

**Notice of public offering for the acquisition of common shares for
registry cancellation of the publicly-held company
BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS**

Corporate Taxpayer ID (CNPJ/MF) 92.692.979/0001-24

for account and by order of

BANCO DO ESTADO DO RIO GRANDE DO SUL S.A. (BANRISUL)
Corporate Taxpayer ID (CNPJ/MF) 92.702.067.0001/96

BANCO DO ESTADO DO RIO GRANDE DO SUL S/A (BANRISUL), headquartered at Rua Capitão Montanha, nº 177, Porto Alegre/RS, inscribed in the Corporate Taxpayers Registry (CNPJ/MF) under no. 92.702.067.0001/96 (“Oferror”), hereby presents shareholders holding outstanding common shares of BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS, corporation with authorized share, with headquarters and legal domicile at Rua Caldas Junior, nº 108, 4º andar, Porto Alegre/RS, inscribed in the Corporate Taxpayers Registry (CNPJ/MF) under no. 92.692.979/0001-24 (“Company”) with this Public Offer for the Acquisition of Shares (“POAS”) aimed at the registry cancellation of the publicly-held company through special procedure as provided for in article 34 of CVM Instruction 361, dated March 05, 2002.

1. Material fact

1.1. On March 17, 2010, a material fact was published on page 08 of the Industry and Trading Section in the Rio Grande do Sul Official Gazette [*Diário Oficial do Estado do Rio Grande do Sul*], in the Zero Hora newspaper (page 39) and in the Valor Econômico newspaper (page D3), reporting the plan to promote the registry cancellation of the publicly-held company and subsequent share redemption.

2. Reasons for the offer and registry cancellation

2.1. The Offerer’s decision to hold a POAS with the adoption of a special procedure was based on the following: (i) as the controlling shareholder, BANCO DO ESTADO DO RIO GRANDE DO SUL S/A (BANRISUL) holds 99.57% of the common shares issued by BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS, and the other shareholders hold 0.43%, which shows notable share concentration in one shareholder; (ii) BANCO DO ESTADO DO RIO GRANDE DO SUL S/A (BANRISUL) is willing and wishing to acquire the totality of shares held by minority shareholders, and all rights inherent thereto, as envisaged by decisions made by the Board of Executive Officers and Board of Directors on December 18, 2009; (iii) BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS’ shares are not traded on the Stock Exchange; (iv) the lack of minority shareholder stake in the company justifies the POAS -- whereby registration of the publicly-held company will be cancelled should there be no opposition by shareholders holding one third of the company’s outstanding shares -- notably the minimum level of share distribution and minority shareholder’ lack of interest; (v) **maintaining** registration of the publicly-held BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS does not result in any express benefits considering the inexistence of stock market liquidity; and (vi) registry of the publicly-held company implies heavy costs: publications in accordance with Law 6,404/76, maintenance of a shareholders’ department, hiring independent auditors, registration fees, and other expenses incurred by publicly-held companies.

3. Special procedure

3.1. Accordingly, as approved by the Presiding Committee of the Securities and Exchange Commission (“CVM”) in a meeting on September 28, 2010, the Oferror hereby presents the terms and conditions of the Public Offering for the Acquisition of Shares of BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS for the acquisition of up to the total number of outstanding common shares issued by the aforesaid company, observing the following special procedures: (i) reversal of the quorum provided for in article 16, item II, of CVM Instruction 361/02 such that the success of the POAS is conditioned on no dissent from those shareholders representing more than one third (1/3) of outstanding (free-float) shares; (ii) waiver of the stock-exchange auction pursuant to art. 12 of CVM Instruction 361; and (iii) waiver of the publication of the notice of the POAS provided for in art. 11 of CVM Instruction 361, and authorization for the publication of a notice to shareholders.

4. The offering

4.1. Object of the public offering: The BANCO DO ESTADO DO RIO GRANDE DO SUL S/A (BANRISUL) states its intent to acquire up to 386,127 common shares of BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS, corresponding to 0.43% of the Company's capital.

4.2. Verifying the successful implementation of the POAS: The shares indicated in the statement forms will be acquired and the registration of publicly-held BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS will be cancelled should there be no dissent by shareholders holding one third (1/3) of the Company's free-float shares.

4.3. No restrictions: in order to be sold, the shares are to be free and clear of any security interest, encumbrances, charges or other form of restriction on their free circulation or trading that could hinder the Offerer's full and immediate exercise of all ownership rights pertaining to said shares.

4.4. Change or Revocation of Offering: This offering may not be changed or revoked after publication of the notice to shareholders, except in the case of a substantial alteration, pursuant to the terms of article 5 of CVM Instruction no. 361, that is subsequent to and unforeseen under the circumstances surrounding announcement of the offering and that otherwise would lead to notable risks for the Oferror.

In this case, the Oferror may amend the offering provided it obtains express prior authorization to do so from the CVM, and must publish a material fact clarifying the authorized amendments.

4.5. Offering price: Pursuant to the terms and conditions of this notice, the Oferror intends to acquire shares for R\$1.74 (one real and seventy-four centavos) per common share.

4.5.1. The Offering price was calculated based on the methodology of the discounted cash flow, which, within the evaluation criteria in the Appraisal Report, was deemed the most adequate to determine the shares' fair price, under the term of article 4, section 4, of Brazilian Corporation Law;

4.5.2. The Offering price is to be paid cash and in Brazilian currency on the settlement date, as defined in item 4.8.3 below. The offering price per share shall be adjusted according to the Special System for Settlement and Custody (SELIC rate), as

published by the Brazilian Central Bank, calculated *pro rata temporis* from the publication date of the notice to shareholders to the actual settlement date. Should the SELIC rate be extinguished or not published for more than 30 days, the adjustment rate used shall be the rate that substitutes the SELIC rate. Should no such substitute rate exist, the average SELIC rate over the preceding 12 months shall be applied.

4.6. Dividends: If the Company comes to declare dividends and/or interest on equity, shareholders registered as holders or beneficiaries of said shares on the date of said announcement shall be entitled to the payment of said dividends and/or interest on equity.

4.7. Offering term: The offering will be effective for 45 days from publication of the notice to shareholders, that is to say the term of the offering shall commence on 10/14/2010 (“Start Date”) and end on 11/29/2010 (“Closing Date”).

4.8. Implementation of the POAS’ and payment:

4.8.1. BANCO DO ESTADO DO RIO GRANDE DO SUL S/A (BANRISUL) shall deposit the amount corresponding to the total amount of POAS, or R\$671,867.94 (six hundred seventy-one thousand, eight hundred sixty-seven reais and ninety four centavos), in accordance with provisions of the Service Agreement for Share Acquisition, entered into between BANCO DO ESTADO DO RIO GRANDE DO SUL S/A and BANRISUL S/A CORRETORA DE VALORES MOBILIÁRIOS E CÂMBIO;

4.8.2. Recipients of the POAS who wish to make a statement on the Company’s registry cancellation or on the sale (or against the sale) of shares should do so by means of the “Statement Form” in accordance with the instructions contained in item 5 below.

4.8.3. Settlement date and calculation of the payable amount: The offering shall be paid by BANRISUL S/A CORRETORA DE VALORES MOBILIÁRIOS E CÂMBIO within ten (10) days following the Closing Date, beginning on 11/30/2010 and ending on 12/9/2010, through deposit of the share price, duly adjusted in accordance with criteria contained in item 4.5.2 above, multiplied by the number of shares sold by the respective shareholder, in the checking account indicated in the Statement Form.

4.8.4. After 10 business days as from the Closing Date, the broker agrees to remit the description of results of the offering to the CVM and, in the case of a successful offering, stating the number of shares acquired, in which case article 25 of CVM Instruction 361 shall apply.

4.8.5. Operating control and payment of the POAS shall be handled by BANRISUL S/A CORRETORA DE VALORES MOBILIÁRIOS E CÂMBIO under the terms set forth in the Service Agreement for Share Acquisition entered into between the Oferror and BANRISUL S/A CORRETORA DE VALORES MOBILIÁRIOS E CÂMBIO; operating control comprises verification of the statements received and evaluation of the results of the offering, under the terms of item 4.2 above.

4.8.6. In accordance with the terms set forth in the Brokering Agreement entered into between broker BANRISUL S/A CORRETORA DE VALORES MOBILIÁRIO E CÂMBIO and Oferror BANCO DO ESTADO DO RIO GRANDE DO SUL S/A (BANRISUL), the broker shall guarantee payment of the offering in accordance with article 7, paragraph 4, of CVM Instruction 361/02.

5. Instructions for shareholder statement

5.1. Statement: The statement concerning the acceptance or not of the offering shall be prepared using the Statement Form, which is available at the designated locations to serve shareholders listed in item 5.3 or at www.banrisulconsorcio.com.br or www.banrisulcorretora.com.br ("Statement Form").

5.2. Shareholders who wish to sell their shares, as well as those who wish to expressly agree or disagree with the registry cancellation of BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS as a publicly-held company but do not wish to sell their shares, should fill out a Statement Form, agreeing or disagreeing with the cancellation of company's registration and expressing their awareness, should they expressly agree with the registry cancellation of the publicly-held company, that their respective shares may not be sold until the offering has been financially settled.

5.3. The Statement Form must be filled out, signed and, following notarization of the signature, delivered to one of the addresses listed below; remittance must be in person or through certified mail with notice of receipt, and must be accompanied by the documents listed in item 5.4. below, until 05:00 pm of the Closing Date, as defined in item 4.7., with the post date considered the valid should remittance be through post.

5.3.1. If sent by registered mail, postage costs shall be reimbursed by the Oferror.

Shareholder Service Locations:

BANCO DO ESTADO DO RIO GRANDE DO SUL S/A - Rua Capitão Montanha, 177, Porto Alegre/RS - CEP 90018-900 Telephone: (051) 32153230/32153231

BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS - Rua Caldas Junior, nº 108, 4º andar, Porto Alegre/RS - CEP 90010-190 Telephone: 51 3215-1515

BANRISUL S/A CORRETORA DE VALORES MOBILIÁRIOS E CÂMBIO - Rua Capitão Montanha, nº 177, Porto Alegre/RS - CEP 90010-190 Telephone: 51 3215-2424/ 3215-1515

5.4 Documents required for entitlement: The following documents should be submitted along with the duly filled out Statement Form:

1. **Individuals:** a notarized copy of their individual taxpayer ID (CPF), identification card and proof of residence. Proxy representatives of estates, minors and others unable to act on their own behalf, and shareholders shall submit documentation granting power of attorney and certified copy of their identity card and CPF. Representatives of estates, minors and others unable to act on their own behalf shall also submit respective legal authorization; or
2. **Legal Entities:** a notarized copy of latest consolidated version of the Bylaws or Articles of Association, the document demonstrating inclusion in the Corporate Taxpayer Registry (CNPJ), corporate documents granting power of representation and a notarized copy of their individual taxpayer ID (CPF), identification card and proof of residence.

5.5. Irrevocability and irreversibility of acceptance: Acceptance of the offering shall be deemed irrevocable, irreversible and effective upon signature of the Statement Form; therefore, acceptance of the offering means all those who agree to sell their shares shall be obligated to sell the shares subject to acceptance to the Oferror in accordance with terms provided for in this notice to shareholders.

6. Appraisal Report

6.1 Valuation: Under terms provided for in article 8 of CVM Instruction 361, BDO Independent Auditors ("BDO") prepared an Appraisal Report of BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS. ("Appraisal Report")

6.2. The most appropriate criterion for establishing the fair price: BDO believes that, of the criteria contained in the Appraisal Report, the best criterion for determining the fair share price is economic appraisal through the discounted cash flow.

6.3. Share price as determined using methodology of discounted cash flow: the price per share of BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS, as calculated from the Appraisal Report based on discounted cash flow, is R\$1.74 (one real and seventy-four centavos).

6.4. The Appraisal Report, containing the premises and information used in company's appraisals, was made available to any interested parties on the date herein at the addresses and on the websites listed below:

BANCO DO ESTADO DO RIO GRANDE DO SUL S/A
Rua Capitão Montanha, nº 177, Porto Alegre/RS
www.banrisul.com.br

BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS
Rua Caldas Junior, nº 108, 4º andar, Porto Alegre/RS
www.banrisulconsorcios.com.br

BANRISUL S/A CORRETORA DE VALORES MOBILIÁRIOS E CÂMBIO
Rua Capitão Montanha, nº 177, Porto Alegre/RS
www.banrisulcorretora.com.br

SECURITIES AND EXCHANGE COMMISSION OF BRAZIL - CVM
www.cvm.gov.br

6.5. Appraiser Statement. The appraiser stated that:

- a) It does not hold shares of BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS;
- b) Its controlling shareholder and other related persons are not BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS shareholders nor hold BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS shares under discretionary management;
- c) There is no conflict of interest that undermines the independence required to perform its duties;
- d) It has not received any compensation from BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS for advisory, appraisal and the similar services rendered in the 12 months preceding the registration requirement, and
- e) The cost of the Appraisal Report and auditing services under the POAS for retiring the company's capital shall be R\$60,000.00 (sixty thousand reais).

7. CVM Registry

The Offering was previously submitted to the CVM for analysis and was registered on 9/28/2010 under registration CVM/SER/POAS/CAN/2010/003.

8. Other Information

8.1. Current registration of the publicly-held company: the Oferror reports that registration of the publicly-held BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS before the CVM is up to date, in accordance with article 21 of Law 6,385/76.

8.2. Inexistence of undisclosed material facts or circumstances: The Oferror and the institution hired to handle the operating control and payment of the POAS are not aware of any undisclosed facts or circumstances that may effectively interfere with BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS' share listing market prices.

8.3. Oferror statements: the Oferror is responsible for the veracity, quality and adequacy of the information provided to the CVM and the market, and is further liable for eventual damage caused to BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS, its shareholders or third parties for any falsification, inaccuracy or omission of such information whether on account of negligence or malicious fraud.

8.3.1. The Oferror hereby states that, should it acquire more than two thirds (2/3) of the shares, the Oferror shall be obligated to acquire the remaining outstanding shares within three (3) months of the auction date for the final price established in the POAS auction, adjusted to the actual payment date, in accordance with the provisions of the POAS and current legislation, with payment due within 15 (fifteen) days of the shareholders' exercise of their rights, in accordance with article 10, section 2, of CVM Instruction 361.

8.3.2. The Oferror hereby states that, in the case of acceptance by the holders of more than one third (1/3) and fewer than two thirds (2/3) of the outstanding shares, the Oferror may only acquire up to one-third (1/3) of the outstanding shares of the same type and class, proceeding to apportionment among the accepting shareholders, noting that, if this is the case, the provisions set forth in article 37, paragraphs 1 and 2, of CVM Instruction 361 must be honored, or the POAS must be cancelled as said cancellation is expressly contained in the instrument governing the POAS, with such subject only to the condition that the Offering be rejected by shareholders holding at least two-thirds (2/3) of the outstanding shares.

8.3.3. The Oferror hereby states that BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS has not issued other outstanding securities.

8.3.4. The hired broker BANRISUL S.A. CORRETORA DE VALORES MOBILIÁRIOS E CÂMBIO hereby states that it took all precautions and acted diligently to ensure that the information provided by the Oferror is true, consistent, accurate and adequate, and is responsible for any failure in its duty as such; it further states that it has verified the adequacy and quality of information reported to the market throughout the POAS necessary for investor decision making, including any occasional and periodic information rendered by the company, and of the provisions in the POAS, in the Appraisal Report and the notice. It further declares that it aided the Oferror during all stages of the POAS and requested that the Oferror take all necessary measure for the proper implementation of the POAS, as set forth in sections 2 and 3 of CVM Instruction 361.

8.4. Access to the Appraisal Report and notice to the market: the Appraisal Report and this Notice by BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS are available to all interested parties at the addresses listed above.

8.5. Access to the company's shareholder list: The nominal list of all shareholders of BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS, with the corresponding amount of shares held, is physically and electronically available to all those interested, upon identification and receipt.

8.6. The shareholder breakdown of BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS as of the date of this notice is as follows:

SHAREHOLDERS	COMMON SHARES	%
CONTROL		
Banco do Estado do Rio Grande do Sul S.A.	89,113,869	99.57
MANAGEMENT		
Board of Directors	4	0.00
OUTSTANDING SHARES		
Minority Shareholders	386,127	0.43
TOTAL	89,500,000	100.00

8.7. The main economic and financial indicators of BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS are as follows:

ECONOMIC AND FINANCIAL INDICATORS OF BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS

INDICATOR	12/31/2008	12/31/2009	3/31/2010
Paid Share Capital (in thousands of reais)	80,000,000.00	105,000,000.00	105,000,000.00
Shareholder Equity	113,966,134.34	122,248,437.21	124,944,996.33
Operating Income	16,215,179.93	16,400,934.10	4,076,604.30
Net Income for the Period	10,809,393.51	10,862,036.55	2,696,559.12
Total Liabilities	5,252,612.74	5,282,885.18	6,371,387.28
No. of shares	89,500,000	89,500,000	89,500,000
Net Income for Period per Lot of 1,000 Shares	120.77	121.36	30.13
Equity per Lot of 1,000 shares	1,273.4	1,365.9	1,365.9
Net Income for Period/Capital Stock	0.135	0.103	0.026
Net Income for Period/Shareholder Equity	0.095	0.089	0.022
Total Liabilities/Shareholder Equity	0.046	0.043	0.52

8.8. Absence of POAS or Event of Withdrawal: As of the date of this notice to shareholders, no information has been disclosed to shareholders concerning a possible public offer to acquire shares or corporate event concerning BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS that would allow those shareholders who have accepted the Offering to exercise the right to withdrawal.

8.9. Share redemption: If the POAS is successful and thus the registry of publicly-held BANRISUL S/A CONSORTIUM ADMINISTRATOR is canceled, the company shall hold an extraordinary shareholders' meeting to vote on the redemption of any remaining outstanding shares, as provide for in article 4, section 5, of Law 6,404/76, by depositing the corresponding redemption amount with the BANRISUL BROKER and announcing such through a material fact. Said amount shall be deposited with BANRISUL CORRETORA within 15 (fifteen) days of the annual shareholders' meeting and shall be available to shareholders for a period of two (2) years.

8.10. Pursuant to Article 10, item I, of CVM Instruction 361/02, the Oferror hereby states that it shall be obligated, for a period of one (1) year from the settlement date, to pay those shareholders who accepted the Offer at the greater of:

a) the price per share that would be due, or that may come to be due, in case of some eventual occurrence that hinders, or comes to hinder, the implementation of the obligatory offering, as listed in article 2, item I to III, of CVM Instruction 361/02; or

b) the value to which said shareholders would be entitled were they still shareholders of BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS and were they have to dissented in the decision by BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS to approve any such corporate event that allows exercise of withdrawal rights, should such occur within the aforementioned period.

“THE GRANTING OF THE REQUEST TO REGISTER THE OFFERING DOES NOT IMPLY THE CVM’S GUARANTEE OF THE VERACITY OF THE INFORMATION RENDERED, PRONOUNCEMENT REGARDING THE QUALITY OF THE COMPANY IN QUESTION OR JUDGMENT REGARDING PRICE OFFERED FOR THE SHARES COVERED BY THIS OFFERING”

Porto Alegre, RS. October 14, 2010.

BANCO DO ESTADO DO RIO GRANDE DO SUL S/A (BANRISUL)

BANRISUL S/A ADMINISTRADORA DE CONSÓRCIOS

BANRISUL S/A CORRETORA DE VALORES MOBILIÁRIOS E CÂMBIO