatizing entity on a non-transferable and exclusive basis (golden shares).

“IAS” shall mean the international accounting standards issued by the International Accounting Standards Committee.

“Listing Rules” shall mean these Novo Mercado Listing Rules.

“Minimum Free Float” shall mean the Minimum Free Float required for the Company admission into Novo Mercado, at a percentage to be maintained throughout the period in which the securities issued thereby are listed for trading on Novo Mercado, representing at least twenty-five percent (25%) of the Company’s total capital stock.

“Novo Mercado “ shall mean the BOVESPA special trading segment governed by these Rules.

“Novo Mercado Membership Agreement” shall mean the agreement to be entered into between BOVESPA, on one part, and the Company, the Senior Managers and the Controlling Shareholder on the other governing the obligations that will apply to the Company’s listing on Novo Mercado.

“Participation Certificates “ shall mean the non-par negotiable instruments that are not included in the capital stock, as defined in article 46 of the Corporation Law.

“Selling Controlling Shareholder” shall mean the Controlling Shareholder that disposes of his controlling interest in the Company.

“Senior Managers “ shall mean, in singular form, the executive officers and Board members of the Company taken individually, and in plural form, the executive officers and Board members taken as a whole.

“Statement of Consent from Controlling Shareholders” shall mean the instrument by which the new Controlling Shareholders, or the shareholder(s) joining the Company’s controlling group, personally undertake to act in keeping with the provisions of the Novo Mercado Membership Agreement, the Arbitration Rules and these Listing Rules, as per the form that is an integral part hereof as Attachment C.

“Statement of Consent from Fiscal Council Members” shall mean the instrument by which the members of the Company’s Fiscal Council (if installed) personally undertake to act in keeping with the provisions of the Arbitration Rules and Part IX of these Rules, as per the form that is an integral part hereof as Attachment D.

“Statement of Consent from Senior Managers” shall mean the instrument by which the new Senior Managers of the Company personally undertake to act in keeping with the provisions of the Novo Mercado Membership Agreement, the Arbitration Rules and these Listing Rules, as per the form that is an integral part hereof as Attachment B.

“US GAAP” shall mean the Generally Accepted Accounting Principles adopted in the United States of America.

PART III

NOVO MERCADO LISTING REQUIREMENTS

3.1 Novo Mercado Listing Requirements. The BOVESPA Chief Executive Officer may grant an authorization for trading on Novo Mercado to a Company that has met the following minimum requirements:

- (i) registration for trading on stock exchanges shall have been granted by CVM and kept duly updated;
- (ii) registration for trading at BOVESPA shall have been applied for;
- (iii) the Novo Mercado Membership Agreement shall have been signed;
- (iv) the Company’s Bylaws shall have been amended to insert certain provisions determined by BOVESPA;
- (v) the Minimum Free Float shall have been maintained, also with due regard for the provisions of sections 7.3 and 8.5;
- (vi) a public distribution shall have been made pursuant to section 3.3, or there shall already exist at least five hundred (500) shareholders (for a company already listed at BOVESPA);
- (vii) the capital stock shall be solely represented by common shares, except in the event of privatization, when there will be allowed the existence of preferred shares of a special class intended to ensure differentiated policy-making

rights, held by the privatizing entity on a non-transferable and exclusive basis (golden shares), such rights being subject to BOVESPA' s prior review;

- (viii) there shall be no outstanding participation certificates; and
- (ix) the statutory and regulatory provisions applying to Novo Mercado shall have been observed.

3.1.1 Upon formal substantiated request from the Company, the Chief Executive Officer may grant a period for compliance with the Minimum Free Float requirement dealt with in section 3.1 (v) upon entry into Novo Mercado.

3.2 Listing Application. An application for authorization filed by a company for the trading on Novo Mercado shall be accompanied by the supporting documents listed below:

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- (i) application signed by the Investor Relations Director, as per the form that is an integral part hereof as Attachment E;
- (ii) statement signed by the Investor Relations Director, as per the form that is an integral part hereof as Attachment F;
- (iii) copy of the documentation submitted to CVM for obtaining proper registration for the trading on stock exchanges or, in the case of publicly-held companies, updating of such registration to the latest financial year;
- (iv) copy of the quarterly financial statements (ITR) for the financial year in course, provided that the periods for delivery thereof have already elapsed;
- (v) copy of the updated bylaws, duly amended to reflect the minimum provisions required by BOVESPA;
- (vi) copy of the minutes of the General Meetings and Board of Directors meetings held in the last twelve (12) months before the application for registration is submitted;
- (vii) copy of the financial statements for the last three (3) financial years, as the case may be;
- (viii) copy of the documentation submitted to CVM for proper registration for the distribution of securities by public offer, as the case may be; and
- (ix) form of the multiple share certificates, or identification of the issuing agent (for multiple share certificates) or the depositary financial institution (for book-entry shares).

3.2.1 BOVESPA reserves the right to request additional clarifications or information from Novo Mercado applicant, which shall have thirty (30) days to provide such additional clarifications or information counted from receipt of the corresponding request, under penalty of denial of the respective application. If such listing application is denied, BOVESPA shall return the full set of supporting documents to the applicant.

3.2.2 The authorization granted to a Company for the listing of its securities on Novo Mercado shall not be construed as an opinion on the standing of such Company, and the Senior Managers thereof shall be held responsible and accountable for the truthfulness of any information rendered to BOVESPA as well as for the authenticity of the documents submitted thereto.

3.2.3 The Company' s authorization for trading on Novo Mercado shall be valid for an indeterminate period.

3.3 Entry into Novo Mercado by Public Distribution. In order to qualify for Novo Mercado, a Company that is not listed at the BOVESPA main market shall:

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- (i) make a public distribution in the minimum amount of ten million reais (R\$ 10.000.000,00), whether by primary or secondary distribution; and
- (ii) attain the Minimum Free Float.

3.3.1 The public distributions dealt with in this section 3.3 shall meet the provisions of Part VII hereof.

3.4 Lock-up Period. Within six (6) months from startup of trades in the Company' s securities on Novo Mercado, the Controlling Shareholder and the Senior Managers shall abstain from selling and/or offering for sale any of the Company' s shares and derivatives held thereby when the Company' s securities were first traded on Novo Mercado. After this initial period of six (6) months, the Controlling Shareholder and the Senior Managers shall refrain from selling and/or offering for sale, within six (6) months thereafter, more than forty percent (40%) of the Company' s shares and derivatives held thereby when the Company' s securities were first traded on Novo Mercado,

3.4.1 The prohibition set forth in section 3.4 shall not apply to the entry into Novo Mercado of a Company that is already listed at BOVESPA or organized over-the-counter market entity, provided that, in this latter event, the Company has already made an initial public offering.

PART IV

THE COMPANY' S BOARD OF DIRECTORS

4.1 Authority. The Company' s Board of Directors shall have the powers and authority determined by the corporate law in effect from time to time, in addition to other duties usually incumbent on such corporate body as prescribed by the Company' s bylaws.

4.2 Duties and Responsibilities. The Board of Directors members shall have the duties and responsibilities set forth in the corporate law in effect from time to time, as well as in these Listing Rules.

4.3 Composition. The Board of Directors shall be composed of at least five (5) members elected by the general meeting.

4.4 Term of Office. The Board of Directors members shall serve for a unified term of office of one (1) year, reelection being permissible.

4.5 Statement of Consent from Senior Managers. The Company shall cause all new members of the Board of Directors and of the Executive Office to sign a Statement of Consent from Senior Managers, the investiture of whom shall be conditioned to signing of such document, a copy of which shall be promptly forwarded to BOVESPA.

PART V

THE COMPANY' S FISCAL COUNCIL

5.1 Authority. The Company' s Fiscal Council shall have the powers and authority determined by the corporate law in effect from time to time, in addition to other duties usually incumbent on such corporate body as prescribed by the Company' s bylaws.

5.2 Duties and Responsibilities. The Fiscal Council members shall have the duties and responsibilities set forth in the corporate law in effect from time to time, as well as in these Listing Rules.

5.3 Statement of Consent from Fiscal Council Members. The Company shall cause all members elected for its Fiscal Council (if installed) to sign a Statement of Consent as per the form that is an integral part hereof as Attachment D, the respective investiture of whom shall be conditioned to signing of such document, a copy of which shall be promptly forwarded to BOVESPA.

ORDINARY AND EXTRAORDINARY REPORTING REQUIREMENTS

6.1 Cash Flow Statement. The Company's financial statements and consolidated accounts to be prepared at the end of every quarter (other than in the last quarter) and at year-end shall include a Cash Flow Statement, which will reflect at least the changes in cash and cash equivalents, such balances being broken down into operating, financing and investing activities.

6.1.1 Submission of the Cash Flow Statement dealt with in section 6.1 above shall begin no later than six (6) months after the Company is listed on Novo Mercado.

6.1.2 The Company shall include the Cash Flow Statement dealt with in section 6.1 above in the notes to its Standard Financial Statements (Demonstracoes Financeiras Padronizadas – DFP).

6.2 Financial Statements Prepared in Accordance with International Standards. After the end of every financial year the Company shall, in addition to what is provided for in applicable laws:

- (i) prepare financial statements and consolidated accounts in accordance with the US GAAP or the IAS, denominated in Brazilian reais or in US dollars, the full contents of which shall be disclosed in the English language, duly accompanied by a management report, explanatory notes (also informing the net earnings and the owners' equity shown at year-end in accordance with Brazilian accounting principles, and a proposal for allocation of such results), and the independent auditors' report; or
- (ii) disclose, in the English language, the full contents of the financial statements, management report and notes prepared by the Brazilian

corporate law method, duly accompanied by an additional note reconciling year-end results and the owners' equity under the Brazilian accounting principles, on one part, and the US GAAP or IAS (as the case may be), on the other part, highlighting the major differences between the accounting principles then adopted, and by the independent auditors' report.

6.2.1 The principle dealt with in section 6.2 above shall be adopted no later than the disclosure of financial statements for the second financial year after the Company is listed on Novo Mercado.

6.2.2 The financial statements dealt with in section 6.2 above shall be disclosed no later than a hundred and twenty (120) days after the end of the financial year.

6.2.3 The Independent Auditors retained by the Company shall be registered with CVM, and shall have renowned experience with reviewing financial statements prepared under the US GAAP or IAS, as the case may be; the Company shall be held responsible and liable for compliance with this requirement.

6.3 Quarterly Statements in English or Prepared under International Standards. The Company shall present the full contents of the Quarterly Financial Statements (ITR) translated into English, or else, present the Financial Statements and Consolidated Accounts duly prepared in accordance with the US GAAP or IAS, as provided for in section 6.2 above.

6.3.1 Submission of the Quarterly Financial Statements dealt with in section 6.3 shall commence after disclosure of the first Financial Statement prepared under the criteria spelled out in section 6.2 above.

6.3.2 At every quarter, the Quarterly Financial Statements dealt with in section 6.3 shall be presented no later than fifteen (15) days after the deadline prescribed by law for disclosure thereof.

6.3.3 The Financial Statements dealt with in section 6.3 shall be accompanied by an opinion or special report prepared by Independent Auditors.

6.4 Additional Requirements for Disclosure of Quarterly Financial Statements - ITR. In addition to the information to be included in Quarterly Financial Statements as required by law, a Company shall:

- (i) present a Consolidated Balance Sheet, a Consolidated Statement of Results, and a Consolidated Performance Report, whenever it is required to submit consolidated accounts at year-end;
- (ii) disclose any direct or indirect ownership interest exceeding five percent (5%) of the Company's capital stock, up to the ultimate level of individual shareholders;

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- (iii) inform, on a consolidated basis, the quantity and characteristics of the Company's securities directly or indirectly held by the Controlling Shareholder, the Senior Managers and the Fiscal Council members;
- (iv) report on the evolution of the volume of securities held by the persons referred to in section 6.4 (iii) above, within the immediately preceding twelve (12) months;
- (v) include, in explanatory notes, the Cash Flow Statement dealt with in section 6.1; and
- (vi) inform the Free Float volume and respective percentage in relation to the total capital stock.

6.4.1 The information set forth in sections 6.4 (ii), (iii), (iv) and (vi) shall be inserted in the blank space "Other Information" as the Company may deem relevant.

6.4.2 Disclosure of the information provided for in section 6.4 (i) shall commence no later than six (6) months after the Company is listed on Novo Mercado.

6.4.3 Quarterly Financial Statements shall always be accompanied by a Special Report issued by an Independent Auditor duly registered with CVM, prepared in accordance with the methodology specified in the CVM rules.

6.5 Additional Requirements for the Annual Information Statements – IAN. The information dealt with in sections 6.4 (iii), (iv) and (vi) shall also be inserted in the Company's Annual Information Statements, in blank space "Other Information," to the extent deemed relevant by the Company.

6.6 Public Meeting with Analysts. At least once a year, the Company and the Senior Managers shall hold a public meeting with analysts and other interested parties for disclosure of information on the Company's economic and financial conditions, projects and prospects.

6.7 Annual Agenda. The Company and the Senior Managers shall forward to BOVESPA and disclose, by the end of January every year, an annual agenda addressing the scheduled corporate events, containing at least the information stated in Attachment A hereto. Any subsequent changes in scheduled events shall be forwarded to BOVESPA and promptly disseminated.

6.7.1 If an application for listing on Novo Mercado is made after the period set forth in section 6.7, the Company shall submit to BOVESPA and disclose its Annual Agenda for corporate events until the day preceding the startup of trades.

6.8 Contracts with Related Parties. The Company shall forward to BOVESPA and disclose information on any and all contracts entered into between the Company and its Controlled and Associated Companies, Senior Managers and Controlling Shareholder; between the Company and the Controlled and Associated Companies of its Senior Managers and Controlling Shareholder; and between the Company and any other companies that form a de

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facto or de jure group with the aforementioned persons, whenever one single contract or a series of related contracts, with or without the same scope, reaches, in any one-year period, an amount equal to or higher than two hundred thousand reais (R\$ 200.000,00), or else, equal to or higher than one percent (1 %) of the Company's net worth, whichever is greater.

6.8.1 The information rendered and disclosed pursuant to section 6.8 shall detail the scope of the respective contract, its term of effectiveness and value, the conditions for expiration or early termination thereof, and any influence that such contract may exert over the Company's management and business.

6.9 Shareholders' Agreements. Together with the application for listing on Novo Mercado, the Company shall provide BOVESPA with a copy of all shareholders' agreements held on file at the Company's principal place of business, and make notice of the annotation of any such agreements on its books; upon signing of a new shareholders' agreement, the forwarding and notice thereof to BOVESPA shall occur within five (5) days after the respective filing and/or annotation on the Company's files, the date of such event being compulsorily indicated.

6.10 Stock Option Plans. A copy of all Stock Option Plans given to the Company's employees or senior managers for the acquisition of stocks or other securities issued by the Company shall be delivered to BOVESPA and publicized accordingly.

6.11 BOVESPA may, in duly justified cases, establish differentiated alternatives and terms for disclosure of the information set forth in Part VI.

PART VII

PUBLIC DISTRIBUTIONS

7.1 Shareholding Dispersion in Public Distributions. In any and all public distributions of stocks, the Company shall exert its best efforts towards shareholding dispersion, adopting special procedures therefor as stated in the respective prospectus, such as:

- (i) ensured access to all interested investors; or
- (ii) allocation of at least ten percent (10%) of the total distribution to individuals or non-institutional investors.

7.2 Prospectus. In addition to other requirements set forth in applicable laws, the prospectus related to public distributions made by the Company shall comply with the following minimum requirements:

- (i) such prospectus shall be sent over to BOVESPA and disclosed accordingly;
- (ii) it must be written in a straightforward and easy-to-read manner, avoiding legal or technical terms and cross-references to other documents and normative texts;

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- (iii) it must include an index and summary describing the respective contents, for easier and straightforward consultation;
 - (iv) it must present the updated information released to CVM for obtaining registration as a publicly-held company authorized to trade on stock exchanges, and respective authorization for public distribution;
 - (v) the telephone number and electronic mail address for contacting the Investor Relations Director must be informed;
 - (vi) an economic and financial feasibility study must be provided, in the manner and cases prescribed by the CVM rules specifically dealing with this matter;
 - (vii) the risk factors must be described, i.e., any and all facts related to the Company and its business that may have a bearing on the decision of potential investors to acquire the Company's securities, including, but not limited to:

(a) the absence of a past record of the Company's operations; (b) the financial difficulties faced by the Company; and (c) the risks inherent to the Company's actual or future activities;

- (viii) an overview of the Company's activities must be given, comprising: (a) a description of the business, production processes and markets of both the Company and its subsidiaries; (b) macroeconomic factors that may have a bearing on the Company's business; (c) list of products and/or services offered by the Company and their respective percentage participation in overall revenues; (d) description of the products and/or services under development; (e) relationship with suppliers and customers; (f) dependability on domestic and/or foreign markets; (g) effects of governmental action on its business, and the existence of specific regulations on its activities (if any); (h) information on trademarks, patents, and licenses; (i) relevant contracts already signed, and the potential effects of future re-negotiation thereof on the Company's business; (j) headcount and human resources policy; and (l) major competitors in the Company's market segment;
- (ix) the prospectus must contain a senior management report analyzing and discussing the Company's financial statements, explaining: (a) the reasons for any variation in the result statement accounts when compared to the last three (3) or more financial years; (b) the impact caused by inflation; and (c) the Company's ability to honor its financial commitments;
- (x) all types of securities issued by the Company must be described, making a clear indication of their underlying rights and other features, i.e., type, yield and trading place, coupled with a history of prices for these securities (if any);

- (xi) the judicial and/or administrative cases in course must be described, stating the relevant amounts involved, chances of success, and whether such sums have been provisioned for;
- (xii) the prospectus must declare any and all legal business entered into between the Company and its Controlled and Associated Companies, Senior Managers and Controlling Shareholder; between the Company and the companies controlled by and associated with the Senior Managers and Controlling Shareholder; and between the Company and other companies that form a de facto or de jure group with any of the aforesaid persons;
- (xiii) it must describe any and all acts or transactions that will take place during the public distribution period, which may have any effects on the prices for the respective securities;
- (xiv) it must disclose the credentials and professional expertise of the Senior Managers and Fiscal Council members, as well as the Company's compensation and benefit policies;
- (xv) it must disclose any direct or indirect ownership interest exceeding five percent (5%) of the Company's capital stock, up to the ultimate level of individual shareholders; and
- (xvi) a statement signed by the Senior Managers as well as by the bookrunner must be included, with the following wording: "the underwriters represent that, to the best of their knowledge, the information contained in this document is true and accurate, and has no omission whatsoever that could have an adverse effect on the contents of such information."

7.2.1 BOVESPA may demand that the Company submit other documents related to the public distributions.

7.2.2 Whenever CVM has dispensed the Company from issuing a prospectus, the documents forwarded to CVM in relation to the public distribution in point shall be delivered to BOVESPA.

7.2.3 Likewise, any and all documents forwarded to CVM for registration of public distributions shall be sent over by the Company to BOVESPA on the same date, unless a confidential treatment has been requested to CVM.

7.3 Maintenance of the Minimum Free Float after Capital Increases. If any capital increase has not been fully subscribed for by whoever held the corresponding preemptive right, or if there has been no sufficient number of persons interested in the respective public

distribution, then full or partial subscription of such capital increase by the Controlling Shareholder shall cause it to take the actions necessary to restore the Minimum Free Float within six (6) months after the subscription is ratified.

PART VIII

DISPOSAL OF CONTROL

8.1 Disposal of Company' s Control. The disposal of the Company' s Control, whether by one single transaction or by a series of successive transactions, shall be carried out on suspensive or resolutive conditions, namely, that the buyer undertakes to tender, within ninety (90) days thereafter, a public offer for acquisition of all further shares held by the other shareholders in the Company, so that they may be accorded the same treatment as the Selling Controlling Shareholder.

8.1.1 For the purposes of the public tender offer referred to in section 8.1, the Selling Controlling Shareholder and the Buyer shall promptly deliver to BOVESPA a statement containing the price and other conditions for Disposal of Company' s Control.

8.1.2 Furthermore, the public tender offer referred to in section 8.1 shall be required:

- (i) whenever there has been a remunerated assignment of subscription rights for shares and other securities, or of rights related to securities convertible into shares, resulting in Disposal of Company' s Control;
- (ii) whenever there has been the disposal of a controlling interest in a company that holds the Company' s Control; in this case, the Selling Controlling Shareholder shall advise BOVESPA of the value ascribed to the Company under the aforesaid disposal transaction, attaching supporting documentation in this regard.

8.2 Acquisition of Control through Successive Transactions. Whoever already has Company' s shares and acquires the Company' s Control by means of a private share purchase agreement entered into with the Controlling Shareholder, whatever the volume of shares involved, shall be required to:

- (i) tender the public offer referred to in section 8.1 above; and
- (ii) make proper reparation for the shareholders from which it had bought shares on stock exchanges over the period of six (6) months before the date of Disposal of Control, paying the difference between the price paid to the Selling Controlling Shareholder and the price paid on stock exchange for the Company' s shares over such period, duly updated.

8.3 Statement of Consent from Controlling Shareholders. The Selling Controlling Shareholder shall not transfer title to his shares until the Buyer signs the respective Statement of Consent from Controlling Shareholders. Likewise, the Company shall not make annotation of any transfer of shares to the Buyer until the latter signs the Statement of Consent from Controlling Shareholders, such document being promptly forwarded to BOVESPA.

8.4 Disputes Regarding the Disposal of Company' s Control. Any dispute regarding the existence of a Disposal of Company' s Control, the compulsory issuance of a public tender offer, or the conditions on which such offer must be made, shall be referred to the Arbitration Panel in charge of resolving any such disputes under the Arbitration Rules.

8.5 Minimum Free Float after Disposal of Control. Upon Disposal of Company' s Control, the Buyer – to the extent applicable – shall take the actions necessary to restore the Minimum Free Float within six (6) months after the acquisition of Control.

8.6 Supplementary Rules. BOVESPA may issue supplementary rules with a view to governing the issuance of public offers for acquisition of shares.

PART IX

TRADING IN SECURITIES AND DERIVATIVES BY THE SENIOR MANAGERS, CONTROLLING SHAREHOLDERS AND FISCAL COUNCIL MEMBERS

9.1 **Reporting Requirements.** The Senior Managers, the Controlling Shareholder and the Fiscal Council members of the Company shall report to BOVESPA the volume and characteristics of the Company's securities directly or indirectly held thereby, including the respective derivatives. Notice thereof shall be made promptly after investiture in office or after acquisition of Control, as the case may be.

9.1.1 Any trades in securities and derivatives as dealt with in this section shall be reported in detail to BOVESPA, including the respective price, within ten (10) days after the end of the month in which such trades occurred.

9.1.2 The requirement dealt with in this section is extensive to securities and respective derivatives directly or indirectly held by the spouse, common-law spouse, and dependents stated on the annual income tax returns of the Senior Managers, the Controlling Shareholder, and the Fiscal Council members.

9.2 **Disclosure by BOVESPA.** BOVESPA shall make full disclosure of all information released to it hereunder.

PART X

CANCELLATION OF REGISTRATION AS A PUBLICLY-HELD COMPANY

10.1 **Appraisal Report.** A Company's cancellation of its registration as a publicly-held company shall be conditioned to preparation of an appraisal report on its shares at their Economic Value; such appraisal report shall be prepared by a specialized company with renowned expertise and independence vis-à-vis the decision-making powers of the Company, its Senior Managers and/or the Controlling Shareholder, and shall meet the requirements set forth in article 8, paragraph 1 of the Corporation Law, in addition to mentioning the liability set out in paragraph 6 of that same article.

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10.1.1 The specialized company in charge of determining the Company's Economic Value shall be exclusively chosen by the general meeting out of a three-nominee list submitted by the Board of Directors; the respective resolution shall be taken by absolute majority of votes representing the Float, blank votes not being computed for such purpose.

10.1.2 The costs incurred with preparation of such appraisal report shall be fully borne by the Controlling Shareholder.

10.2 **Public Tender Offer.** In the public tender offer to be made by the Controlling Shareholder for acquisition of shares towards cancellation of the Company's registration as a publicly-held company, the minimum offer price shall be equal to the Economic Value determined in the appraisal report dealt with in section 10.1 hereof.

10.3 **Extraordinary General Meeting.** If the appraisal report is not ready until an Extraordinary General Meeting is held to resolve on cancellation of the Company's registration as a publicly-held company, the Controlling Shareholder shall state in such meeting the value per share or per block of one thousand shares that will be tendered in the public offer.

10.3.1 The public offer shall be conditioned to the value stated in the appraisal report not being higher than the value disclosed by the Controlling Shareholder at the Meeting referred to in section 10.3.

10.3.2 If the Economic Value of the shares is higher than the value stated by the Controlling Shareholder, the resolution referred to in section 10.3 shall be automatically cancelled, and this fact shall be widely disclosed to the market, unless the Controlling Shareholder expressly agrees to tender a public offer at the Economic Value then ascertained.

10.4 **Procedures.** Cancellation of the Company's registration as a publicly-held company shall follow the procedures and meet all further requirements spelled out in the applicable laws and regulations, especially the rules issued by CVM on the matter.

PART XI

DELISTING FROM NOVO MERCADO

11.1 **Delisting.** A Company may delist from Novo Mercado at any time, provided that such event (i) has been previously approved at a general meeting of shareholders representing at least more than half of the Company's capital stock, and (ii) has been advised in writing to BOVESPA at least thirty (30) days in advance.

11.1.1 A general meeting resolution favorable to the Company's delisting from Novo Mercado shall specify whether such fact is due to cancellation of the Company's registration as a publicly-held company or because the securities issued thereby will be registered for trades outside of Novo Mercado.

11.1.2 Delisting from Novo Mercado shall not mean that the Company will lose its condition as a publicly-held company listed at BOVESPA.

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11.2 **Offer by the Controlling Shareholder.** Whenever the Company's delisting from Novo Mercado is due to registration of its securities for trades outside of Novo Mercado, the Controlling Shareholder shall tender a public offer for acquisition of the shares held by the other shareholders, within ninety (90) days, at the respective Economic Value to be ascertained as per Part X hereof.

11.3 **Cancellation of Registration as a Publicly-held Company.** Whenever the Company's delisting from Novo Mercado is due to cancellation of its registration as a publicly-held company, the procedures prescribed by applicable laws shall all be adopted, and an offer shall be tendered at the Economic Value of the shares, duly ascertained as per Part X hereof.

11.4 **Corporate Reorganization.** Whenever the Company's delisting from Novo Mercado is due to corporate reorganization procedures whereby the resulting company will not be listed on Novo Mercado, then the Controlling Shareholder shall have one hundred and twenty (120) days, counted from the date on which the Company's General Meeting approving the aforesaid reorganization is held, to tender a public offer for acquisition of the shares held by the other shareholders, at the respective Economic Value to be ascertained as per Part X hereof.

11.5 **Delisting Requirements.** A Company's delisting from Novo Mercado shall not release the Company, its Senior Managers, and the Controlling Shareholder from compliance with the obligations and requirements ensuing from the Novo Mercado Membership Agreement, the Arbitration Rules, and these Listing Rules, in relation to facts predating such delisting.

11.6 **Disposal of Company's Control after Delisting.** The Disposal of Company's Control occurring within twelve (12) months after the Company's delisting from Novo Mercado shall cause the Selling Controlling Shareholder and the Buyer, jointly and severally, to tender a public offer for acquisition of the shares held by the other shareholders at the price and on the conditions made available to the Selling Controlling Shareholder for disposal of its own shares, duly updated, with due regard for the same rules as those applying to Disposal of Control under Part VIII hereof.

11.6.1 If the price obtained by the Selling Controlling Shareholder upon disposal of its own shares is higher than the value stated in the public offers tendered in accordance with the other provisions hereof, then the Selling Controlling Shareholder and the Buyer shall be held jointly and severally liable for payment of the respective difference to whoever had accepted the respective public offer, on the same conditions as mentioned in section 11.6.

11.6.2 The Company and the Controlling Shareholder shall be required to annotate on the Company's Share Register, as regards the shares owned by the Controlling Shareholder, the Buyer's commitment to offer to the other shareholders the same price and payment conditions as those made available to the Selling Controlling Shareholder, pursuant to sections 11.6 and 11.6.1 hereof.

11.7 **No Return.** Upon delisting from Novo Mercado, the Company's securities cannot be traded on Novo Mercado for a minimum period of two (2) years as from the date on which

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such delisting is formalized, unless the Company's shareholding control is disposed of after its delisting from Novo Mercado.

PART XII

SANCTIONS

12.1 Notice of Default. With a view to safeguarding the interests of Novo Mercado, BOVESPA shall send written notice to the Company, the Senior Managers and the Controlling Shareholder, as the case may be, whenever they are in partial or full breach of any obligations ensuing from these Listing Rules, setting a period for curing such default.

12.1.1 If the default is not cured within the period stated in the notice referred to in section 12.1, the Company, the Senior Managers or the Controlling Shareholder as the case may be, shall be subject to payment of fines as provided for in specific regulations, as well as to imposition of the sanctions set forth in sections 12.4 and 12.5, without prejudice to any other penalties prescribed by applicable laws as well as to reparation for losses and damages, including any loss of earnings.

12.2 Fines. The imposition of fines shall take into consideration the nature and seriousness of the breach, the damages to the market and its participants, the advantage earned by the offender, the occurrence of past breaches to any provisions hereof, and the existence of recidivism in the same offense.

12.3 Payment and Allocation of Fines. The offender shall be entitled to a discount of fifty percent (50%) in the overall value of fines, if payment thereof is made within ten (10) days after the respective imposition.

12.3.1 The fines unpaid on the due dates shall accrue interest at twelve percent (12%) per annum and adjustment for inflation in accordance with the variation in the General Market Price Index (IGP-M) published by the Getulio Vargas Foundation, or any other index replacing it, applied on an annual basis or at shorter periods if so authorized by applicable laws.

12.3.2 Any proceeds from the fines imposed hereunder shall revert to BOVESPA, and shall be earmarked for maintenance of the Arbitration Panel in charge of resolution of disputes under the Arbitration Rules.

12.4 Non-cash Sanctions. If a breach is not cured within the period stated on the notice of default mentioned in section 12.1 above, without prejudice to imposition of the aforementioned fines, and in light of the seriousness of the offense and the ensuing damages to the market and its participants, BOVESPA may determine that:

- (i) the prices for the Company's securities be disclosed separately, setting a new deadline for remedy of the default, upon notice thereof to the Company; or

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- (ii) trades in the Company's securities be suspended on Novo Mercado, setting a new deadline for remedy of the default, upon notice thereof to the Company.

12.4.1 In the event of section 12.4 (i), if the Company fails to meet the new deadline for curing its breach, BOVESPA may order that trades in the Company's securities be halted on Novo Mercado.

12.4.2 The sanctions dealt with in section 12.4 shall be lifted on the date on which the default is cured in its entirety.

12.4.3 Suspension of trades in a Company's securities may also be determined upon the occurrence of events set forth in the BOVESPA general suspension rules and regulations, as well as in applicable laws.

12.4.4 Effects of Suspension. While the trades in a Company's securities on Novo Mercado are suspended pursuant to section 12.4 (ii) above, the Company, the Controlling Shareholder, the Senior Managers and the Fiscal Council members shall continue to meet all obligations and requirements ensuing from these Listing Rules and from the Arbitration Rules.

12.5 Cancellation of Listing on Novo Mercado. Without prejudice to imposition of the fines referred to above, the Company's listing on Novo Mercado may be cancelled if the default that has given rise to suspension of trades is not cured within the period stated on the notice referred to in section 12.4(ii).

12.5.1 Effects of Cancellation. As a result of cancellation of a Company's listing on Novo Mercado pursuant to section 12.5 hereof:

- (i) the Company's securities cannot be traded on Novo Mercado during a minimum period of two (2) years as from the cancellation date, unless the Company's shareholding control is disposed of after such cancellation is formalized;
- (ii) the Controlling Shareholder shall not be released from compliance with the obligations and requirements inherent to the Company's delisting from Novo Mercado pursuant to sections 11.6 and 11.6.1 (Disposal of Control after Delisting); and
- (iii) the Controlling Shareholder shall tender a public offer for acquisition of the shares held by the other shareholders within ninety (90) days counted from the date of cancellation of the respective listing, at the Economic Value of such shares to be ascertained as provided for herein.

12.5.2 The Company's listing on Novo Mercado shall also be cancelled if the Company's bankruptcy is declared, as well as in the other events resulting in cancellation of its registration on stock exchanges.

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12.5.3 Cancellation of a Company's listing on Novo Mercado pursuant to section 12.5 shall not be construed as the Company's automatic loss of its status as a publicly-held company listed at BOVESPA, unless in the occurrence of any events mentioned in section 12.5.2.

12.6 Before any sanction or penalty dealt with in this Part XII is meted out, the offender(s) shall be afforded the right of full defense.

PART XIII

ARBITRATION

13.1 Arbitration. BOVESPA, the Company, the Controlling Shareholder, the Senior Managers, and the Fiscal Council members undertake to refer to arbitration any and all disputes or controversies arising here from, pursuant to the Arbitration Rules.

PART XIV

MISCELLANEOUS

14.1 Disclosure. All documents and information to be disclosed by the Company under these Rules shall be delivered to BOVESPA by electronic means and, if possible, made available at the Company's web site on the Internet.

14.2 Amendments. Any amendments to these Rules can only be brought into effect by BOVESPA, provided that, at a Closed Hearing to be held by the Companies listed on Novo Mercado at a date set by the Chief Executive Officer at least fifteen (15) days in advance, there is no express opposition by more than one-third (1/3) of the attendees at said Closed Hearing.

14.2.1 Effectiveness of the Amendments. BOVESPA shall inform the Company, its Senior Managers and Controlling Shareholder, thirty (30) days in advance, of the effectiveness of any amendment to these Rules and to the Arbitration Rules.

14.3 Supervening Rules. If any provision contained herein is held invalid or unenforceable in light of any supervening rules or regulations, such provision shall be replaced with another of similar content that carries out the same purpose and intent of the invalid or unenforceable provision, subject to the characteristics of such supervening rules or regulations. The invalidity and/or unenforceability of any provision hereof shall not affect the other provisions contained in these Rules.

14.4 Silent Cases. Unforeseen Events. The Chief Executive Officer may, at his own discretion, resolve cases and events not dealt with in these Rules, as presented by the Company, its Senior Managers and Controlling Shareholder.

PART XV

FINAL PROVISIONS

15.1 Exclusion of Liability. The provisions contained herein shall imply no liability for BOVESPA, nor shall they mean that BOVESPA will defend the interests of whoever may be adversely affected by:

- (i) unlawful acts or abuses committed by the Company, the Controlling Shareholder, the Senior Managers, or the Fiscal Council members; or
- (ii) false or misleading information, or the omission of relevant information, attributable to the Company, the Controlling Shareholder, the Senior Managers, or the Fiscal Council members.

**LIST OF ATTACHMENTS TO THE
NOVO MERCADO LISTING RULES**

ATTACHMENT A

FORM CORPORATE EVENTS AGENDA

ATTACHMENT B

FORM STATEMENT OF CONSENT FROM SENIOR
MANAGERS

ATTACHMENT C

FORM STATEMENT OF CONSENT
FROM CONTROLLING SHAREHOLDERS

ATTACHMENT D

FORM STATEMENT OF CONSENT
FROM FISCAL COUNCIL MEMBERS

ATTACHMENT E

FORM APPLICATION FOR NOVO
MERCADO LISTING

ATTACHMENT F

ATTACHMENT A

CORPORATE EVENTS AGENDA

Company Data

Company Name

Headquarters Address

Website Address

Investor Relations Director

Name:

E-mail:

Phone:

Fax:

Newspapers (and locales) corporate acts are published

Annual Financial Statements and Consolidated Financial Statements, if applicable, for the financial year ended on [date]

Event	Date	Deadline
Availability to Shareholders	[insert]	One month before the Annual General Meeting
Publication	[insert]	Five days before the Annual General Meeting
Forwarding to BOVESPA	[insert]	One month before the Annual General Meeting, on the date of publication or availability to shareholders, whichever is earlier

Standard Financial Statements – DFP for the financial year ended on (date)

Event	Date	Deadline
Forwarding to BOVESPA	[insert]	One month before the Annual General Meeting, on the date of publication of annual financial statements or availability thereof to the shareholders, whichever is earlier

Annual Financial Statements and Consolidated Financial Statements if applicable prepared in accordance with international accounting standards for the financial year ended on [date]

Event	Date	Deadline
Forwarding to BOVESPA	[insert]	Four months after the end of the financial year

Annual Information Statement – IAN for the financial year ended on [date]

Event	Date	Deadline
Forwarding to BOVESPA	[insert]	Thirty days after the Annual General Meeting

Quarterly Information Statements – ITR

Event	Date	Deadline
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Forwarding to BOVESPA as regards the 1 st quarter	[insert]	Forty-five days after the end of each quarter
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as regards the 2nd quarter as regards the 3 rd quarter	[insert] [insert]	(except for the last quarter in the financial year), or whenever information is disclosed to shareholders or third parties, whichever is earlier. The company reporting consolidated gross revenues below R\$100 million in the immediately preceding financial year must forward the ITR within 60 days from the end of each quarter (except for the last quarter), or whenever information is disclosed to shareholders or third parties, whichever is earlier.
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Quarterly Information Statements in English or in accordance with international accounting standards

Event	Date	Deadline
Forwarding to BOVESPA as regards the 1st quarter as regards the 2nd quarter as regards the 3 rd quarter	[insert] [insert] [insert]	Sixty days after the end of each quarter (except for the last quarter in the financial year).The company reporting consolidated gross revenues below R\$100 million in the immediately preceding financial year must forward these ITRs within 75 days from the end of each quarter (except for the last quarter).

Annual General Meeting

Event	Date	Deadline
Publication of Call Notice	[insert]	Fifteen days before the Annual General Meeting is to be held
Forwarding of Call Notice to BOVESPA coupled with the management proposal, if any	[insert]	When the Call Notice is published
Date of the Annual General Meeting	[insert]	Four months after the end of the financial year

Event	Date	Deadline
Forwarding of major resolutions taken at the Annual General Meeting to BOVESPA	[insert]	Until 6:00 p.m. of the day on which the Annual General Meeting is held
Forwarding of the minutes of the Annual General Meeting to BOVESPA	[insert]	Ten days after the Annual General Meeting is held, or upon publication of such minutes, whichever is earlier

Extraordinary General Meetings already scheduled

Event	Date	Deadline
Publication of the Call Notice	[insert]	Fifteen days before the Extraordinary General Meeting is to be held
Forwarding of the Call Notice	[insert]	When the Call Notice is published

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to BOVESPA coupled with management proposal, if any

Date of the Extraordinary General Meeting	[insert]	Whenever necessary
Forwarding of major resolutions taken at the Extraordinary General Meeting to BOVESPA	[insert]	Until 6:00 p.m. of the day on which the Extraordinary General Meeting is held
Forwarding of the minutes of the Extraordinary General Meeting to BOVESPA	[insert]	Ten days after the Extraordinary General Meeting is held, or upon publication of such minutes, whichever is earlier

Public Meeting with Analysts

Event	Date	Deadline
Date of the Public Meeting with Analysts, open to other interested parties	[insert]	At least once a year

Board of Directors Meetings already scheduled

Event	Date	Deadline
Date of the Board of Directors Meeting (resolving on issues of interest to the market)	[insert]	Whenever necessary

Notes:

1. The “Deadline” column provides merely a guidepost for the Company.
2. If any event had already occurred upon submission of the Annual Agenda to BOVESPA, such event and its date must be included therein.
3. All documents and information to be disclosed by the Company under these Rules shall be delivered to BOVESPA by electronic means and, if possible, made available at the Company’ s web site on the Internet.

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ATTACHMENT B

STATEMENT OF CONSENT FROM SENIOR MANAGERS

By this instrument, [INSERT SENIOR MANAGER’ S NAME], [INSERT SENIOR MANAGER’ S NATIONALITY, MARITAL STATUS AND PROFESSION], resident and domiciled at [INSERT ADDRESS], enrolled in the Individual Taxpayers’ Register of the Ministry of Finance (CPF) under No. [INSERT CPF NUMBER], bearer of Identity Card [R.G. OR RNE] No. [INSERT NUMBER AND ISSUING AGENCY], hereinafter referred to as “**Declarant**” in the capacity of [INSERT SENIOR MANAGER’ S POSITION] at [INSERT COMPANY’ S NAME], a joint-stock company with its principal place of business at [INSERT ADDRESS], enrolled in the National Register of Legal Entities of the Ministry of Finance (CNPJ) under No. [INSERT CNPJ NUMBER], hereinafter referred to as “**Company**” hereby expressly takes personal responsibility for compliance with the rules spelled out in the Novo Mercado Membership Agreement signed by the Company (“**Agreement**”), in the Novo Mercado Listing Rules, which govern the special securities trading segment at the São Paulo Stock Exchange –BOVESPA through Resolution No. [INSERT NUMBER]/2000, and in the Arbitration Rules, the terms of which are fully known to Declarant, as well as in any other Rules that may be issued in relation to the Nova Mercado, including any subsequent amendments thereto (jointly, the “**Rules**”), whereupon Declarant undertakes to perform its managerial duties at the Company always in keeping with the aforesaid rules, also being subject to the applicable fines and penalties prescribed in the aforesaid Agreement and Rules. Declarant undertakes to comply with the obligations directly imputable thereon, and shall likewise cause the Company to discharge its duties under the Agreement and pursuant to the Rules. Declarant signs this instrument in three (3) counterparts of equal form and content, in the presence of the two (2) undersigned witnesses.

**STATEMENT OF CONSENT FROM
FISCAL COUNCIL MEMBERS**

By this instrument, [INSERT FISCAL COUNCIL MEMBER' S NAME], [INSERT FISCAL COUNCIL MEMBER' S NATIONALITY, MARITAL STATUS AND PROFESSION], resident and domiciled at [INSERT ADDRESS], enrolled in the Individual Taxpayers' Register of the Ministry of Finance (CPF) under No. [INSERT CPF NUMBER], bearer of Identity Card [R.G. OR RNE] No. [INSERT NUMBER AND ISSUING AGENCY], hereinafter referred to as "**Declarant**" in the capacity of member of the Fiscal Council of [INSERT COMPANY' S NAME], a joint-stock company with its principal place of business at [INSERT ADDRESS], enrolled in the National Register of Legal Entities of the Ministry of Finance (CNPJ) under No. [INSERT CNPJ NUMBER], in keeping with the provisions of the Nova Mercado Listing Rules governing the special securities trading segment at the São Paulo Stock Exchange – BOVESPA, hereby represents that Declarant is fully aware of and undertakes to comply, to the extent applicable, with the provisions contained in Part IX of the aforesaid Rules, as amended, the wording of which is transcribed below:

“PART IX

TRADING IN SECURITIES AND RESPECTIVE DERIVATIVES BY THE SENIOR MANAGERS, CONTROLLING SHAREHOLDERS AND FISCAL COUNCIL MEMBERS

9.1 Reporting Requirements. The Senior Managers, the Controlling Shareholder and the Fiscal Council members of the Company shall report to BOVESPA the volume and characteristics of the Company' s securities directly or indirectly held thereby, including the respective derivatives. Notice thereof shall be made promptly after investiture in office or after acquisition of Control, as the case may be.

9.1.1 Any trades in securities and derivatives as dealt with in this section shall be reported in detail to BOVESPA, including the respective price, within ten (10) days after the end of the month in which such trades occurred.

9.1.2 The requirement dealt with in this section is extensive to securities and respective derivatives directly or indirectly held by the spouse, common-law spouse, and dependents stated on the annual income tax returns of the Senior Managers, the Controlling Shareholder and the Fiscal Council members.

9.2 Disclosure by BOVESPA. BOVESPA shall make full disclosure of all information released to it hereunder.”

Furthermore, pursuant to Part XIII of the Novo Mercado Listing Rules, Declarant undertakes

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to refer to arbitration any and all disputes or controversies related to his/her status as Fiscal Council member, or as regards the obligations assumed above, pursuant to the Arbitration Rules issued by the Novo Mercado Arbitration Panel instituted by BOVESPA.

Declarant signs this instrument in three (3) counterparts of equal form and content, in the presence of the two (2) undersigned witnesses.

[insert place and date of signature]

[insert declarant' s name]

[insert address, fax no., and e-mail for notifications]

Witnesses:

1.	2.
Name:	Name:
R.G.:	R.G.:

ATTACHMENT E

APPLICATION FOR NOVO MERCADO LISTING

To the

Chief Executive Officer of

São Paulo Stock Exchange – BOVESPA

Mr. Superintendent:

[INSERT COMPANY' S NAME], a joint-stock company with its principal place of business at [INSERT ADDRESS], enrolled in the National Register of Legal Entities of the Ministry of Finance (CNPJ) under No. [INSERT CNPJ], herein represented by its Investor Relations Director, Mr(s). [INSERT NAME], [INSERT NATIONALITY, MARITAL STATUS AND PROFESSION], resident and domiciled at [INSERT ADDRESS], enrolled in the Individual Taxpayers' Register of the Ministry of Finance (CPF) under No. [INSERT CPF] and bearer of Identity Card [R.G. OR RNE] No. [INSERT NUMBER AND ISSUING AGENCY], hereby applies for registration at the São Paulo Stock Exchange – BOVESPA for the listing of its securities on Novo Mercado; for such purpose, the documentation set forth in Part III, section 3.2 of the Novo Mercado Listing Rules is duly attached hereto.

On which terms,

Granting is hereby requested.

[Place and date]

[Signature]

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ATTACHMENT F

STATEMENT

[INSERT COMPANY' S NAME], a joint-stock company with its principal place of business at [INSERT ADDRESS], enrolled in the National Register of Legal Entities of the Ministry of Finance (CNPJ) under No. [INSERT CNPJ], herein represented by its Investor Relations Director, Mr(s). [INSERT NAME], [INSERT NATIONALITY, MARITAL STATUS AND PROFESSION], resident and domiciled at [INSERT ADDRESS], enrolled in the Individual Taxpayers' Register of the Ministry of Finance (CPF) under No. [INSERT CPF] and bearer of Identity Card [R.G. OR RNE] No. [INSERT NUMBER AND ISSUING AGENCY], in view of its intention to obtain its listing on Novo Mercado of the São Paulo Stock Exchange – BOVESPA, represents that:

1. it is duly registered as a publicly-held company with the Brazilian Securities Commission under No. [or, as the case may be, "it is applying for registration as a publicly-held company with the Brazilian Securities Commission with a view to trading on stock exchanges"];
2. it is cognizant of the provisions contained in the Novo Mercado Membership Agreement, in the Novo Mercado Listing Rules, in the Arbitration Rules, and in all further rules issued by BOVESPA, all of which will be fully complied with thereby;

3. it will pay the annuities due BOVESPA in the manner and within the time frames determined by applicable rules;
4. it will provide BOVESPA with the information set forth in the Novo Mercado Listing Rules;
5. it will make prior notice to BOVESPA, irrespective of publication, of the date on which any rights will start being paid to the shareholders, as well as of the commencement and end dates for exercise of subscription rights and the periods during which any requests for transfer, conversion, splitting or reverse splitting of shares or share certificates will be suspended;
6. it will promptly disclose any information with respect to material acts or facts involving the Company' s business;
and
7. it will provide BOVESPA with a copy of every document sent over to the Brazilian Securities Commission, including any documents submitted for updating of listing records as well as data on the company' s financial and economic conditions as disclosed to the media.

[Place and date]

[Signature]