



# Bylaws

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## **Chapter I - Corporate Name, Purpose, Headquarters and Duration**

**Article 1.** Cielo ("Company") is a corporation governed by these Bylaws and the applicable legal provisions.

**Article 2.** The Company's corporate purpose is: (a) rendering services for registration of commercial establishments and service providers for acceptance of credit and debit cards and other payment methods or electronic means required for the registration and approval of non-financial transactions; (b) leasing, supplying and providing services for the installation and maintenance of solutions and electronic or manual means for gathering and processing data of transactions resulting from the use of credit and debit cards, as well as of other payment methods or electronic means required for the registration and approval of non-financial transactions and electronic data of any type that might be processed through an electronic network; (c) providing services for the installation and maintenance of solutions and electronic means for business automation; (d) administering payments and receipts related to the network of authorized establishments, through the gathering, transmission, processing of data and the settlement of manual and electronic transactions with credit and debit cards, as well as other payment methods and manual or electronic means intended for non-financial transactions, in addition to maintaining the scheduling of such amounts in computer systems; (e) representing domestic and international franchising of manual and electronic payment means; (f) holding interest in other companies as partner or shareholder, either directly or indirectly, in Brazil or abroad; (g) the provision of services related to distribution of financial, insurance, health insurance and private pension products; and (h) developing other related activities of the Company's interest.

**Article 3.** The Company is headquartered and has legal domicile in the City of Barueri, State of São Paulo.

**Sole Paragraph** - The Company may open, close and change the address of branches, representative offices, warehouses, offices and any other establishments in Brazil or abroad, by resolution of the Board of Executive Officers.

**Article 4.** The Company's duration is indeterminate.

**Article 5.** With the Company's admission to the special listing segment of the BM&FBOVESPA S.A. - Stock,

Commodities and Futures Exchange ("BM&FBOVESPA") called the Novo Mercado, the Company, its shareholders, managers and members of its Fiscal Council, when instated, subject themselves to the provisions of the BM&FBOVESPA's <span lang="en">Novo Mercado</span> Listing Rules ("<span lang="en">Novo Mercado</span> Listing Rules").

**Article 6.** The provisions of the <span lang="en">Novo Mercado</span> Listing Rules shall prevail over provisions in the Bylaws in the event of prejudice to the rights of buyers in public offerings provided in these Bylaws.

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## **Chapter II - Capital Stock and Shares**

**Article 7.** The Company's fully subscribed and paid up capital stock is R\$2,000,000,000.00 (two billion reais), divided into 1,572,230,938 (one billion, five hundred seventy-two million, two hundred thirty thousand nine hundred thirty-eight) non-par, common shares.

**Paragraph 1** - The capital stock is exclusively represented by common shares and each share entitles to one vote in the resolutions taken at the General Meeting.

**Paragraph 2** - All Company's shares are registered, book entry shares and they shall be maintained in a deposit account with a financial institution authorized by the Brazilian Securities and Exchange Commission ("CVM"). Shareholders may be charged the remuneration considered in Paragraph 3 of Article 35 of Law 6,404/76, of December 15, 1976, and amendments thereto ("Brazilian Corporation Law").

**Paragraph 3** - The Company shall not issue preferred shares or founder shares.

**Article 8.** - The Company's capital stock may be increased up to 2,400,000,000 (two billion, four hundred million) additional common shares, regardless of any amendment to the Bylaws, by resolution of the Board of Directors, which shall fix the issue price and the other conditions and periods for subscription and payment of shares within the authorized capital limit.

**Paragraph 1** - Except for the cases provided for in the following paragraphs, shareholders shall be entitled to preemptive rights in the subscription to capital increase, proportionally to the shares they own, and the period for exercising said right is thirty (30) consecutive days as from the date of publication of the minutes of the Board of Directors' Meeting resolving on the increase of the Company's capital stock.

**Paragraph 2** - Within the limits of the authorized capital established in the main section of this article and

according to the plan approved by the General Meeting, the Company may grant stock options or subscription of shares to its management, employees and individuals rendering services to the Company, as well as to managers and employees of other direct or indirect subsidiaries of the Company, without preference rights for shareholders.

**Paragraph 3** - The Board of Directors may exclude preemptive rights, or reduce the period for exercising them, for the issue of shares, debentures convertible into shares, or subscription bonuses, the placement of which is made by sale in a stock exchange or by public subscription, or by means of swap of shares in a takeover bid, as provided by law, within the limits of authorized capital.

**Paragraph 4** - The Board of Directors shall decide as to any unsubscribed shares in capital increase, during the period for exercising preemptive rights, determining, before their sale at a stock exchange for the benefit of the Company, the apportionment of shares, proportionally to the subscribed amounts, among shareholders who have expressed their interest in the bulletin or subscription list to subscribe any unsold shares.

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## **Chapter III - General Meeting**

**Article 9.** The General Meeting convenes, ordinarily, on the first four months of the fiscal year to resolve on the matters set forth by law and, extraordinarily, whenever the interests of the Company so require.

**Paragraph 1** - With the exclusion of any exceptions provided for by law, the General Meeting shall be convened, on first call, with the attendance of shareholders representing at least one quarter of the voting capital and, on second call, with the attendance of any number of shareholders.

**Paragraph 2** - The resolutions of the General Meeting shall be taken by majority of vote of the attending shareholders, with due regard for the exceptions set forth by the Brazilian Corporation Law and these Bylaws.

**Paragraph 3** - The General Meeting shall only decide on the agenda matters included in the respective call notice, with exclusion of the exceptions set forth by the Brazilian Corporation Law.

**Paragraph 4** - To participate in General Meetings, shareholders shall submit to the Company: (i) identification, a notarized power-of-attorney and/or corporate documents proving legal representation, as the case may be; (ii) statement issued by the depository institution; and/or (iii) with relation to the shareholders taking part in the fungible custody of the registered shares, the statement containing the respective shareholding issued by the proper body.

**Article 10.** The General Meeting shall be instated and presided over by the Board of Directors' Chairman or, in his/her absence, by any other member of the Board of Directors of the Company or, in their absence, by any other shareholder or senior manager of the Company appointed by a majority of the attending shareholders, and the Chairman of the General Meeting shall appoint the Secretary, whether or not a Company shareholder.

**Article 11.** In addition to the duties established by law, the General Meeting shall:

- (i) examine the management accounts and examine, discuss and vote on the financial statements;
- (ii) elect and remove the members of the Board of Directors;
- (iii) establish the overall annual compensation of the members of the Board of Directors and of the Board of Executive Officers, as well as that of the Fiscal Council members, if instated;
- (iv) amend the Bylaws;
- (v) resolve on the dissolution, winding up, merger, spin-off, amalgamation of the Company, or merger of any corporation into the Company, as well as on the merger of shares involving the Company;
- (vi) allocate stock dividends and decide on any share grouping and splitting;
- (vii) approve the creation or amendment of plans for granting stock options or share subscription to its management, employees and individuals rendering services to the Company, as well as to the management and employees of other companies directly or indirectly controlled by the Company;
- (viii) resolve, pursuant to the proposal submitted by the management, on the allocation of net profit for the year and the payment of dividends;
- (ix) resolve on the increase of capital stock above the limit authorized in article 6 above;
- (x) elect the liquidator, as well as the Fiscal Council that shall operate during the winding-up period;
- (xi) resolve on the Company's deregistering as a publicly-held company from CVM;
- (xii) resolve on the Company's delisting from the Novo Mercado ("Novo Mercado") from the São Paulo Stock, Commodities and Futures Exchange - ("BM&FBOVESPA");
- (xiii) to choose the specialized company responsible for compiling the appraisal report for the Company's

shares, if the Company is delisted or leaves the Novo Mercado, pursuant to chapter VIII of these Bylaws, from among those indicated by the Board of Directors; and

(xiv) to deliberate on any other matters submitted by the Board of Directors.

**Sole Paragraph** - The Chairman of the General Meeting shall observe and ensure compliance with all provisions of the shareholders' agreements filed at Company headquarters, thus prohibiting the counting of votes cast against the content of such agreements.

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## **Chapter IV Management**

### **Section I**

#### **General Provisions**

**Article 12.** The Company shall be managed by the Board of Directors and the Board of Executive Officers, pursuant to the law and these Bylaws.

**Article 13.** The managers' investiture shall be subject to the execution of the instrument drawn up in the Company's records, with no guarantee of office, and also upon the execution of the Management's Statement of Consent referred to in the <span lang="en">Novo Mercado</span> Listing Rules.

**Paragraph 1** - The managers shall remain in their offices until the investiture of their successors, unless otherwise resolved by the General Meeting or Board of Directors, as the case may be.

**Paragraph 2** - The General Meeting shall establish the overall annual compensation of the management, and the Board of Directors shall allocate such amount among managers.

**Article 14.** Except for the provisions of these Bylaws and the applicable legislation, and pursuant to the rules applicable for calling meetings, any meeting of the management bodies shall be deemed valid with the attendance of a majority of its respective members and shall take resolutions by majority vote of the attending members, with the exclusion of those barred from voting due to conflict of interests.

**Sole Paragraph** - The call notice shall be waived, and shall not constitute a condition for the meeting's validity, if all members of the Company's Board of Directors are in attendance. Members shall be considered as attendees of the meetings if they express their vote: (i) through delegation made in the name of another member of said body; or (ii) by a written vote cast in advance; or (iii) by a written vote sent by facsimile, e-mail, or any

other means of communication that guarantees the authorship of the document.

## **Section II**

### **BOARD OF DIRECTORS**

**Article 15.** The Board of Directors shall comprise at least seven (7) and no more than eleven (11) members, all elected and deposable by the General Meeting, with a unified term of office of two (2) years, and re-election is authorized.

**Paragraph 1** - After the Company joins the Novo Mercado segment, at least twenty percent (20%) of members of the Board of Directors shall be Independent Board Members, as established in the Novo Mercado Listing Rules, and members may also be considered independent as provided in Article 141, paragraphs 4 and 5 and Article 239 of Law no. 6,404/76. When the calculation of the above percentage results in a fraction, the fractionary number of Board members shall be rounded to a whole number as follows: (i) rounded up, in the event that the fraction is equal to or higher than five tenths (0.5); or (ii) rounded down, in the event that the fraction is lower than five tenths (0.5).

**Paragraph 2** - The appointment of the Independent Board Member shall be expressly stated in the Minutes of the General Meeting that elected him/her.

**Paragraph 3** - The Board of Directors has one (1) Chairman and one (1) Vice-Chairman elected by the Board of Directors itself. The Vice-Chairman shall perform the duties of the Chairman in the event of his/her absence and temporary impediment, regardless of any formality. In the event of absence or temporary impediment of the Chairman or Vice-Chairman, the duties of the Chairman shall be performed by another Board Member appointed by the majority of members.

**Paragraph 4** - Should there be a vacancy in a position of the Board of Directors, the remaining board members shall nominate a substitute, pursuant to the terms set forth in the shareholders' agreement filed at the Company's headquarters, who shall remain in office until the first General Meeting, when the new board member will be elected. The new member shall hold the position until the end of the term in office of the replaced member. In the event most positions of Board of Directors become vacant, the General Meeting shall be called so that a new election takes place.

**Paragraph 5** - The positions of chairman of the board of directors and chief executive officer or chief executive of the Company may not be filled by the same person.

**Paragraph 6** - A member of the Board of Directors shall have flawless reputation and cannot be elected, unless exempted by the General Meeting, the member who: (a) holds a position in a company that may be

deemed a competitor of the Company; (b) has or represents any interest that may conflict with the interests of the Company.

**Paragraph 7** - In the event a member of the Board of Directors does not reside in Brazil, his investiture shall be subject to the appointment of a representative who resides in the country, with powers to receive summons in lawsuits filed against him/her based on corporate laws. The power of attorney referred to in this paragraph shall be granted with validity of no less than three years after the end of the board member's term of office.

**Article 16.** The investiture of the members of the Board of Directors shall be subject to the execution of the Management's Statement of Consent referred to in the Novo Mercado Listing Rules, as well as to compliance with applicable legal requirements.

**Article 17.** The Board of Directors shall meet, ordinarily, every two months and, extraordinarily, whenever summoned by the Chairman, the Vice-Chairman or the majority of its members. In order to be valid, call notices shall be delivered at least five (5) working days prior to the meeting and be sent by post with receipt notice, facsimile, or e-mail, expressly disclosing the meeting date and time and its agenda.

**Paragraph 1** - In the event of absence or temporary impediment of a member of the Board of Directors, he/ she may delegate his powers to an attorney-in-fact who shall necessarily be a Board member, and the power of attorney shall contain the matter to be resolved on and the respective voting instruction of the board member granting the proxy.

**Paragraph 2** - The Board of Directors may hold meetings by conference call, videoconference or any other communication media that enables identification of the member and simultaneous communication of all other attendees. The related minutes shall be subsequently signed by all members taking part in the meeting, within the shortest possible period.

**Article 18.** Each Board member shall be entitled to one (1) vote in the meetings of the Board of Directors. Minutes shall be drawn up of the meetings of the Board of Directors, which shall be signed by all in attendance and registered in the Board of Directors' Minutes Book, and, whenever their resolutions may produce effects on third parties, the statements thereof shall be filed at the relevant Board of Trade and published.

**Article 19.** In addition to the other duties established herein and in the applicable legislation, the following shall also be the responsibility of the Board of Directors:

(i) set the general direction of the business of the Company;

(ii) elect and remove the Company's Executive Officers and establish their duties and powers to represent the

Company, in compliance with the provisions of these Bylaws;

(iii) inspect the management of the Executive Officers, review at any time the Company's books and documents, request information on agreements executed or to be executed and about any acts performed by them;

(iv) call the General Meeting when it deems necessary, or due to Article 132 of the Brazilian Corporation Law;

(v) express an opinion on the management report and the accounts of the Board of Executive Officers;

(vi) resolve on the issue of subscription bonuses, debentures and commercial promissory notes, pursuant to current legislation;

(vii) authorize the disposal of fixed assets, the creation of in rem guarantees and the tendering of guarantees to third-party liabilities whenever these transactions, individually or together, involve amounts higher than half percent (0,5%) of the Company's net revenue, verified in the last approved balance sheet;

(viii) choose and remove independent auditors;

(ix) allocate among Board members and Executive Officers the portion of the management's overall annual compensation established by the General Meeting;

(x) authorize the issue of Company shares, within the limits permitted in article 6 herein, establishing the issue conditions, including price and payment period;

(xi) resolve on the acquisition of shares issued by the Company for the purposes of holding in treasury and/or subsequent cancellation or sale;

(xii) grant stock options or subscription of Company shares, according to the plan approved at the General Meeting;

(xiii) define the three-name list of companies specialized in economic appraisal of companies, for preparing the appraisal report of the Company's shares, in the event of deregistering as a publicly-held company or delisting from the Novo Mercado, pursuant to paragraph 1 of article 34 hereof;

(xiv) establish yearly the Board's position on obligations, liabilities and/or disbursement of funds and/or emission of credit in the regular course of business;

(xv) authorize licensing of Company brand;



(xvi) submit to the General Meeting a proposal for spin-off, merger, amalgamation, dissolution or holding interest in any undertaking, in any association of companies, as well as for transformation to another corporation type, bankruptcy, court or out-of-court reorganization and winding-up of the Company;

(xvii) approve the annual budgets;

(xviii) submit to the General Meeting a proposal to allocate profit sharing to the Company's management;

(xix) resolve on any matter that is submitted to it by the Executive Board;

(xx) approve and amend the charters of the Board of Directors and Board of Executive Officers;

(xxi) elect and remove the members of the Committees provided for in Chapter VI hereof, as well as to approve the Charter(s) of said Committees; and

(xxii) authorize the execution of agreements between the Company and its subsidiaries or companies under common control, its managers, the Controlling Shareholder and, also, between the Company and the

subsidiaries or companies under common control of the managers and the Controlling Shareholder, as well as with other companies that belong to the same group of said parties, factually or legally, whenever in a single agreement or in successive agreements, for the same purpose or not, in any one-year period, an amount equal to or higher than 0.25% (zero point twenty five percent) of the Company's shareholders' equity, considering the last approved balance sheet.

(xxiii) Give opinions in favor or against any public tender offer relative to the Company's shares through a prior report listing the reasons for the opinion published not more than 15 (fifteen) days after the publication of the public tender offer notice, and which must address, at least (i) the advantages and timing of the public tender offer in terms of shareholder interests and liquidity of its securities; (ii) the repercussions of the public tender offer on the Company's interests; (iii) the strategic plans disclosed by the offeror in relation to the Company; (iv) other points that the Board of Directors considers pertinent, as well as the information required by applicable CVM rules.

### **Section III**

#### **Executive Board**

**Article 20.** The Company's Statutory Board of Executive Officers shall comprise at least two (2) and no more than eight (8) members, one of whom shall be the Chief Executive Officer (CEO), along with one (1) Investor

Relations Officer and up to six (6) Executive Officers with no specific designation, elected by the Board of Directors for a unified term of office of two (2) years, and re-election is authorized. The Statutory Executive Officers may hold various positions, by resolution of the Board of Directors.

**Paragraph 1** - Statutory Executive Officers may be dismissed and replaced at any time by resolution of the Board of Directors.

**Paragraph 2** - In the event of absence or temporary impediment, Statutory Executive Officers shall be replaced by another Executive Officer chosen by the Chief Executive Officer. If a Statutory Executive Officer position becomes vacant, the temporary substitute, chosen by the CEO, shall assume the respective office until the first subsequent meeting of the Board of Directors. Said meeting shall be held within thirty (30) days from the vacancy date and appoint the substitute to remain in office until the end of term.

**Paragraph 3** - For the purposes paragraph 2 of this article, the vacancy shall occur upon dismissal, decease, resignation, confirmed impediment, disability or unjustified absence for a period longer than thirty (30) days.

**Article 21.** In addition to the duties and powers established by the Board of Directors, the Executive Officers shall have the following duties:

**Paragraph 1** - The Chief Executive Officer (CEO) shall:

- (i) establish the Company's management model and make sure it is adopted;
- (ii) manage the Company's businesses and establish the general guidelines, seeking the development of the Company's activities, in accordance with the guidance of the Board of Directors;
- (iii) ensure compliance with the Board of Directors' resolutions and the Bylaws provisions;
- (iv) oversee the legal strategies with regard to two focuses - Preventive and Litigious;
- (v) manage the Company's public relations;
- (vi) appoint workgroups for studying any matters of interest to the Company;
- (vii) call and preside over the meetings of the Board of Executive Officers;
- (viii) institutionally represent the Company;

**Paragraph 2** - The Investor Relations Officer shall:

(i) provide information to investors, CVM, stock markets and over-the-counter markets in which the Company is registered; and,

(ii) keep the registration of the Company as a publicly-held company updated and comply with all laws and regulations applicable to publicly-held companies.

**Paragraph 3** - Executive Officers with no specific designation shall perform the duties assigned to them by the Board of Directors at the time of their election.

**Article 22.** In addition to their respective duties, the Executive Officers have full powers to administer and manage Company' business for performing all acts and transactions related to the corporate purpose, except for the events provided for in these Bylaws of transactions that may only be carried out upon prior resolution of the Board of Directors.

**Article 23.** The active and passive representation of the Company, to enter into agreements and assume obligations; open and operate banking accounts, thus being able to write and endorse checks; compromise and sign commitments; withdraw, issue, endorse for collection, pledge and/or discount, or accept trade notes or any other credit instruments; provide bail bonds, sureties, or any guarantees in operations authorized by the Board of Directors, shall be made by (i) two (2) Executive Officers acting together, (ii) one (1) Executive Officer acting jointly with one (1) attorney-in-fact, invested with specific powers; or (iii) two (2) attorneys-in- fact acting jointly, invested with specific powers.

**Paragraph 1** - Notwithstanding what is set forth in the main clause of this Article, the Company may be represented by one (1) Executive Officer alone, or by one (1) attorney-in-fact invested with specific powers, in acts concerning the (i) issue and endorsement of trade notes for bank collection; endorsement of checks for deposit in the Company's bank account; execution of foreign exchange agreements; and, up to the limit set forth by the Board of Directors, signing of purchase orders and confirmation of sales; and (ii) representation of the Company before any federal, state or municipal government offices, autarchies, mixed companies, provided it is not for assuming obligations in the Company's name or holding third parties harmless with respect to it.

**Paragraph 2** - The Company's powers of attorney shall be jointly signed by two (2) Executive Officers and must specify the powers granted and the duration, which shall not exceed one (1) year, except for ad judicia powers of attorney intended for defending the Company's interests in court or in administrative proceedings, which may be granted for an indefinite term.

**Article 24.** The acts of Board Members, Executive Officers, attorneys-in-fact or employees involving any

business alien to the corporate purpose, as well as the granting of loans to shareholders in the controlling block, their controllers or companies under common control and to their subsidiaries, directly or indirectly, shall be expressly prohibited and deemed null and invalid in relation to the Company.

**Sole Paragraph** - The Company prohibits the provision of any and all types of guarantees to third-parties, with the exception of provision of guarantees for the obligations of societies controlled by or affiliated with the Company and related to the fulfillment of the respective corporate purposes.

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## **Chapter V - Fiscal Council**

**Article 25.** The Company's Fiscal Council shall not operate on a permanent basis and shall have the duties and powers assigned by law. It shall be instated by resolution of the General Meeting or at the request of shareholders, in the events provided for by law.

**Paragraph 1** - When instated, the Fiscal Council shall comprise three (3) to five (5) sitting members and an equal number of deputies, elected by the General Meeting.

**Paragraph 2** - The Fiscal Council members' investiture shall take place by execution by the Member invested in office of an instrument drawn up in the Company's records and is subject to the previous execution of the Statement of Consent of the Members of the Fiscal Council referred to in the Novo Mercado Listing Rules, as well as all applicable legal requirements.

**Paragraph 3** - The Fiscal Council shall elect its Chairman in the first meeting and shall operate in compliance with the Charter approved by the Fiscal Council.

**Paragraph 4** - The resolutions of the Fiscal Council shall always be taken by majority vote of the members attending the meeting and drawn up in the Company's records in form of minutes, which shall be signed by all in attendance.

**Paragraph 5** - The compensation of the Fiscal Council members shall be fixed by the General Meeting at which they are elected, in compliance with paragraph 3 of Article 162 of the Brazilian Corporation Law.

**Paragraph 6** - The unified term of office of members of the Fiscal Council shall end at the Annual General Meeting subsequent to their election.

**Paragraph 7** - The members of the Fiscal Council shall be replaced, in the event of permanent impediment, by

their respective deputies.

**Paragraph 8** - If a position in the Fiscal Council becomes vacant, the respective deputy member shall hold such position; should there be no deputy member, the General Meeting shall be called to elect a member for the vacant position.

**Paragraph 9** - In addition to the requirements provided for by law, anyone who has a relationship with a company that might be considered a competitor of the Company ("Competitor") may not be elected as a member of the Company's Fiscal Council. Furthermore, among other events, it is prohibited to elect a person who: (i) is an employee, shareholder or member of a management, technical or fiscal body of the Competitor or of the Competitor's Controlling or Controlled Company (as set forth in article 28, paragraph 1, of these Bylaws); (ii) is a spouse or relative up to second degree of kinship of a member of a management, technical or fiscal body of the Competitor or of the Competitor's Controlling or Controlled Company.

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## **Chapter VI - Committees**

**Article 26.** The Committees assist the Company's management and have technical and advisory functions. The Committees seek to increase the efficiency of the Company's management bodies, so as to maximize Company value as well as the return to shareholders, in compliance with the best practices of transparency and corporate governance.

**Article 27.** The installation of Committees is the responsibility of the Board of Directors, and the Audit Committee operates on a permanent basis.

**Paragraph 1** - The Audit Committee is to advise the Board of Directors on the Company's financial statements, as well as to make recommendations and issue opinions so that the Board of Directors can supervise the financial area and hold it accountable. The opinions and recommendations should furthermore assist the Board of Executive Officers and internal auditors to regularly perform their duties and the independent auditors to assess these bodies.

**Paragraph 2** - The composition, operation as well as the requirements and impediments for appointing members of the Audit Committee and the other Committees are defined in the respective Charters, approved by the Company's Board of Directors.

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## **Chapter VII - Fiscal Year, Allocations and Reserves**

**Article 28.** The Company's fiscal year shall start on January 1 and end on December 31 of each year. At the end of each fiscal year, the financial statements related to the fiscal year ended shall be prepared and submitted to the Board of Directors and the General Meeting, with due regard for all relevant legal provisions.

**Article 29.** The management shall present, together with the fiscal years' financial statements, a proposal for allocation of the net profit for the year, calculated after deducting the interest referred to in Article 190 of the Brazilian Corporation Law, adjusted for calculation of dividends, pursuant to Article 1º thereof, observing the following order of deduction:

(i) 5% (five percent) for the constitution of the legal reserve, until it reaches 20% (twenty percent) of the capital stock. In the year in which the balance of the legal reserve, plus the amount of capital reserves, referred to in Paragraph 1 of Article 182 of the Brazilian Corporation Law, exceeds thirty percent (30%) of the capital stock, the allocation of a portion of the fiscal year's net income to the legal reserve shall not be mandatory;

(ii) a portion, as proposed by the Company's management bodies, may be allocated for setting up a reserve for contingencies and reversal of the same reserves set up in previous years, as provided by article 195 of the Brazilian Corporation Law;

(iii) a part of the capital will be used in the minimum mandatory annual dividend to shareholders, given the first paragraph of this article;

(iv) in the fiscal year in which the amount of the mandatory dividend, calculated according to paragraph 1 of this article, exceeds the realized fiscal year's net income portion, the General Meeting may, upon proposal by the management bodies, allocate the surplus for the creation of a realizable profits reserve, pursuant to Article 197 of the Brazilian Corporation Law;

(v) a portion, upon proposal by the management bodies, may be retained based on a capital budget previously approved, pursuant to Article 196 of the Brazilian Corporation Law;

(vi) the Company shall maintain the statutory profit reserve called "Expansion Reserve", the purpose of which is to finance the expansion of the operations of the Company and/or its subsidiaries and affiliate companies, even by means of subscription to capital increases, which shall be composed of up to fifty percent (50%) of the net income for the year, adjusted as provided for by Article 202 of the Brazilian Corporation Law, and whose balance, added to the balances of the other profit reserves, except for the realizable profit reserve and the contingency reserve, may not exceed one hundred percent (100%) of the Company's subscribed capital stock; and

(vii) the balance shall be allocated as determined by the General Meeting, in compliance with the legal prescriptive periods.

**Paragraph 1** - Shareholders are entitled to receiving an annual mandatory dividend not lower than fifty percent (50%) of the fiscal year's net income, adjusted as set forth by Article 202 of the Brazilian Corporation Law.

**Paragraph 2** - The General Meeting may allocate profit sharing to the members of the Board of Directors and the Board of Executive Officers, after deduction of accumulated losses and a provision for Income Tax and Social Contribution, in the events, forms and limits set forth by law.

**Paragraph 3** - The outstanding balance of net income, if any, shall be allocated as determined by the General Meeting, and a budget proposal previously approved by the Board of Directors shall necessarily be attached to any profit for the year retained by the Company. In the event the profit reserves balance, except for the contingency reserve and the realizable profit reserve, exceeds the capital stock, the General Meeting shall resolve as to the use of the surplus amount in the payment of capital stock or its increase, or, also, in the distribution of dividends to shareholders.

**Paragraph 4** - Pursuant to Article 204 of the Brazilian Corporation Law (i) the Company may draw up balance sheets biannually or in shorter periods and, upon approval by the Board of Directors and in compliance with the limitations set forth by law, declare dividends to the profit account in these balance sheets, which may be offset by the minimum mandatory dividend; and (ii) the Board of Directors may declare interim dividends to the account of retained earnings or of existing profit reserves, based on the last balance sheet approved by shareholders.

**Paragraph 5** - The General Meeting may resolve on the capitalization of profit or capital reserves, including those created in interim balance sheets, in compliance with the applicable laws.

**Paragraph 6** - The dividends not received or unclaimed shall be time-barred within three (3) years as from the time they became available to the shareholder and, once time-barred, they shall be reverted to the Company.

**Article 30.** Following a proposal by the Board of Executive Officers and approval by the Board of Directors, subject to the General Meeting's approval, the Company may pay or credit interest to shareholders, as interest on shareholder's own capital, in compliance with the applicable laws. Any amounts thus disbursed may be imputed to the mandatory dividend amount provided for herein.

**Paragraph 1** - In the event of credit of interest to shareholders during the fiscal year and attribution thereof to the mandatory dividend amount, the shareholders shall receive the dividends they are entitled to and be guaranteed the payment of any outstanding balance. Should the dividends amount be lower than the amount

credited to them, the Company may not charge the excess balance from shareholders.

**Paragraph 2** - Actual payment of interest on own capital, following credit during the fiscal year, will be made by resolution of the Board of Directors, in the course of the fiscal year or in the following year, but never after the dates for payment of dividends.

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## **Chapter VIII - Disposal of Share Control, Deregistering as a Publicly-held Company and Delisting from the Novo Mercado**

**Article 31.** The direct or indirect disposal of the Company's control, by means of a sole transaction or successive transactions, shall be contracted under the suspensive or resolutive condition that the Buyer of the control undertake to conduct a Public Offering of Shares to the other shareholders, in compliance with the conditions and periods established in the laws in force and the Novo Mercado Listing Rules, so as to ensure that said shareholders are treated equally to the selling controlling shareholder.

**Paragraph 1** - For the purposes of these Bylaws, the expressions below starting with capital letters shall have the following meanings:

"Controlling Shareholder" has the meaning assigned to it in the Novo Mercado Listing Rules;

"Selling Controlling Shareholder" has the meaning assigned to it in the Novo Mercado Listing Rules;

"Outstanding Shares" has the meaning assigned to it in the Novo Mercado Listing Rules;

"Buyer" has the meaning assigned to it in the Novo Mercado Listing Rules;

"Subsidiary" is a company in which the controlling shareholder, directly or indirectly or through other subsidiaries, holds ownership rights that guarantee permanent preponderance in corporate resolutions and power to elect a majority of the managers;

"Controlling Shareholder" is the company that, directly or indirectly, has the power to manage another company;

"Dispersed Control" is that in which there is no clearly defined company or group of controlling shareholders, leaving Control Power diluted;



"Public Tender Offer" is a public offering for the acquisition of shares;

"Control Power" (or simply "Control") has the meaning assigned to it in the Novo Mercado Listing Rules.

"Controlling Shareholders' Statement of Consent" has the meaning assigned to it in the Novo Mercado Listing Rules;

"Competitor" is a company or persons that directly or indirectly compete with the Company in the markets in which it operates.

**Paragraph 2** - The Controlling Shareholder may only transfer the ownership of his/her shares after the execution by the Buyer of the Statement of Consent of Controlling Shareholders referred to in the Novo Mercado Listing Rules.

**Paragraph 3** - The Company shall not register any transfer of shares to the Buyer of the Control Power or those who come to hold the Control Power before the execution by the latter of the Statement of Consent of Controlling Shareholders referred to in the Novo Mercado Listing Rules.

**Paragraph 4** - No Shareholders' Agreement providing for the exercise of the Control Power may be registered at the Company's headquarters without the execution by the signatories of the Statement of Consent mentioned in paragraph 3 hereof.

**Article 32.** The Public Offering of Shares referred to in the previous article shall also be carried out in the following events:

(i) when there is onerous assignment of subscription rights of shares and other securities or rights relating to securities convertible into shares, leading to the disposal of the Company's Control; and

(ii) when there is a disposal of the Control of a company that holds the Company's Control Power, whereas, in this case, the Selling Controlling Shareholder is required to declare to BOVESPA the value assigned to the Company in this disposal and to attach documentation evidencing it.

**Article 33.** When a Company shareholder acquires the Control Power of the Company through a private agreement for the purchase of any given number of shares entered into with the Controlling Shareholder(s), he/she shall:

(i) carry out the Public Offering of Shares referred to in article 31 of these Bylaws;

((ii) as per the terms below, pay the difference between the price of the public offer and the amount paid by share purchased on the stock exchange in the 6 (six) months prior to the date of sale of the Company's Control, properly updated until the payment date. The given amount must be shared among all people who sold the Company's shares in the trading days in which the Acquirer purchased them, as per the ratio of the daily net balance of each, while BM&FBOVESPA is due to operate the distribution, as per its regulations.

**Article 34.** In the Public Offering to be made by the Controlling Shareholder(s) or by the Company for the purpose of deregistering as a publicly-held company, the minimum price to be offered shall correspond to the economic value as determined in the appraisal report referred to in article 36 herein, in compliance with the applicable legal requirements.

**Article 35.** The Company's Controlling Shareholder(s) shall carry out the Public Offering of Shares either (i) for trading of shares outside the Novo Mercado, or (ii) due to a corporate reorganization (including merger, spin-off, amalgamation, or merger of shares) in which the company's shares resulting from such reorganization are not accepted for trading in the Novo Mercado within one hundred twenty (120) days counted from the date of the general meeting that approved said operation. This obligation is also effective when the Company delists from the Novo Mercado due to noncompliance with the provisions of the Novo Mercado Listing Rules. The minimum price to be offered shall correspond to the economic value determined in an appraisal report, referred to in article 36 of these Bylaws, in compliance with the applicable laws and the Novo Mercado Listing Rules. The Public Offering of Shares shall be communicated to BOVESPA and disclosed to the market immediately after the Company's General Meeting which approves the delisting or reorganization, as the case may be.

**Article 36.** The appraisal report referred to in articles 34 and 35 hereof shall be prepared by a specialized company, with proven experience, independent from the Company, its managers and controlling shareholders as well as from their decision-making power. Furthermore, the report shall comply with the provisions of paragraph 1 of Article 8 of the Brazilian Corporation Law and include the liability provided for in paragraph 6 of the same Article.

**Paragraph 1** - The selection of the specialized company responsible for determining the Company's economic value, referred to in articles 34 and 35 herein, is within the exclusive scope of the General Meeting, after submission by the Board of Directors of a three-name list. The respective resolution shall be taken by absolute majority of votes representing the Outstanding Shares at the General Meeting deciding on the matter, not counting blank votes. This General Meeting, if instated at first call, shall be attended by shareholders representing, at least, twenty per cent (20%) of the total Outstanding Shares, or, if instated at second call, may rely on the attendance of any number of shareholders representing the Outstanding Shares.

**Paragraph 2** - The costs for preparation of the appraisal report shall be fully borne by the parties responsible for the Public Offering of Shares.

**Article 37** - In the event of Dispersed Control:

(i) whenever the Company's delisting as a publicly-held company is approved at a General Meeting, the Public Offering of Shares of the Company shall be carried out by the Company itself.

(ii) whenever the Company's delisting from the Novo Mercado is approved at a General Meeting, either for trading of shares outside the Novo Mercado, or due to a corporate reorganization in which the company's shares are not admitted for trading on the Novo Mercado within one hundred twenty (120) days counted from the date of the general meeting that approved said operation, a Public Tender Offer for the Company's Shares shall be carried out by the shareholders who voted in favor of said resolution at the General Meeting.

**Paragraph 1** - The given General Meeting shall appoint those responsible for the Public Offering of Shares, whom, while attending the meeting, must expressly assume the obligation of carrying it out.

**Paragraph 2** - In the event those responsible for carrying out the Public Offering of Shares, in case of corporate reorganization and the resulting company has no securities being traded in Novo Mercado, the Offering shall be carried out by the shareholders who have voted in favor of said resolution.

**Article 38.** - In the event there is Diffuse Control and the BM&FBOVESPA determines that the quotations of securities issued by the Company be separately disclosed, or that the trading of securities issued by the Company be suspended in the Novo Mercado as a result of non-compliance with the obligations set forth in the Novo Mercado Listing Rules, the Chairman of the Board of Directors shall call, within two (2) days from the determination, considering only the days in which the newspapers normally used by Company circulate, an Extraordinary General Meeting to replace the entire Board of Directors.

**Paragraph 1** - If the Extraordinary General Meeting mentioned in the main clause of this article is not called by the Board of Directors' Chairman within the established period, it may be called by any shareholder of the Company.

**Paragraph 2** - The new Board of Directors, elected at the Extraordinary General Meeting referred to in the main clause and in paragraph 1 of this article, shall remedy the violation of the obligations set forth in the Novo Mercado Listing Rules within the shortest possible period of time or in a new period granted by BM&FBOVESPA for this purpose, whichever is shorter.

**Article 39** - In the event of there being Diffuse Control and if the Company's delisting from the Novo Mercado occurs as a result of non-compliance with the obligations set forth in BM&FBOVESPA's Novo Mercado the Listing Rules, the following shall be observed: (i) if the non-compliance results from a resolution at a General

Meeting, the Public Offering of Shares shall be carried out by the shareholders who have voted in favor of the resolution that led to non-compliance and (ii) if the non-compliance results from an act or fact of the management, the Company shall proceed with the Public Offering of Shares for deregistering as a publicly-held company, which shall be directed to all shareholders of the Company.

**Paragraph 1** - In the event the general meeting mentioned in item (ii), if according to a resolution taken at a General Meeting, the Company should continue being registered as a publicly-held company, then the Public Offering of Shares shall be carried out by the shareholders who have voted in favor of said resolution.

**Article 40.** The formulation of a single Public Offering of Shares is authorized, aiming at more than one of the purposes contemplated in this Chapter VIII, the Novo Mercado Listing Rules or CVM regulation, provided that it is possible to conform to the procedures of all modalities of Public Offering of Shares, and that there is no loss to the recipients of the offering and an authorization is obtained from CVM when required by the applicable laws.

**Artigo 41.** The Company or the shareholders responsible for holding the Public Offering of Shares set forth in this Chapter VIII, the Novo Mercado Listing Rules or the CVM regulation may guarantee its execution by any shareholder, third party, and, as the case may be, by the Company itself, provided that there is no loss to the recipients of the offering and an authorization is obtained from CVM when required by the applicable laws. The Company or the shareholder, depending on the case, undertake to carry out the Public Offering until its conclusion, pursuant to the applicable rules.

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## **Chapter IX - Arbitration Court**

**Article 42.** The Company, its shareholders, the management and members of the Fiscal Council undertake to resolve, by means of arbitration, any and all disputes or controversies that may arise amongst them, especially those related to or deriving from the application, validity, effectiveness, construal, breach and its effects, of the provisions of the Brazilian Corporate Law, the Company's Bylaws, the rules issued by the National Monetary Council (CMN), the Brazilian Central Bank and CVM, as well as of the other rules applicable to the operation of capital markets in general and those contained in the Novo Mercado Listing Rules, the Novo Mercado Listing Agreement and the Market Arbitration Panel Rules.

**Sole Paragraph.** Without prejudice to the validity of this arbitration provision, the requirement of provisional measures by the stakeholders, before the Arbitration Court is settled, must be filed as per item 5.1.3 of the Market Arbitration Panel Rules.

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## **Chapter X - Winding-up of the Company**

**Article 43.** The Company shall be liquidated in the events provided for by law, and the General Meeting shall elect the liquidator(s), as well as the Fiscal Council that shall operate in such period, pursuant to the legal formalities.

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## **Chapter XI - Final and Temporary Provisions**

**Article 44.** Events not covered by these Bylaws shall be resolved by the General Meeting and ruled according to the provisions of the Brazilian Corporation Law.

**Article 45.** The Company shall comply with the shareholders' agreements filed at its headquarters, if any, and the registration of a transfer of shares and the counting of any vote cast at a General Meeting or a Board of Directors' meeting contrary to the terms thereof are prohibited.

**Article 46.** The provisions included in Chapter VIII and IX, as well as the regulations related to the Novo Mercado Listing Rules should only be effective while the Company features BM&FBOVESPA's Novo Mercado.