



# **BYLAWS**

## **OF**

# **LOJAS RENNER S.A.**

## **CHAPTER I NAME, HEADQUARTERS, PURPOSE AND TERM**

**Article 1 -** LOJAS RENNER S.A. is a joint-stock Company ruled by these present Bylaws and by applicable legislation.

**Article 2 -** The Company's headquarters and jurisdiction are located in the City of Porto Alegre, State of Rio Grande do Sul, at Av. Joaquim Porto Villanova, 401, Jardim Carvalho, CEP 91410-400.

**Sole Paragraph -** The Company may install, close and change address of branches, agencies, warehouses, offices and any other establishments in the country or overseas by the Board of Executive Officers' resolution.

**Article 3 -** The Company is engaged in:

- (a) the marketing and manufacturing of clothing goods;
- (b) the marketing of home appliances, sport items, electric and electronic items and other items of department stores;
- (c) the import and export of goods mentioned in the items above;
- (d) the rendering of travel agency services, tourism operator and related services;
- (e) the rendering of credit card services;
- (f) the rendering of debts and titles collection for and on behalf of third parties;
- (g) the rendering of data processing services;
- (h) the rendering of control and financed sale processing;
- (i) the participation in the corporate capital of other companies;
- (j) the ownership and maintenance of trademarks and patents; and
- (l) the intermediation of financial services, such as personal loans, capitalization bonds and insurance brokerage.

**Article 4 -** The Company's term is indeterminate.

## **CHAPTER II CAPITAL STOCK**

**Article 5 -** The Corporation's capital stock subscribed and paid up is four hundred million, thirty-seven thousand and thirty-nine reais (R\$ 400,037,039.00), divided into one hundred and twenty one million, six hundred and eleven thousand and tree hundred and fifteen (121,611,315) common shares with non-par value.

**Article 6 -** The Company is hereby authorized to increase its capital up to two hundred and twenty-five million (225,000,000) of common shares.

**Paragraph 1 -** Within the limits authorized by this Article, the Company, by means of Board of Directors' resolution, may increase its capital stock, regardless of Bylaws amendment. The Board of Directors shall define the issuance conditions, including price and term for payment of subscribed shares.

**Paragraph 2 -** Within the limit of authorized capital, the Board of Directors may resolve on the issuance of subscription bonus.

**Paragraph 3 -** Within the limit of capital authorized and pursuant to the plans approved by the General Meeting, the Board of Directors may grant call option or share subscription to its managers and employees, as well as to managers and employees of other companies directly or indirectly controlled by the Company, without preemptive right for shareholders.

**Paragraph 4 -** It is void to the Company issue beneficiary parties.

**Paragraph 5 -** Every shareholder or group of shareholders shall disclose, upon communication to the Company and the stock exchange in which the securities issued by the Company are negotiated, the acquisition of shares that, in addition to those already held by it, exceeds five percent (5%) of the Company's capital, as well as, after reaching such percentage, the acquisition of shares that, in addition to those already held, corresponds to the acquisition of an additional one percent (1%) of the Company's capital or any composite values of such percentage. The holders of convertible debentures, bonus of subscription and call option of shares securing that their holders acquire the quantity provided for herein shall also have such obligation. The violation of the provisions set forth in this Article shall entail the application of penalties provided for in article 120 of Law 6.404/76 to violator(s).

**Article 7 -** The capital stock shall be exclusively represented by common shares and each common share shall correspond to the right to one vote in General Meeting's decisions, except for the provisions in Paragraph 2 of the Article 10 hereof.

**Article 8 -** All the Company's shares shall be book-entry and shall be held in deposit account, with financial institutional authorized by the Securities and Exchange Commission of Brazil ("CVM"), on behalf of its titleholders.

**Sole Paragraph -** The transfer and registering costs, as well as cost of service related to the book-entry shares may be directly charged to shareholder by a depositary institution, as to be defined in bookkeeping agreement for the shares.

**Article 9 -** Upon the Board of Directors' discretion, the preemptive right in the issuance of shares, debentures convertible into shares and subscription bonus may be excluded or reduced, the placement of which is made through the sale at stock exchange or through public subscription, or even by means of share swap in a takeover bid, (as defined in Paragraph 10 of the Article 43 hereof) under the terms set forth by law, within the limit of authorized capital.

## CHAPTER III

### GENERAL MEETING

**Article 10** - The General Meeting shall meet ordinarily once a year and extraordinarily, when duly called under the terms of Law 6,404, dated December 15, 1976 and further amendments (“Brazilian Corporate Law”) or of these Bylaws.

**Paragraph 1** - General Meeting’s resolutions shall be taken by absolute majority vote.

**Paragraph 2** - The General Meeting resolving on the deregistering as a publicly-held Company, except in case of Article 48, II hereof, or Company’s delisting from the *Novo Mercado* of BOVESPA shall be called, at least, thirty (30) days in advance.

**Paragraph 3** - The resolution on the alteration or exclusion of Article 43 hereof shall be taken by the absolute majority of attending votes, computing one single vote per shareholder, irrespective of their interest in the capital stock, as provided for by paragraph 1 of the Article 110 of the Brazilian Corporate Law.

**Paragraph 4** - The General Meeting only may resolve on issues of the agenda, included in the respective call notice, save exceptions provided for by the Brazilian Corporate Law.

**Paragraph 5** - In General Meetings, shareholders shall submit, at least, seventy-two (72) hours in advance, besides identity document, as the case may be: (i) receipt issued by depository institution over the past five (5) days; (ii) power of attorney notarizing grantor’s signature; and/or (iii) referring to shareholders participating in the registered share fungible custody, an statement containing respective shareholding, issued by appropriate entity.

**Paragraph 6** - The Minutes of the Meeting shall: (i) be drawn up in the summary format of facts occurred, containing a summarized indication of attending shareholders’ vote, blank votes and abstentions; and (ii) be published not mentioning the signatures.

**Article 11** – The General Meeting shall be convened and presided over by the Chairman of the Board of Directors, or in his absence or impediment, convened and presided over by another Board member, executive officer or shareholder appointed in written by the Chairman of the Board of Directors. The Chairman of the General Meeting shall appoint up to two (2) Secretaries.

**Article 12** - It shall be incumbent upon the General Meeting, in addition to attributions provided for by law:

- I. To elect and remove from office the Board of Directors’ members;
- II. Establish the total annual remuneration for the Board of Directors’ members and Board of Executive Officers, as well of the total remuneration of the Statutory Audit Committee;
- III. To attribute share bonuses and decide on eventual stock reverse split and splitting;

- IV. To approve stock option plans or shares subscription to its managers and employees, as well as to managers and employees of other companies directly or indirectly controlled by the Company;
- V. To resolve, according to the proposal submitted by the Management, over the allocation of net income for the year and the distribution of dividends;
- VI. To elect the liquidator, as well as the Statutory Audit Committee, which shall operate during the liquidation period;
- VII. To resolve on the Company's delisting from *Novo Mercado* of the BOVESPA – São Paulo Stock Exchange ("BOVESPA");
- VIII. To resolve on the deregistering as a publicly-held Company with CVM, except for the provisions in the Articles 47 and 48 hereof; and
- IX. To choose a specialized company liable for the preparation of an appraisal report of the Company's shares, in the event of deregistering as a publicly-held Company or delisting from the *Novo Mercado*, as provided for by Chapter VII hereof, amongst companies appointed by the Board of Directors.

## **CHAPTER IV MANAGEMENT BODIES**

### **Section I – Common Provisions to the Management Bodies**

**Article 13** - The Company shall be administered by the Board of Directors and by the Board of Executive Officers.

**Paragraph 1** - The members shall be invested in office by instrument drawn up in proper book, signed by the manager invested in office, being discharged any management guarantee, and the previous subscription of the Consent Instrument of Managers provided for in the Listing Regulation of the Novo Mercado, the Company's Ethic and Conduct Code and, in the specific event of the Board of Directors' members, the Board of Directors' Internal Regulation.

**Paragraph 2** - The managers shall remain in their positions until the investiture of their deputies, unless if otherwise resolved by the General Meeting or by the Board of Directors, as the case may be.

**Article 14** - The General Meeting shall determine a global annual remuneration to be distributed amongst managers and it shall be incumbent upon the Board of Directors to carry out the distribution of funds on an individual basis, after considering the Remuneration Committee's opinion, under the terms of Article 21 hereof.

**Article 15** - Any of the management bodies validly meets with the attendance of the majority of its members and resolves by the absolute majority vote of those attending the meeting, except for the provisions in Paragraph 2 of Article 18 and Article 22 hereof.

**Sole Paragraph** - The previous call of meeting is only exempted as a condition for its validity, if all its members attend the meeting. Management body members shall be considered as attending members if they voice

their vote by means of delegation in favor of other member of the respective body, by advanced written vote, and vote by fax, email or any other means of communication.

## **Section II - Board of Directors**

**Article 16** – The Board of Directors shall be composed by, minimum five (05) to maximum nine (09) members, all of them shareholders elected by the General Meeting for a term of office of one (01) year, reelection being allowed, from which, at least one third (1/3) of the total members shall be Independent Members.

**Paragraph 1** – For the purposes of this Article, the Independent Member is defined in the Listing Regulation of *Novo Mercado* of BOVESPA and expressly mentioned as such in the minutes of the General Meeting that elects him.

**Paragraph 2**- If the number of members is a fractional number, pursuant to criteria provided for in main section hereof, it shall be rounded: (i) to the subsequent number, if the fraction is equal or higher than five tenth (0.5); or (ii) to the number before it, if the fractional number is lower than five tenth (0.5).

**Paragraph 3** - In the Annual General Meeting, shareholders shall resolve upon the effective number of Board of Directors' members.

**Paragraph 4** - The Board of Directors' member shall have a solid reputation, and may not be elected, except for release from the General Meeting, who (i) occupies positions in companies which may be deemed as company's competitors; or (ii) who has or represents conflicting interests with the company; voting right may not be exercised by the Board of Directors' member if same impediment factors are characterized thereafter.

**Paragraph 5** - The Board of Directors' member may not have access to information or participate in the Board of Directors' meetings, related to issues which have or represent conflicting interests with the Company.

**Paragraph 6** - The Board of Directors, for a better understanding of its attributes, may create, in addition to the Remuneration Committee, committees or work groups with defined purposes, always with a view of advising the Board of Directors, being composed of persons designated thereby among management members and/or other persons directly or indirectly related to the Company.

**Paragraph 7** - The acting members of the Board of Directors shall be automatically appointed for reelection by jointly proposal of the Board of Directors' members. If the multiple vote proceeding was not requested, the Board of Directors' members may resolve, by resolution of the majority of the members present in such meeting, on the appointment of alternate members to occupy the position of any acting Member that refuses reelection, to the extent that such appoint is necessary to compose a list of candidates for occupying the positions in the Board of Directors, with due regard for Article 17 below. In the event of request of multiple vote proceeding, each Board of Directors' acting member shall be deemed a candidate for reelection for the Board of Directors.

**Paragraph 8 -** In the event the Company receives a written request on the part of shareholders intending to adopt the multiple vote process, as provided for by the Article 141, Paragraph 1 of the Brazilian Corporate Law, the Company shall disclose the receipt and the content of such request: (i) immediately, by electronic means to CVM (Securities and Exchange Commission of Brazil) and BOVESPA (São Paulo Stock Exchange); and (ii) up to two (2) days request is received, only considering the days on which newspapers generally used by the Company were distributed, by means of publication of notice to shareholders.

**Paragraph 9 -** In the event any shareholder intends to appoint one or more representatives to compose the Board of Directors, other than members of its newly composition, this shareholders shall notify the Company, in writing, at least, five (5) days in advance to the General Meeting, which shall elect the Board members, informing the candidates' name, their qualification and resume. If the Company receives a notice related to one or more candidates for the position as Board member, the Company shall announce the receipt and content of the notice: (i) immediately, by electronic means to CVM (Securities and Exchange Commission of Brazil) and BOVESPA (São Paulo Stock Exchange); and (ii) up to two (2) days request is received, only considering the days on which newspapers generally used by the Company were distributed, by means of publication of notice to shareholders.

**Article 17 -** In the election of Board of Directors' members, if the multiple vote proceeding is not requested pursuant to law, the General Meeting shall vote through list of candidates previously registered in the presiding board, which shall secure that the shareholders holding, whether solely or jointly, at least ten percent (10%) of the Company's common shares, in separate voting, the right to elect a member. The presiding board shall not accept the enrollment of any list of candidates violating the provisions set forth herein.

**Article 18 -** The Board of Directors shall have one (01) Chairman and one (01) Vice-Chairman who shall be elected by the majority of the members present in the first meeting held by the Board of Directors, to be held after the investiture of such members, or in the event of any resignation or vacancy of such positions. The Vice-Chairman shall perform the duties of Chairman in the absence and temporary impairment thereof, regardless of any formality. In the event of absence or temporary impairment of the Chairman or Vice-Chairman, the Chairman's duties shall be performed by another member of the Board of Directors appointed by the Chairman. In the event of vacancy of member of Board of Directors, in view of resignation or any other reason, the remaining members may appoint an alternate member that shall occupy the position until the first General Meeting that shall elect a new member to occupy the position until the end of the term of office.

**Paragraph 1 -** The Chairman of the Board of Directors shall call and preside over the meetings of the body and General Meetings, except for, in case of General Meetings, the assumptions in which another Board member, Executive Officer or shareholder is appointed, in writing, to preside over the works.

**Paragraph 2 -** The casting vote shall be attributed to the Chairman of the body at the Board of Directors' resolutions, in case of tie vote.

**Article 19 -** The Board of Directors shall meet ordinarily, six (6) times a year and on extraordinarily, whenever called by the Chairman or by the majority of its members. The Board meetings may take place by conference call, video conference or any other means of

communication allowing the identification of the member and the simultaneous communication with all other persons attending the meeting.

**Paragraph 1 -** The calls for the meetings shall be made by means of written communication delivered to each member of the Board of Directors, at least, five (5) days in advance, which shall contain the agenda, date, time and venue of the meeting.

**Paragraph 2 -** All the Board of Directors' resolutions shall be included in Minutes drawn up in the respective Board's book and signed by the Board members attending the meeting.

**Article 20 -** It shall be incumbent upon the Board of Directors, in addition to other attributions required by laws or Bylaws:

- I. To define the Company's business general guidance;
- II. To elect and remove from office the Company's Executive Officers;
- III. To attribute to Officers respective duties, including designating the Investor Relations Officer, in compliance with provisions hereof;
- IV. To resolve on the call for a General Meeting, when deemed convenient, or in the case of Article 132 of Brazilian Corporate Law;
- V. To inspect executive officers' management, examining at any time, the Company's books and documents and requesting information about agreements entered into or about to be executed and any other acts;
- VI. To choose and withdraw independent auditors;
- VII. To call independent auditors to provide clarifications deemed necessary;
- VIII. To access the Management Report and the Board of Executive Officers' accounts and resolve on its submission to the General Meeting;
- IX. To approve annual and multi-annual budgets, strategic plans, expansion projects and investment programs, as well as to follow-up their execution;
- X. To previously manifest on any matter to be submitted to the General Meeting;
- XI. To authorize the issue of the Company's shares under the limits authorized in Article 6 hereof, by determining issuance conditions, including price and payment term for subscribed shares, and may also exclude the preemptive right or reduce the term for its exercise in the issuance of shares, subscription bonus and convertible debentures, placement of which is made through sale at stock exchange or by means of a public subscription or in a takeover bid, under the terms established by law;
- XII. To resolve on the Company's acquisition of shares issued thereby to be held in treasury and/or further cancellation or disposal;
- XIII. To resolve on the issuance of subscription bonus, as provided by Paragraph 2 of the Article 6 of these Bylaws;

- XIV. To grant call option or share subscription to its managers and employees, as well as to managers and employees of other companies directly or indirectly controlled by the Company, without preemptive right for the shareholders, under the terms of programs approved in General Meeting, after considering the Remuneration Committee's opinion;
- XV. To establish the amount of profit sharing of Executive Officers and Employees of the Company, after considering the Remuneration Committee's opinion;
- XVI. The allocation among Managers, individually, of portion of the global annual remuneration of Managers set forth by General Meeting, after considering the Remuneration Committee's opinion;
- XVII. The approval, after considering the Remuneration Committee's opinion, of any agreement entered into between the Company and any Executive Officer including the payment of amounts, as well as the payment of indemnification amounts, in view of (i) Executive Officer's voluntary or involuntary withdrawal; (ii) change in control; or (iii) any other similar event;
- XVIII. To resolve on the issuance of simple debentures, not convertible into shares and unsecured guarantee;
- XIX. To authorize the Company to render guarantees to third parties' liabilities;
- XX. To establish area of the Board of Executive Officers' authority to contract any funding and the issuance of any credit instruments, such as bonds, notes, commercial papers, and others, commonly used in the market, also resolving on their issuance and redemption conditions, and in cases defined thereby, it may require a prior authorization from the Board of Directors as a condition of validity of action;
- XXI. To define a three-name list of companies specialized in corporate economic valuation in order to prepare an appraisal report of the Company's shares, in the event of deregistering as a publicly-held Company or Company's delisting from the *Novo Mercado*, as provided by the Article 48 hereof;
- XXII. To approve the contracting of a depository institution, rendering book-entry shares services;
- XXIII. To provide, in compliance with rules of these Bylaws and laws in force, the order of its works and adopt or enact ruling standards for its operation;
- XXIV. To decide on the payment or credit of interest on own capital to shareholders, under the terms of the applicable laws;
- XXV. To authorize the Board of Executive Officers to carry out disposal or burden of fixed assets, the acquisition of fixed assets and the assumption of other financial commitments associated with projects in which the Company plans to invest, whenever the amount of sold, burdened or acquired assets or financial commitments exceeds ten per cent (10%) of the annual net revenues earned in the previous fiscal year;
- XXVI. To authorize the Board of Executive Officers to carry out the contracting of loans and other financings, whenever, in view of these loans or other financings, the amount of principal of all outstanding loans and financings of the Company exceeds

twenty per cent (20%) of the annual net revenues earned in the previous fiscal year;  
and

XXVII. To authorize the drawing up of financial statements and distribution of dividends or interest on own capital in periods equal or lower than six (6) months at the account of income earned in these financial statements or at the retained earnings account of profit reserve account existing in the last annual or semi-annual balance sheet, as provided for by these Bylaws and applicable laws.

**Paragraph 1 -** The Board of Directors' members who are Executive Officers shall abstain from voting in issues provided for in items V and XIV to XVII of this Article 20.

**Paragraph 2 -** The Company shall not grant financing or guarantees to its Board members or Executive Officers, except to the extent that these financing or guarantees are available for Employees or Company's clients in general.

**Article 21** – The Board of Directors shall choose three (3) Directors among its members to comprise the Remuneration Committee. As provided for in Paragraph 1 of Article 16 of these Bylaws and as defined in the Listing Regulation of the *Novo Mercado* of the BOVESPA, such Directors shall be independent directors. The Remuneration Committee shall perform advisory duties in accordance with its internal regulation, and shall assist the Board of Directors establish the terms and conditions of the remuneration, other benefits and payments of any kind received by Officers and Directors of the Company. The Remuneration Committee shall be incumbent upon the following:

- I. Submit to the Board of Directors a proposal for allocation of global annual remuneration among Executive Officers and Board members;
- II. Voice an opinion on the granting of call option or share subscription to the managers and employees of the Company;
- III. Voice an opinion on the profit sharing of Executive Officers and Employees of the Company;
- IV. Voice an opinion on any agreement to be entered into between the Company and any Executive Officer providing for the payment of amounts in view of executive officer's voluntary or involuntary withdrawal, change in control or any other similar event, including the payment as indemnification.

**Article 22** – The approval of the qualified majority of two thirds of Board of Directors' members is necessary to resolve on:

- I. Proposal to buyback, redeem, reimburse or amortize shares;
- II. Proposal to create or issue subscription bonus or instruments convertible into shares issued by the Company;
- III. Proposal to change the Company's purpose;
- IV. Proposal to merge the Company into another one, merger of another Company by the Company, share merger involving the Company, its merger or spin-off;

- V. Proposal to liquidate, dissolve or extinguish the Company or cease the status of Company's liquidation; or
- VI. Proposal of Company's interest in group of Companies.

### **Section III- Board of Executive Officers**

**Article 23** - The Board of Executive Officers, members of which shall be elected and removed from office at any time by the Board of Directors, shall be composed of four (4) to eight (8) Executive Officers, one of them the Chief Executive Officer, one of them the Chief Financial and Administrative Officer, one of them the Chief Operating Officer, one of them the Chief Purchase Officer, one of them the Chief Human Resources Officer, one of them the Chief Information Officer and the other without a specific designation, all of them with two (2) year term of office, re-election is authorized. The Board of Directors shall designate one of the Company's Executive Officers for the position as Investor Relations Officer.

**Paragraph 1** - The election of the Board of Executive Officers shall take place until five (5) business days after Annual General Meeting is held, and the investiture of those elected shall coincide with the expiration of their predecessors' term of office.

**Paragraph 2** - The Chief Executive Officer in his temporary impediments or absences shall be replaced by another Executive Officer elected by the Chief Executive Officer. In the event of vacancy of the position as Chief Executive Officer, his provisional deputy shall be chosen among other executive officers by decision of executive officers and shall assume the Presidency until the first subsequent meeting of the Board of Directors, which shall be immediately called by the Chairman of the Board of Directors and shall designate the deputy of the Chief Executive Officer for the remaining term of office.

**Paragraph 3** - Other Executive Officers shall be replaced, in cases of absence of temporary impediment, by another executive officer, elected by the Chief Executive Officer. In the event of vacancy in the position as Executive Officer, a provisional deputy shall be chosen by the Chief Executive Officer and shall assume the Executive Board until the first subsequent meeting of the Board of Directors, which shall designate deputy for the remaining term of office.

**Paragraph 4** - The Investor Relations Officer shall monitor the compliance with obligations provided for in Article 43 hereof by Company's shareholders and shall report to the General Meeting and the Board of Directors, when requested, his conclusions, reports and diligences.

**Article 24** - The Board of Executive Officers has all the powers to practice the acts necessary for the Company's regular operation and execute the Company's purposes, no matter how special these are, including to sell and burden fixed assets, waive rights, compromise and agree, observing the relevant legal or statutory provisions. It shall be incumbent thereupon to administer and manage the Company's businesses, especially:

- I. To comply with and cause the observance to these Bylaws and resolutions of the Board of Directors and General Meeting;

- II. To resolve on the opening, closing and change in addresses of branches, agencies, warehouses, offices and any other Company's establishments in the country or overseas;
- III. To submit annually to the Board of Directors' examination, the Management Report and accounts of the Board of Executive Officers, accompanied by the independent auditors' report, as well as proposal for allocation of income earned in the previous year;
- IV. To prepare and propose to the Board of Directors, annual and multi-year budgets, strategic plans, expansion projects and investment programs;
- V. To approve the creation and closing down of subsidiary and the Company's interest in the capital of other companies, in the country or overseas;
- VI. To approve the disposal or burden of fixed assets, the acquisition of assets and the assumption of other financial commitments associated with projects in which the Company plans to invest, under the condition that the Board of Directors has approved this contracting whenever the amount of sold, burdened or acquired assets or financial commitments assumed exceeds ten per cent (10%) of the annual net revenues earned in the previous fiscal year;
- VII. Contract loans and other financings, under the condition that the Board of Directors has approved this contracting whenever in view of these loans or other financings, the amount of principal of all outstanding loans and financings of the Company exceeds twenty per cent (20%) of the annual net revenues earned in the previous fiscal year;
- VIII. Sell real properties, assign *in rem* rights or grant *in rem* right in loan guarantee; and
- IX. Decide on any issue, which is not private incumbency of the General Meeting or the Board of Directors.

**Article 25 -** It shall be incumbent upon the Chief Executive Officer, besides coordinating the action of Executive Officers and directing the execution of activities related to the Company's general planning:

- I. To call and preside over the Board of Executive Officers' meetings;
- II. To maintain the Board of Directors' members informed on the Company's activities and the course of its operations;
- III. To propose, without exclusive initiative, to the Board of Directors the attribution of duties to each Executive Officer upon his/her respective election, under the terms of Article 27 hereof;
- IV. To perform other attributions conferred to him by the Board of Directors;
- V. To appoint the deputy of the Executive Officers in cases of absence or temporary impediment; and
- VI. To appoint the provisional deputy of other Executive Officers in cases of vacancy, observing the provisions in the Paragraph 3, of the Article 23, *in fine*, hereof.

**Article 26 -** In addition to the set forth in the paragraphs below, it is the duty of the Executive Officers to assist and help the Chief Executive Officer in the management of the Corporation's business and precede the activities regarding the function which were assigned to them by the Board of Directors.

**Paragraph 1 -** The Chief Financial and Administrative Officer is in charge of the administration and management of the administrative area, establishing specific policies, specially the management of the Corporation and its controlled companies' financial activities, as well as the consolidation and follow up of the Corporation's budget.

**Paragraph 2 -** The Chief Human Resources Officer is in charge of the administration and management of the human resources area, establishing specific policies to the area.

**Paragraph 3 -** The Chief Purchase Officer is in charge of the administration and management of the purchases area, establishing specific policies, specially entering into goods purchase agreements, stipulating costs, terms and conditions, as well as its distribution and redistribution between the several Corporation's stores.

**Paragraph 4 -** The Chief Operating Officer is in charge of the administration and management of the operations area, establishing specific policies, specially the management of the logistics and distributions centers, coordinate and manage the operational activities of the stores and proceed with the maintenance of the Corporation's operational procedures.

**Paragraph 5 -** The Chief Information Officer is in charge of the administration and management of the information and technology area, establishing specific policies, being responsible for the strategy's definition, developing and implementing systems and solutions in accordance with the Corporation's business necessities, manage of data, voice and image communication's networks and the automation of Corporation's procedures.

**Paragraph 6 -** The Chief Investor Relations Officer is in charge of the administration and management of the investors relations area, establishing specific policies, providing information to the public of investors, the CVM, Stock Exchange and over-the-counter market in which the Corporation is registered, keeping up-to-date the Corporation's publicly held register, accomplishing with all the legislation and regulation applicable to the publicly held companies.

**Article 27 -** As a rule and except for the cases, purpose of the subsequent Paragraphs, the Company shall be represented by two (2) members of the Board of Executive Officers, or by one (1) member of the Board of Executive Officers and one (1) attorney-in-fact, or by two (2) attorneys-in-fact, within the limit of respective terms of office.

**Paragraph 1 -** The acts to which these present Bylaws require the previous authorization of the Board of Directors only may be practiced since this condition is fulfilled.

**Paragraph 2 -** The Company may be represented by only one (1) Executive Officer or one (1) attorney-in-fact in the following cases:

- (a) when the act to be practiced imposes single representation, the Company shall be represented by any Executive Officer or attorney-in-fact with special powers;
- (b) when referring to hire service providers or Employees;
- (c) when referring to receiving and giving acquittance to amounts due to the Company, issue and trade, including endorsing and discounting trade acceptance bills related to its sales, as well as in cases of correspondence not creating liabilities for the Company, as well as the practice of administrative routine acts, including those practiced with government agencies, mixed capital companies, Internal Revenue Service, State Treasury Departments, Municipal Treasury Departments, Boards of Trade, all courts in any level, INSS (Social Security Brazilian Institute), FGTS (Government severance indemnity fund for employees) and collecting banks and other of similar nature.

**Paragraph 3 -** The Board of Directors may authorize the practice of other acts binding upon the Company by only one of the members of the Board of Executive Officers or attorney-in-fact, or also, by the adoption of authority limiting criteria, restrict in certain cases, the Company's representation to only one Executive Officer or one attorney-in-fact.

**Paragraph 4 -** When constituting attorneys-in-fact, the following rules shall be observed:

- (a) all the powers of attorney shall be granted by the Chief Executive Officer, or his deputy, jointly with any other Executive Officer;
- (b) when the term of office aims the practice of acts, which depend on the previous authorization of the Board of Directors, its granting shall be expressly subject to this authorization, which shall be mentioned in its wording;
- (c) the powers of attorney shall specify the extension of powers granted therein, as well as the term of office, except for *ad judicium* power of attorney, which may have indeterminate duration.

**Paragraph 5 -** The Company may neither be represented by attorneys-in-fact in the disposal of real properties, in the assignment of *in rem* rights, nor in the granting of *in rem* rights in loan guarantee.

**Paragraph 6 -** The acts practiced not complying with the provisions of this Article shall neither be valid, nor bind the Company.

## **CHAPTER V STATUTORY AUDIT COMMITTEE**

**Article 28 –** The Statutory Audit Committee 1 shall operate, on a permanent basis, and shall have the powers and incumbencies provided by law.

**Article 29 –** The Statutory Audit Committee shall be composed from three (03) to five (05) sitting members and equal number of alternate members, the number of which shall be established by General Meeting, whether shareholders or not, to be elected or removed from

office, at any time, by the General Meeting. In the event of any shareholders or Group of Controlling Shareholders, the provisions set forth in paragraph 4 of Article 161 of Law 6.404/76 shall be applied and, in the event of Use of Control Power in a Diffuse Manner, the rules provided for in Paragraphs 1, 2 and 3 hereof shall be applied.

**Paragraph 1 -** The majority of shareholders present at the Annual Shareholders' Meeting shall elect the majority of the Statutory Audit Committee's members and the respective alternate members. The other shareholders shall elect the remaining members, as well as their alternate members.

**Paragraph 2 -** The shareholder or group of shareholders different from that one which elected a member as provided for by Paragraph 1 of this Article shall have equal rights, observing same rules and conditions of election.

**Paragraph 3 -** Other shareholders, excluding those voting in the election of members for the Statutory Audit Committee, as provided for by Paragraphs 1 or 2 of this Article, may elect the sitting members and deputies, who in any case, shall be in equal number of those elected, under the terms of the Paragraphs 1 and 2 of this Article, plus one (1).

**Paragraph 4 -** The Statutory Audit Committee's members shall have an unified one (1)-year term of office, and may be re-elected.

**Paragraph 5 -** The Statutory Audit Committee's members, in their first meeting, shall elect their Chairman.

**Paragraph 6 -** The members of the Statutory Committee shall be invested in their respective positions upon execution of the instrument of investiture, drawn up in the book of minutes of the Statutory Audit Committee, as well as the Consent Instrument of the Statutory Audit Committee's Members provided for in the Listing Regulation of Novo Mercado of BOVESPA, the Company's Ethic and Conduct Code of the Statutory Audit Committee Internal Regulation.

**Article 30 -** The Statutory Audit Committee shall meet, pursuant to law, whenever it is necessary, and shall analyse, at least on a quarterly basis, the financial statements.

**Paragraph 1 -** Regardless of any formality, the meeting in which the totality of Statutory Audit Committee's members attends shall be considered as regularly called.

**Paragraph 2 -** The Statutory Audit Committee is manifested by absolute majority of votes, with the attendance of the majority of its members.

**Article 31 -** The Statutory Audit Committee's members shall be replaced in their absences and impediments, by respective deputy.

**Article 32 -** In the event of vacancy in the position as Statutory Audit Committee's member, the respective deputy shall fill in his position; if there is no deputy, the General Meeting shall be called to perform the election of members for the vacant position.

**Article 33 -** The remuneration of the Statutory Audit Committee's members shall be set forth by the Annual General Meeting electing them, observing the Paragraph 3 of the Article 162 of the Brazilian Corporate Law.

## **CHAPTER VI PROFIT SHARING**

**Article 34 -** Fiscal year starts on January 1 and ends on December 31 of each year.

**Sole Paragraph -** At the end of each fiscal year, the Board of Executive Officers shall prepare the Company's financial statements, observing the relevant legal precepts.

**Article 35 -** Jointly with the financial statements for the year, the Board of Directors shall submit to the Annual General Meeting a proposal on the allocation of net income for the year, calculated after the deduction of interest referred to in Article 190 of the Brazilian Corporate Law and Sole Paragraph of this Article, adjusted for the purposes of calculating dividends, under the terms of the Article 202 of same laws, observing the following order of deduction:

- (a) five per cent (5%), at least, for legal reserve, until reaching twenty per cent (20%) of the capital stock. In the year in which the balance of legal reserve accrued of capital reserves amounts exceeds thirty per cent (30%) of the capital stock, the allocation of part of net income for the year for legal reserve shall not be mandatory;
- (b) the portion necessary to pay a mandatory dividend may not be lower, in each year, than twenty-five per cent (25%) of the annual adjusted net income, as provided for by Article 202 of the Brazilian Corporate Law;
- (c) the remaining portion of the adjusted net income shall be allocated to the Investment and Expansion Reserve, which aims at reinforcing the Company's capital stock and working capital, with a view to ensuring adequate operational conditions. The balance of this reserve, added to the balances of other profit reserves, except for unrealized profit reserves and contingency reserves may not exceed the amount of capital stock. Once this maximum limit is reached, the General Meeting may resolve on the application of excess in the payment of subscribed capital or capital stock increase, or in the distribution of dividends.

**Sole Paragraph -** The General Meeting may attribute profit sharing to the members of Board of Directors and Board of Executive Officers, not exceeding ten per cent (10%) of remaining income for the year, after deducting accrued losses and provisions for income tax and social contribution, in cases, form and legal limits.

**Article 36 -** By proposal of the Board of Executive Officers, approved by the Board of Directors, subject to the approval of the Annual General Meeting, the Company may pay or credit interest to shareholders, as remuneration of own capital thereof, observing the applicable laws. Eventual amounts then disbursed may be imputed to the amount of mandatory dividend provided for herein.

**Paragraph 1 -** In case of credit of interest to shareholders during the fiscal year, shareholders shall be remunerated with dividends they are entitled to, ensuring them the payment of eventual remaining balance. In the event of amount of dividend is lower than the amount credited to them, the Company may not charge the excess balance to shareholders.

**Paragraph 2 -** Effective payment of interest on own capital, if credit occurred during the fiscal year, shall be made by decision of the Board of Directors, in the

course of the fiscal year or the following year, but never after the dates of payment of dividends.

**Article 37** – The Company may draw up semi-annual balance sheets, or of lower periods and declare by decision of the Board of Directors:

- (a) payment of dividend or interest on own capital at the account of income earned in semi-annual balance sheet, imputed to the amount of mandatory dividend, if any;
- (b) distribution of dividends in periods lower than six (6) months, or interest on own capital, imputed to the amount of mandatory dividend, if any, provided that the total dividend paid each half-year period of the fiscal year does not exceed the amount of capital reserves; and
- (c) payment of interim dividend or interest on own capital, at the account of retained earnings or profit reserves existing in the last annual or semi-annual balance sheet, imputed to the amount of mandatory dividend, if any.

**Article 38** - The General Meeting may resolve on the capitalization of profit or capital reserves, including those created in interim balance sheets, in compliance with applicable laws.

**Article 39** – Dividends not received or not claimed shall become time-barred within three (3) years, as from the date these are available to shareholder and shall revert in favor of the Company.

## **CHAPTER VII DISPOSAL OF SHARE CONTROL, DEREGISTERING AS PUBLICLY-HELD COMPANY AND COMPANY'S DELISTING FROM THE *NOVO MERCADO***

**Article 40** - The disposal of Control (as established in Paragraph 1 hereof) of the Company, whether directly or indirectly, not only by means of one sole transaction, but also by successive transactions, shall be contracted under suspensive or resolutive condition that the buyer of the Control shall conduct the tender offer for acquisition of shares (“OPA”) of other shareholders, with due regard for the conditions and terms provided for in the prevailing legislation and in the Listing Regulation of Novo Mercado so as to secure a equal treatment to the seller of the Control.

**Paragraph 1** - For the purposes of these Bylaws, the capitalized expressions below shall have the following meaning:

“Acquiring Shareholder” means any person, including but not limited to any individual or legal entity, investment fund, condominium, securities portfolio, universality of rights, or any other form of organization, resident, domiciled or headquartered in Brazil or overseas, or Group of Shareholders.

“Control” (as well as related expressions, “Controlling”, “Controlled”, “under common Control” or “Power of Control”) means the power effectively used to direct corporate activities and guide the operation of the Company’s bodies, directly or indirectly, actually or legally.

“Group of Shareholders” means the group of two or more persons (a) bound by contracts or agreements of any nature, including shareholders’

agreements, unwritten or written, whether directly or by means of Controlled, Controlling companies or under Common Control; or (b) among which there is a relation of Control, whether directly or indirectly; or (c) under common Control; or (d) acting and representing a common interest. Amongst examples of persons representing a common interest (i) a person holding, directly or indirectly, an equity interest equal or higher than fifteen per cent (15%) of capital stock of another person; and (ii) two persons having a third investor in common, holding, directly or indirectly, an equity interest equal or higher than fifteen per cent (15%) of the capital stock of two persons. Any joint-ventures, investment funds or clubs, foundations, associations, trusts, condominiums, cooperatives, securities portfolio, universality of rights, or any other form of organization or undertaking, organized in Brazil or overseas, shall be considered as part of a same Group of Shareholders whenever two or more amongst these entities: (x) are administered or managed by same legal entity or by parties related to a same legal entity; or (y) have in common the majority of its managers.

“Use of Control Power in a Diffuse Manner” means the Power of Control exercised by shareholder owning less than fifty per cent (50%) of the Company’s capital stock, as well as by shareholder(s) not typifying as member(s) of Group of Shareholders.

**Paragraph 2 –** In case the acquisition of Control also subjects the acquirer of Control to the obligation of performing the OPA required by the Article 43 hereof, the OPA acquisition price shall be the highest between the prices determined in compliance with this Article 40 and Article 43, Paragraph 2 of these Bylaws.

**Paragraph 3 -** The Seller Controlling Shareholder or Seller Group of Controlling Shareholders may neither transfer the ownership of its shares, nor the Company may record any transfer of shares representing Control, while the Acquiring Shareholder does not sign an Instrument of Agreement of Controlling Shareholders referred to by the Listing Regulation of *Novo Mercado*.

**Paragraph 4 -** The Company shall not register any transfer of shares to shareholder(s) holding the Control Power until the subscription of the Consent Term of the Controlling Party, by such shareholders, provided for in the Listing Regulation of *Novo Mercado*.

**Paragraph 5 -** None Shareholders’ Agreement providing for the exercise of Power of Control may be registered at the Company’s headquarters without its subscribers having signed an Instrument of Agreement referred to in Paragraph 3 of this Article.

**Article 41 -** The tender offer referred to in previous Article shall be carried out:

- I. in case of burdensome assignment of share subscription rights and other ownership or rights related to securities convertible into shares, which may result in the disposal of Company’s control; and
- II. in case of disposal of Control of Company holding the Power of Control of the Company. In this case, the seller Controlling Shareholder shall undertake to declare to

BOVESPA the amount attributed to the Company in such sale and attach documentation evidencing this.

**Article 42 -** That shareholder already owning Company's shares and to acquire the Power of Control, in view of private instrument of share purchase entered into with the Controlling Shareholder or Group of Controlling Shareholders, involving any quantity of shares, shall undertake to:

- I. conduct the tender offer for acquisition of shares provided for in Article 40 of these Bylaws;
- II. reimburse the shareholders from which the shares were purchased in the Stock Exchange Market within the six (06) months prior to the Disposal of Company's Control, thus paying them any difference between the price paid to the Controlling Shareholder and the price of the Company's shares negotiated in the Stock Exchange during the same period, duly adjusted according to the positive variation of the Amplified Consumer Price Index ("IPCA") until the effective payment;
- III. take reasonable measures to restore the minimum percentage of twenty-five per cent (25%) of total Company's outstanding shares, within six (6) months subsequent to the acquisition of Control.

**Article 43 -** Any Acquiring Shareholder, buying or to becoming titleholder of shares issued by the Company, in quantity equal or higher than twenty per cent (20%) of total shares issued by the Company shall, no later than sixty (60) days as from the acquisition date or the event, which resulted in the share ownership in quantity equal or higher than twenty per cent (20%) of total shares issued by the Company, shall carry out or request the registration of, as the case may be, OPA of the totality of shares issued by the Company, observing CVM's applicable rules, BOVESPA's rules and terms of this Article.

**Paragraph 1 -** OPA shall (i) be indistinctly addressed to all Company's shareholders, (ii) be performed in auction to be held at BOVESPA, (iii) be launched by price determined according to provisions of Paragraph 2 of this Article, and (iv) paid in cash, in domestic currency, against the acquisition in OPA of shares issued by the Company.

**Paragraph 2 -** The acquisition price in OPA of each share issued by the Company may not be less than the highest amount between (i) the economic value determined in appraisal report; (ii) one hundred and twenty per cent (120%) of share issuance price in any capital increase made by means of public offering occurred within a period of twenty-four (24) months prior to the date the performance of OPA becomes mandatory, under the terms of this Article 43, duly updated by IPCA until effective payment; and (iii) one hundred twenty per cent (120%) of average unit quotation of shares issued by the Company during a period of ninety (90) days prior to the performance of OPA at stock exchange where highest trading volume for the shares issued by the Company occurs.

**Paragraph 3 -** The performance of OPA mentioned in the *caput* of this Article shall not exclude the possibility of another Company's shareholder, or as the case may be, the Company itself to prepare a competing OPA, under the terms of the applicable rules.

- Paragraph 4 -** The Acquiring Shareholder shall undertake to answer CVM's eventual requests or requirements, prepared based on applicable laws, related to OPA, within maximum terms prescribed in applicable rules.
- Paragraph 5 -** In the assumption the Acquiring Shareholder does not comply with obligations imposed by this Article, including regarding the observance to maximum terms (i) for the performance or request of OPA registration; or (ii) to comply with eventual CVM's requests or requirements, the Company's Board of Directors shall call for an Extraordinary General Meeting, in which the Acquiring Shareholder may not vote to resolve on the suspension of rights exercise by Acquiring Shareholder, who did not observe any obligation imposed by this Article, as provided for in Article 120 of the Brazilian Corporate Law, without damage to the Acquiring Shareholder's responsibility for losses and damages caused to other shareholders as a result of failure to comply with obligations imposed by this Article.
- Paragraph 6 -** Any Acquiring Shareholder who buys or becomes titleholder of other rights, inclusive usufruct or trust, over shares issued by the Company in quantity equal or higher than twenty per cent (20%) of total shares issued by the Company, shall equally undertake to, within no later than sixty (60) days as from the date of such acquisition or event, which resulted in the ownership of these rights over shares in quantity equal or higher than twenty per cent (20%) of total shares issued by the Company, perform or request the registration, as the case may be, of an OPA, under the terms outlined in this Article.
- Paragraph 7 -** The obligations included in the Article 254-A of the Brazilian Corporate Law and Articles 40, 41 and 42 of these Bylaws do not exclude Acquiring Shareholder's compliance with obligations mentioned in this Article, except for the provisions in the Articles 50 and 51 hereof.
- Paragraph 8 -** The provisions in this Article shall not apply in the assumption of one person becoming titleholder of shares issued by the Company in quantity higher than twenty per cent (20%) of total shares issued thereby as a result (i) of legal succession, under the condition that the shareholder sells unsubscribed shares within sixty (60) days as from the relevant event; (ii) merger of another Company by the Company, (iii) merger of shares of another Company by the Company, or (iv) subscription of Company's shares, made in one single primary issuance, approved in General Shareholders' Meeting of the Company, called by its Board of Directors, and proposal of capital increase has determined the fixation of share issuance price based on economic value obtained from an economic-financial appraisal report of the Company prepared by specialized company with proven experience in the valuation of publicly-held companies.
- Paragraph 9 -** For the purposes of calculating the percentage of twenty per cent (20%) of total shares issued by the Company outlined in the *caput* of this Article, involuntary additions of shareholding deriving from cancellation of shares held in treasury or reduction of Company's capital stock with the cancellation of shares shall not be computed.
- Paragraph 10 -** In the event CVM's rules applicable to OPA provided for in this Article determines the adoption of a calculation criterion for the fixation of

acquisition price of each Company's share in OPA, which results in acquisition price higher than that determined under the terms of the Paragraph 2 of this Article, that acquisition price calculated under the terms of CVM's rules shall prevail in the effectiveness of OPA provided for in this Article.

**Paragraph 11 -** The amendment limiting the shareholders' right to perform the OPA provided for in this Article or its exclusion shall oblige the shareholder(s) who vote(d) in favor of this amendment or exclusion in General Meeting's resolution, to carry out the OPA provided for in this Article.

**Article 44 -** In the tender offer to be carried out by Controlling Shareholder, the Group of Controlling Shareholders or by the Company for the deregistering as a publicly-held Company, the minimum price to be offered shall correspond to the economic value determined in appraisal report, referred in the Article 49 hereof.

**Article 45 -** If the shareholders in the Extraordinary Shareholders' Meeting resolves on the delisting from the Novo Mercado of the Company, the Controlling shareholder or Group of Controlling Shareholders shall conduct the tender offer for acquisition of shares (i) whether by listing of its shares outside the Novo Mercado, or (ii) by corporate restructuring, in which the Company's shares resulting from such restructuring are not accepted for negotiation in the Novo Mercado. The minimum price to be offered shall correspond to the economic value ascertained in the appraisal report mentioned in Article 49 of these Bylaws.

**Article 46 -** In the assumption of Use of Control Power in a Diffuse Manner:

- I. Whenever the General Meeting approves the cancellation of the registration of the Company as a publicly-held company, the tender offer for acquisition of shares shall be conducted by the Company and, in such event, the Company may only acquire the shares held by shareholders that voted in favor of the cancellation of the registration as a publicly-held company in the General Meeting after the acquisition of the shares held by the other shareholders that voted against such cancellation and that accepted said tender offer;
- II. Whenever approved in General Meeting, the Company's delisting from the *Novo Mercado*, whether due to registration for trading of shares out of *Novo Mercado*, or due to corporate reorganization as provided for by Article 45 (ii) of these Bylaws, the tender offer shall be effected by shareholders voting in favor of respective General Meeting's resolution.

**Article 47 -** In the assumption of Use of Control Power in a Diffuse Manner and BOVESPA determine that quotation of securities issued by the Company to be separately disclosed or securities issued by the Company have their trading suspended on *Novo Mercado* in view of non-compliance with obligations included in Listing Regulation of *Novo Mercado*, the Chairman of the Board of Directors shall call for an Extraordinary General Meeting for the replacement of all Board of Directors, up to two (2) days from such determination, only considering the days in which newspapers generally used by the Company were distributed.

**Paragraph 1 -** If the Extraordinary General Meeting referred to in the *caput* of this Article is not called by the Chairman of the Board of Directors within the term set forth, this may be called by any Company's shareholder.

**Paragraph 2 -** The new Board of Directors elected in the Extraordinary General Meeting referred to in the *caput* and in Paragraph 1 of this Article shall remedy the failure to comply with obligations included in Listing Regulation of *Novo*

*Mercado*, within lesser duration as possible or within a new term granted by BOVESPA for this purpose, whichever is lower.

**Article 48 -** In the event of Use of Control Power in a Diffuse Manner and if the delisting from the Novo Mercado occurs in view of obligations set forth in the Listing Regulation of Novo Mercado (i) In the event of violation thereof in view of resolution taken in General Meeting, the tender offer for acquisition of shares shall be conducted by shareholders that voted for the resolution that entails the violation thereof and (ii) if the violation occurs in view of act or fact performed by the management, the company shall conduct the OPA for the cancellation of its registration as a publicly-held company addressed to all Company's shareholders. If the General Meeting decides to maintain the Company's registration as a publicly-held company, the OPA shall be conducted by shareholders that voted for such resolution.

**Article 49 -**The Appraisal Report provided for in Articles 44 and 45 of these Bylaws shall be prepared by specialized company, with proved experience and regardless of the decision power held by the Company, its Managers and Controlling Companies and the report shall further fulfill the requirements set forth in Paragraph 1 of Article 8 of Company Law, as well as mention the liability provided for in Paragraph 6 of such Article 8.

**Paragraph 1 -** The General Meeting shall appoint the specialized company incumbent upon the ascertainment of the Company's value, as from the presentation by the Board of Directors of a triple list, and the respective resolution shall be taken, thus not computing the blank votes, by the majority of outstanding votes cast in the General Meeting that (i) should it be convened, at the first call, the shareholders representing at least twenty percent (20%) of the outstanding shares shall be present thereat; or (ii) if it is convened at the second call, it shall have any quorum of shareholder representing outstanding shares.

**Paragraph 2 -** The costs to prepare the required appraisal report shall be fully supported by those liable for the effectiveness of the tender offer, as the case may be.

**Article 50 -** The preparation of a single OPA is authorized, aiming more than one of the purposes provided for in this Chapter VII, in the Listing Regulation of *Novo Mercado* or in the regulation issued by CVM, provided that it is possible to make compatible the procedures of all types of OPA, not damaging the offering receivers and obtain CVM's authorization when required by applicable laws.

**Article 51 -** The Company or shareholders responsible for the performance of OPA provided for in this Chapter VII, in the Listing Regulation *Novo Mercado* or in the regulation issued by CVM may ensure its effectiveness by means of any shareholder, third party, as the case may be, by the Company. The Company or shareholder, as the case may be, does not exempt itself or himself from the responsibility of performing the OPA until this is concluded, in compliance with the applicable rules.

## **CHAPTER VIII ARBITRATION COURT**

**Article 52 -** The Company, its Shareholders, Managers and Statutory Audit Committee's members undertake to settle, through arbitration proceeding, any and all doubts or disputes that may arise, whether related to or arising from the application, validity, enforceability, interpretation, violation and effects of the provision provided for in the Agreement for Listing in the *Novo Mercado*, in the Listing Regulation of *Novo Mercado*, in these Bylaws, in the shareholders agreements filed in the Company's headquarters, in the Company Law, in rules enacted by the National Monetary Council, by the Central Bank of Brazil or by the Brazilian

Securities Commission (CVM), in BOVESPA's regulations, in the other regulations applicable to the capital market in general, in the Commitment Clauses and in the Arbitration Regulation of the Arbitration Chamber do Mercado, conducted pursuant to this last Regulation.

**Sole Paragraph –** Without damage to the validity of this arbitration clause, either of the parties of the arbitration proceeding shall be entitled to appeal to the Judiciary Branch with a view to, if and when necessary, petitioning writs of prevention to protect rights, whether in arbitration proceeding already sued or not yet sued. As soon as any measure of this nature is granted, the authority to decide the merits of the case shall immediately return to the arbitration court established or to be established.

## **CHAPTER IX COMPANY'S LIQUIDATION**

**Article 53 -** The Company shall enter into liquidation in the cases determined by laws, and it shall be incumbent upon the General Meeting to elect the liquidator or liquidators, as well as the Statutory Audit Committee, which shall operate during such period, observing the legal formalities.

## **CHAPTER X FINAL AND TEMPORARY PROVISIONS**

**Article 54 -** Contingency not covered by these Bylaws shall be resolved by the General Meeting and regulated according to the precepts of the Brazilian Corporate Law.

**Article 55 -** The Company is forbidden to grant financing or guarantees of any kind to third parties, under any circumstance, for business foreign to corporate interests.

**Article 56 –** In case of no provision in the Listing Regulation of *Novo Mercado* related to the tender offer in the assumption of Use of Control Power in a Diffuse Manner, the rules of Paragraph 1 of the Article 40 and Articles 46, 47 and 48 hereof prepared in compliance with item 14.4 of referred rules shall prevail.