

BYLAWS

SARAIVA LIVREIROS S.A. – em Recuperação Judicial

CNPJ/MF [Corporate Taxpayer's ID] 60.500.139/0001-26

CHAPTER I

Corporate name, Head offices, Corporate Purpose and Duration

Article 1 Saraiva Livreiros S.A. – em Recuperação Judicial is a publicly-held company, governed by these Bylaws and by the laws in force in the country.

§1 The Company which originally adopted the name “Saraiva & Cia.”, was organized by an agreement filed with the Board of Trade of the State of São Paulo, under No. 41.411, in a session of 01/24/1933, and was transformed into a corporation, on 10/15/1947, by a public deed filed with the Board of Trade of the State of São Paulo, under No. 34.497, in a session of 10/21/1947.

§2 With admission of the Company in the Corporate Governance Level 2 special listing segment of BM&FBOVESPA S.A. – Securities, Commodities and Futures Exchange (“BM&FBOVESPA”), the Company, its shareholders, Management and members of the Fiscal Council, when installed, are subject to the provisions of the Level 2 Rules.

§3 The provisions of the Corporate Governance Level 2 Listing Rules of BM&FBOVESPA (“Level 2 Rules”) shall prevail over the statutory provisions in the event of prejudice to the right of the receivers of the tender offer provided for herein.

Article 2 The Company's head offices and venue are located at Rua Henrique Schaumann, nº 270, 10º andar, Cerqueira César, CEP 05413-909, in the City of São Paulo - SP, Federative Republic of Brazil.

Sole Paragraph. At the discretion of the Executive Board, the Company may open, maintain, transfer and close branches, in any part of the national territory or abroad.

Article 3 The purpose of the company is the following:

- I. edition, industry and commerce of books and publications in general;
- II. education system activities, including support services to education;
- III. the purchase and sale of stationery, utensils and office supplies, school supplies, toys and related products, CD-ROMs, audio and video recordings, electronics, computers and their programs, articles and photography equipment, as well as service processing of photographic material, and cafeteria services;

- IV. organization, systematization, reception and transmission, and registration of data, information and texts, and marketing thereof in the country and abroad, mainly through transmission via electrical, electronic, optical and magnetic means, as well as the trade of equipment, accessories and components necessary for the use of these products, and the creation of other related programs;
- V. the import and export of products and services included in the corporate purpose, registered, to this end, at the appropriate agencies, Central Bank of Brazil and other Foreign Trade controlling entities;
- VI. interest in other companies as partner, shareholder, or quotaholder.

Article 4 The Company's duration shall be indeterminate.

CHAPTER II

Capital stock

Article 5 The capital stock is two hundred and eighty-two million, nine hundred and ninety-eight thousand, five hundred and eighty reais and ninety-eight centavos (R\$282,998,580.98), fully paid-up and divided into twenty-eight million, five hundred and ninety-six thousand one hundred and twenty-three (26,701,745) non-par shares, out of which nine million six hundred twenty-two thousand, three hundred and thirteen (9,622,313) are common shares and eighteen million, nine hundred and seventy-three thousand, eight hundred and ten (17,079,432) are preferred shares.

Paragraph 1 Below, the rights or advantages assured to the Company's preferred shareholders:

- a) restricted voting rights, as described in Article 6 below;
- b) the right to sell the preferred in the event of Sale of the Company's Control, under Chapter VI hereof;
- c) dividends equal to those attributed to common shares;
- d) interest in the distribution of bonus shares deriving from the capitalization of reserves, retained earnings and any other funds under equal conditions with common shareholders;
- e) right to be included in the tender offer for acquisition of shares as a result of the Sale of the Company's Control, in compliance with Article 24 hereof.

Paragraph 2 Common shares shall not be converted into preferred shares and vice versa.

Article 6 The Company's preferred shares, whose number may correspond, under the terms of Article 8, Paragraph 1, III of Law No. 10.303/01, up to two-thirds (2/3) of total shares issued, grant to their holders the restricted voting right, exclusively in relation to the following issues:

- I. transformation, incorporation, merger or spin-off of the Company;

- II. approval of contracts between the Company and the Controlling Shareholder (as defined in Paragraph one of Article 22 hereof), directly or by means of third parties, as well as other companies in which the Controlling Shareholder holds interest, whenever, by legal or statutory provision, these are resolved at the Shareholders' Meeting;
- III. evaluation of goods destined to full payment for increase of the Company's capital;
- IV. choice of institution or company specialized to calculate the Company's economic value, in the assumptions provided for in Articles 28 and 29 hereof;
- V. change, amendment or revocation of the statutory provisions altering or amending any of the following provisions:
 - a) compliance with the provisions contained in Chapter VI hereof;
 - b) observance, in the election of the Board of Directors, of a combined term of office of, at the most, two (2) years, and other provisions related to the Board of Directors and Fiscal Council, contained in the Level 2 Rules;
 - c) compliance with the provisions contained in Chapter VIII hereof;
 - d) any of the rights established in Article 5, Paragraph 1 and article 6, I to IV, hereof; and
 - e) other requirements provided for in item 4.1 of the Level 2 Rules.

Sole Paragraph. The restricted voting right provided for in section V of this Article shall prevail while in force the Level 2 Corporate Governance listing agreement entered into between the Company and the BM&FBOVESPA ("Level 2 Listing Agreement").

Article 7 The capital increase is authorized, which implies the increase in the number of preferred shares unproportional to the type and class of existing shares.

Article 8 The Company is authorized to increase its capital stock, by issuing new shares for subscription as resolved by the Board of Directors, and regardless of amendment to bylaws, within twenty million (20,000,000) shares, even if not observed the ratio between the several types or classes of share, and out of this total, up to five hundred thousand (500,000) shares may be allocated to grant stock call options, pursuant to Paragraph 3 below.

Paragraph 1 The Board of Directors shall define the issue and subscription conditions, including price and deadline for full payment and deadline and conditions for the exercise of preemptive right by shareholders.

Paragraph 2 The Company, by resolution of the Board of Directors, may issue, within the limit of authorized capital, shares for placement by means of sale at the stock exchange or public subscription, or by means of share swap, in a takeover bid, in accordance with Articles 257 to 263 of Law 6.404/76, without assigning preemptive rights to former shareholders or establishing a deadline for the exercise of this right shorter than the one referred to in Article 171, Paragraph 4 of Law No. 6.404/76.

Paragraph 3 The Company, within the limit of authorized capital, may grant stock call options to its Management or employees, or individuals providing

services to it or to a subsidiary, according to the plan approved at the Shareholders' Meeting.

Paragraph 4 The Board of Directors' resolutions referred to by this article shall observe the quorum set forth in the final part of Paragraph 4 of Article 14 below.

Article 9 The Company's shares shall be registered and shall remain in deposit accounts, on behalf of their holders, in a financial institution chosen by the Board of Directors.

Paragraph 1 The share depository financial institution may charge from shareholders, pursuant to Paragraph 3, Article 35 of Law No. 6.404/76, the cost of services to transfer the book-entry shares ownership.

Paragraph 2 The Company, by resolution of the Board of Directors and upon notice to the stock exchanges where its shares are traded, may suspend for periods which do not exceed, each one, 15 days, or a total of 90 days during the year, the share transfer services.

Article 10 Except in the cases of Article 8, Paragraphs 2 and 3 hereof, shareholders shall have priority in the subscription of shares issued due to capital increase, proportionally to the number of shares they hold.

Sole Paragraph. The term to exercise the preemptive right is always preclusive and shall be of thirty (30) days, except:

- a) if established at the Shareholders' Meeting or Board of Directors, where applicable, or a longer term; or
- b) in the event of Article 8, Paragraph 2, *in fine*, hereof.

Article 11 Each common share corresponds to one vote in the resolutions of the Shareholders' Meetings.

CHAPTER III

Management

Article 12 The Company shall be managed by the Board of Directors and the Executive Board.

Paragraph 1 The compensation of members of the Board of Directors and the Executive Board shall be determined at the Shareholders' Meeting, which may set only the global limit or individualize it to one or more Managers.

Paragraph 2 Management, in compliance with bylaws provisions and Article 152 of Law No. 6.404/76 shall have up to ten percent (10%) of the fiscal year's profit sharing.

Paragraph 3 The overall profit sharing amount each year shall be approved by the Annual Shareholders' Meeting in the vote on allocation of income,

observing, in the sharing between Management bodies and individually by Manager, the provisions of Articles 15, IX, and 18, I hereof.

Paragraph 4 The investiture of members of the Board of Directors and the Executive Board shall be subject to the previous signature of the Management Consent Instrument, pursuant to Level 2 Rules, as well as the compliance with applicable legal requirements.

Article 13 The Board of Directors is a joint resolution body and shall be composed of, at least, five (5) and at most, seven (7) members, designated as Board members, all shareholders, residing in the Country, elected and removed at the Shareholders' Meeting, with a combined one (1)-year term of office, and successive reelections are allowed.

Paragraph 1 At least twenty percent (20%) of members of the Board of Directors shall be composed of Independent Board members, and expressly stated as such in the minutes of the Shareholders' Meeting to elect them. "Independent Board members" is characterized by: (i) having no relationship with the Company, except for equity interest, (ii) not being a Controlling Shareholder, spouse or relative up to second degree, or not being or having never been, in last 3 (three) years, bound to a company or entity related to the Controlling Shareholder (people bound to education and/or research public institutions are excluded from this restriction) (iii) not having been, over the last three (3) years, an employee or officer of the Company, of Controlling Shareholder or subsidiary of the Company, (iv) not being a direct or indirect supplier or purchaser of services and/or Company's products to an extent that implies loss of independence (v) not being an employee or management of a company or entity which is offering or requesting services and/or products to the Company, to an extent that implies loss of independence, (vi) not being spouse or relative up to second degree of any manager of the Company, and (vii) not receiving any other compensation from the Company other than as a Board member (cash dividends deriving from interest on capital are excluded from this restriction). It shall be also considered as independent Board member(s) that one (those) elected pursuant to Article 141, Paragraphs 4 and 5 of Law 6.404/76.

Paragraph 2 When due to observation of the percentage referred to in the paragraph above results in fractional number of members of the Board of Directors, it shall be rounded to the whole number (i) immediately superior, if the fraction is equal or higher than five tenths (0.5), or (ii) immediately below, if the fraction is lower than five tenths (0.5).

Paragraph 3 The members of the Board of Directors shall take office by signing the instrument drawn up in the Company's records. Members of the Board of Directors shall remain in office and perform their duties until their substitutes are elected, unless otherwise resolved at the Shareholders' Meeting.

Article 14 Chairman and Vice Chairman of the Board of Directors shall be elected at the Shareholders' Meeting.

Paragraph 1 The position of Chairman of the Board of Directors cannot be cumulated with the positions of Chief Executive Officer and/or top executive of the Company.

Paragraph 2 The Chairman of the Board of Directors shall convene and preside meetings thereof and the Vice Chairman shall replace him during his occasional absences or impediments.

Paragraph 3 In case of vacant position or temporary impediment of the Board member, the substitute shall be appointed by the remaining Board members until the first Shareholders' Meeting which shall decide it.

Paragraph 4 The Board of Directors shall hold meetings as much as necessary, with the attendance of, at least, three (3) members, resolving by majority vote, except when referring to the matters contemplated in Article 8 hereof, when the Board shall only resolve upon the favorable vote of, at least, four (4) board members, among them, the Chairman of the Board of Directors.

Paragraph 5 In case of tie vote in the Board of Directors's resolutions, the vote of the Chairman or the Vice Chairman who is replacing shall prevail, except for as provided for in the previous Paragraph.

Paragraph 6 The respective minutes of meetings held shall be drawn up by one member of the Board or any employee appointed by the Chairman, which shall be drawn up in the Company's records and signed by the attendees and published in the cases required by laws.

Article 15 The Board of Directors shall:

- I. establish the general guidelines of the Company's businesses;
- II. express itself favorably or against any tender offer for the acquisition of shares issued by the Company by means of substantiated previous report, disclosed within fifteen (15) days as of publication of notice on the tender offer, which shall include, at least (i) the convenience and opportunity of the tender offer as to the interest of all shareholders in relation to liquidity of the securities owned thereby; (ii) the impact of the tender offer over the Company's interests; (iii) the strategic plans disclosed by offeror in relation to the Company; (iv) other matters the Board of Directors deems relevant, as well as information required by Brazilian Securities and Exchange Commission applicable rules ("CVM").
- III. elect and remove officers of the Company, and may establish their duties, subject to the rules set forth in Article 17 hereof;
- IV. oversee the management of officers by periodically analyzing books and documents of the Company, requesting information about agreements and other acts relating to business;
- V. convene Shareholders' Meetings, subject to the legal and statutory rules;
- VI. authorize the Executive Board to dispose of fixed assets, create real burden on the company's assets and provide guarantees on behalf of third parties, being unnecessary such authorization in the cases

- provided for in Article 17, Paragraph 1, "f", Paragraph 2, "b" and "g", and Paragraph 3, "e" and "f" hereof ;
- VII. authorize the acquisition, disposal, cancellation or maintenance in treasury of issued shares by the Company;
 - VIII. appoint and remove independent auditors;
 - IX. establish, when the Shareholders' Meeting sets the Management's overall compensation, the amount corresponding to the Executive Board and to the Board of Directors, as well as individualize it for the members of the latter;
 - X. define a three-name list of companies specialized in corporate economic valuation to prepare a valuation report on the Company shares, in the case of a tender offer for the company's deregistering or delisting from Corporate Governance Level 2.

Article 16 It shall be incumbent upon the Executive Board the Company's broad management, proxy and management powers required to fully accomplish the company's purpose, the rules of Article 17 and the duties conferred by the Board of Directors pursuant to Article 15 hereof .

Paragraph 1 The Executive Board shall consist of two (2) members, shareholders or not, residing in the country, being designated as: Chief Executive Officer and Deputy Chief Executive Officer, all of them elected by the Board of Directors for one (1)-year term of office, and successive reelections are allowed.

Paragraph 2 In the absences or temporary impediments of officers, the Board of Directors may distribute the duties of the officer absent or impeded among other officers, keeping, however, the compliance with the requirements of Article 17.

Paragraph 3 In case of permanent vacancy or impediment of any officer, the Board of Directors shall decide the matter, appointing the substitute to complete the term of office of the substituted or maintaining the vacant position, distributing, in this case, the duties of the impeded or removed officer among other officers, subject to the provisions of Article 17.

Paragraph 4 The Board of Directors shall designate one of the officers to perform cumulatively the position of Investor Relations Officer.

Article 17 The Executive Board, in the performance of its management, proxy and administration powers shall always be subject to the conditions set forth in the following Paragraphs.

Paragraph 1 Individually, any of the acting officers, may:

- a) withdraw, endorse for bank collection and pay trade notes;
- b) endorse checks and payment orders, as long as for deposit in the Company's bank accounts;
- c) sign any list of securities for discount, pledge and collection;
- d) sign correspondence, tax payment forms, claims and petitions submitted to the federal, state, municipal agencies and independent government

- agencies, banks and institutions to pay taxes, fees and social contributions or administrative proceedings of any nature;
- e) hire and dismiss employees, salesmen, trade representatives and agents;
 - f) acquire, dispose of or encumber permanent assets, including real estate, provided that their individual amount does not exceed one percent (1%) of the Company's shareholders' equity, according to the last Financial Statements for the fiscal year published;
 - g) receive service of process for any lawsuit or administrative proceeding.

Paragraph 2 Jointly, either two (2) acting officers may:

- a) issue checks, authorize debits from bank accounts, enter into credit facility agreements with banks and lease agreements with companies established for such purpose;
- b) issue, accept, encumber or dispose of promissory notes and bills of exchange, as long as for discount at bank or for guarantee of obligations undertaken in credit facility and lease agreements, as well as empower attorneys-in-fact specifically for such purpose;
- c) endorse any bills of credit, including trade notes, promissory notes, bills of exchange and certificates of custody, except for checks;
- d) guard and remove custody securities and other assets;
- e) appoint attorneys-in-fact, granting them *ad-judicia* and *extra* clause powers, as well as to receive summons, confess, compromise, waive, receive and give acquittance;
- f) enter into agreements, including publishing, sales or partnership agreements with government and private agencies, and lease agreement for assets and properties, or services agreements;
- g) tender guarantees to direct or indirect subsidiaries and guarantee the securities under the responsibility of these companies;
- h) acquire, underwrite, dispose of and redeem fixed income and equity securities, including shares and debentures, as long as they are not issued by the Company or any direct or indirect subsidiary, still observing the provisions of Paragraph 4, sub item "e".

Paragraph 3 Jointly with the Chief Executive Officer, either acting officer may:

- a) endorse checks;
- b) empower an attorney-in-fact, granting him powers of which he is vested;
- c) represent the Company with subsidiaries;
- d) acquire, dispose of or encumber permanent assets, including properties, provided that their individual amount does not exceed twenty percent (20%) of the Company's shareholders' equity, pursuant to the last Financial Statements for the fiscal year published;
- e) enter into agreements which entail encumbrance of corporate assets, in amount which does not exceed twenty percent (20%) of the Company's shareholders' equity, pursuant to the last Financial Statements for the fiscal year published;
- f) tender guarantees to individuals when destined to guarantee the residential property lease destined to enable the Company's manager installation, or of company controlled by it, in municipality different from

his domicile, where the establishment for his management has been designated.

Paragraph 4 Jointly with the Chief Executive Officer, and with previous and express consent of the Board of Directors, either acting officer may:

- a) acquire, dispose of or encumber shares and quotas of direct or indirect subsidiaries;
- b) acquire, dispose of or encumber permanent assets, including properties, when their individual amount exceeds twenty percent (20%) of the Company's shareholders' equity, pursuant to the last Financial Statements for the fiscal year published;
- c) enter into agreements that entail encumbrance of corporate assets, in amount exceeding twenty percent (20%) of the Company's shareholders' equity, pursuant to the last Financial Statements for the fiscal year published, without prejudice to other provisions hereof;
- d) tender guarantees to individuals, except for as specified in item "g" of Paragraph 3 of this Article, or to legal entity other than the direct or indirect subsidiaries and guarantee the securities under the responsibility of these persons, provided that the Company is interested in in such acts;
- e) promote the Company's interest, aiming the sole or shared control, in any other company, by means of acquisition or subscription of shares or quotas, as well as conduct the Company's withdrawal from these companies;
- f) appoint an attorney-in-fact, granting him powers of which he is vested;
- g) issue and accept other bills of credit, including promissory notes and bills of exchange, observing the exception contained in item "b" of Paragraph 2 above.

Article 18 The Executive Board shall:

- I. individualize the officers' compensation, whenever the Shareholders' Meeting overall establish the Management compensation and after the Board of Directors exercises its powers referred to in Article 15, IX hereof;
- II. resolve on the opening, maintenance, transfer and extinguishment of branches;
- III. resolve on administrative matters, observing, if any, the decisions of the Shareholders' Meeting and the Board of Directors.

Article 19 The Executive Board shall always hold meetings with the attendance of, at least, three (3) officers and as long as convened by the CEO, who shall be responsible for defining the agenda, leading the meeting and appointing his Secretary.

Paragraph 1 The minutes of the meeting shall be drawn up in the Company's records.

Paragraph 2 Resolutions shall be resolved by majority vote of the attending officers, prevailing the Chief Executive Officer's vote in the event of tie vote.

CHAPTER IV

Fiscal Council

Article 20 The Company's Fiscal Council shall be composed of, at least, three (3) and at most five (5) members and their alternates, to operate during fiscal years in which it is installed by resolution of the Shareholders' Meeting, in the cases set forth by law.

Paragraph 1 The Shareholders' Meeting to resolve on the Fiscal Council's installation shall define the number of its members, elect them and determine their compensation.

Paragraph 2 Fiscal Council's members shall take office by signing an instrument drawn up in the Company's records. The investiture of Fiscal Council's members shall be subject to previous signature of the Fiscal Council Consent Instrument in accordance with Level 2 Rules, as well as the compliance with applicable legal requirements.

Paragraph 3 The Fiscal Council's charter shall be approved at the Shareholders' Meeting.

CHAPTER V

Shareholders' Meeting

Article 21 The Shareholders' Meeting shall take place, ordinarily, in the first four months after fiscal year's end and, extraordinarily, whenever corporate interests so require, upon notice pursuant to the law.

Paragraph 1 The Shareholders' Meeting shall be chaired by the Chairman of Board of Directors, the Vice Chairman who is performing the Chairmanship of the Board of Directors or, in their absence, by the shareholder appointed thereby. The Chairman of the Shareholders' Meeting shall elect one of the attendees as Secretary and establish the Presiding Board.

Paragraph 2 The persons attending the Meeting shall prove their status as shareholders, and the holders of book-entry shares or under custody pursuant to Article 41 of Law 6.404/76 shall deposit at the Company, for such purpose, a statement issued by the depository financial institution, pursuant to the terms of the call notice, unless if the Chairman of the Meeting considers sufficient other means of verification.

CHAPTER VI

Sale of share control, deregistering as a publicly-held company and delisting from Level 2 Corporate Governance Special Practices

Article 22 The sale of the Company's power of control, both by means of a single and successive operations, shall be contracted under conditions precedent or subsequent, requiring that the buyer of controlling interest undertakes to conduct the tender offer for the acquisition of the shares held by other shareholders of the Company, observing the conditions and terms set forth by the laws in force and Level 2 Rules and the monetary restatement under the applicable regulation, in order to ensure them equal treatment to the Selling Controlling Shareholder, observing the provisions contained in Article 24.

Paragraph 1 For the purposes of these Bylaws, the following terms initiated in capital letters shall have the following meaning:

"Controlling Shareholder" means the shareholder(s) or Group of Shareholders who exercise(s) the Company's power of control.

"Selling Controlling Shareholder" means the Controlling Shareholder who is selling the Company's power of control.

"Controlling Interest" means the block of shares directly or indirectly ensuring to its holder(s), the individual and/or shared exercised of the Company's power of control.

"Outstanding Shares" means all shares issued by the Company, except for shares held by the Controlling Shareholder, by persons bound by the Company's management and treasury shares.

"Sale of the Company's Control" means the transfer of the Controlling Interest to a third party, on an onerous basis.

"Group of Shareholders" means the group of persons: (i) bound by contracts or voting agreements of any nature, whether directly or through subsidiaries, parent companies or under common control, or (ii) among which there is relationship of control, or (iii) under common control.

"Power of Control" means the power effectively used to direct the corporate activities and guide the operation of the Company's bodies, directly or indirectly, whether actually or legally, regardless of equity interest held. There is a relative presumption of control ownership in relation to the person or Group of Shareholders holding shares that have ensured an absolute majority of votes of shareholders attending the last three Shareholders' Meetings of the Company, even though is not the holders of shares ensuring absolute majority of the voting capital.

"Economic Value" means the value of the Company and its shares to be calculated by a specialized company, using a recognized methodology or based on other criteria that may be defined by CVM.

Paragraph 2 The negotiation of Controlling Interest between the Controlling Shareholder identified in the Level 2 Listing Agreement and his heirs, and also between these heirs, as long as they exercise the Company's power of control,

even if it implies the consolidation of the Power of Control in a single shareholder, does not constitute Sale of Power of Control, therefore, not resulting in the affirmative covenant to conduct a tender offer under the terms of this Article and *caput* of Article 24.

Article 23 The tender offer referred to in the previous Article shall also be conducted:

I. in case of onerous assignment of share subscription rights and other securities or rights related to securities convertible into shares, which may result in the Sale of the Company's Control, and

II. in case of sale of control by the Company's Controlling Shareholder, and in this case, the Selling Controlling Shareholder shall be required to declare to BM&FBOVESPA the value attributed to the Company in such sale and attach the supporting documentation.

Article 24 The tender offer to the common shareholders shall be conducted by a value of one hundred percent (100%) of the amount paid by the Controlling Interest and the tender offer to the preferred shareholders shall be conducted for a minimum of ninety percent (90%) of the amount paid by the Controlling Interest.

Sole Paragraph. The amendment to the bylaws clause, in respect to the tender offer to the preferred shareholders only may be resolved at the Shareholders' Meeting, with the previous consent of the holders of more than 50% of the preferred shares holding a special meeting.

Article 25 Whoever acquires the Power of Control, as a result of stock purchase agreement entered into with the Controlling Shareholder, involving any number of stocks, shall be required to:

I. conduct the tender offer referred to in Article 22 hereof; and

II. pay under the following terms, the amount equivalent to the difference between the tender offer price and the amount paid per share eventually acquired at the stock exchange within six (6) months prior to the date of acquisition of Power of Control, duly updated until the payment date. This amount will be distributed among all persons who sold the Company's shares at the trading sessions where the buyer made the acquisition, proportionally to the daily selling net balance of each one and BM&FBOVESPA shall make the distribution thereof, in accordance with its regulations.

Article 26 The Company shall not register any transfer of shares to the buyer of Power of Control or to shareholder(s) to own the Power of Control, while such shareholder(s) does (do) not sign the Consent Statement pursuant to Level 2 Rules, which will be immediately sent to BM&FBOVESPA.

Article 27 No shareholders' agreement, which provides for the exercise of Power Control may be registered at the Company's head offices without its signatories having signed the Controlling Shareholders Consent Statement referred to in Level 2 Rules, which will be immediately sent to BM&FBOVESPA.

Article 28 In the tender offer held by the Controlling Shareholder or by the Company, for the publicly-held company deregistering, the minimum price to be tendered shall correspond to the Economic Value verified in the valuation report, in compliance with the applicable legal and regulatory rules.

Article 29 If the Company's delisting from the Corporate Governance Level 2 is resolved, so that its securities can be traded out of Corporate Governance Level 2 or due to corporate restructuring, in which the resulting company does not have its securities accepted for trading at the Corporate Governance Level 2 within one hundred twenty (120) days as of the date of the Shareholders' Meeting which approved referred operation, the Controlling Shareholder shall conduct the tender offer for the acquisition of shares held by the remaining shareholders of the Company, and the minimum price to be tendered shall correspond to the Economic Value verified in the valuation report, pursuant to the applicable legal and regulatory rules.

Paragraph 1 The Controlling Shareholder shall be exempted from conducting the tender offer referred to in the *caput* of this Article, in the event of the Company's delisting from Corporate Governance Level 2 due to the execution by the Company of the listing agreement in the special segment of BM&FBOVESPA referred to as *Novo Mercado* ("New Market") or if the entity resulting from the corporate restructuring obtains authorization to trade securities at the Novo Mercado within one hundred twenty (120) days as of the date of the shareholders' meeting which approved referred operation.

Article 30 The valuation report provided for in Articles 28 and 29 hereof shall be prepared by a specialized institution or company with proven experience and independence as to the Company's power of decision, its Management and/or Controlling Shareholder(s), besides complying with the requirements of Paragraph 1 of Article 8 of Law No. 6.404/76, and the responsibility provided for in Paragraph 6 of same article.

Paragraph 1 The election of specialized institution or company liable for calculating the Company's Economic Value shall be the private authority of Shareholders' Meeting, based on a three-name list submitted by the Board of Directors and the respective resolution, not counting the blank votes, and each share, regardless of type or class is entitled to one vote, shall be taken by majority vote of shareholders representing the Outstanding Shares at that meeting, which if instated on first call, shall have the attendance of shareholders representing, at least, twenty percent (20%) of outstanding shares, or, if instated on second notice, any number of shareholders representing the Outstanding Shares.

Paragraph 2 The costs to draw up the valuation report shall be fully borne by the offeror.

Article 31 In the event there is no Controlling Shareholder, if the Company's delisting from the Corporate Governance Level 2 is resolved, so that its securities issued are registered to be traded out of Corporate Governance Level 2, or due to corporate restructuring, in which the company resulting from this restructuring does not have its securities accepted for trading at the Corporate Governance Level 2 or at the Novo Mercado within one hundred twenty (120)

days as of the date of the Shareholders' Meeting which approved said operation, the delisting will be subject to a tender offer under the same conditions provided for in the aforementioned articles.

Paragraph 1 The referred Shareholders' Meeting shall define those in charge of the tender offer, who, in attendance of the meeting, shall expressly assume the obligation to conduct such offer.

Paragraph 2 If those in charge of tender offer are not defined, in the event of a corporate restructuring, in which the resulting company does not have its securities accepted for trading at the Corporate Governance Level 2, the shareholders who voted favorable to corporate restructuring shall conduct referred tender offer.

Article 32 The Company's delisting from Corporate Governance Level 2 due to the failure to comply with obligations contained in the Level 2 Rules is subject to the execution of a tender offer, at least, by the share's economic value to be calculated in a valuation report referred to in Articles 28, 29 and 30 hereof, pursuant to the applicable legal and regulatory rules.

Paragraph 1 The Controlling Shareholder shall conduct a tender offer provided for in the *caput* of this Article.

Paragraph 2 In the event there is no Controlling Shareholder and the Company's delisting from the Corporate Governance Level 2 referred to in the *caput* arises from resolution at the Shareholders' Meeting, the shareholders who voted favorably to such resolution which implied the related failure to comply shall conduct the tender offer provided for in the *caput*.

Paragraph 3 In the event there is no Controlling Shareholder and the Company's delisting from the Corporate Governance Level 2 referred to in the *caput*, occurs due to an act or fact of the Management, the Company's managers shall call for a Shareholders' Meeting whose agenda will be to resolve on how to remedy the failure to comply with obligations contained in the Level 2 Rules or, where applicable, to resolve on the Company's delisting from the Corporate Level 2.

Paragraph 4 If the Shareholders' Meeting mentioned in Paragraph 2 above resolves on the Company's delisting from the Corporate Governance Level 2, this Shareholders' Meeting shall define the person(s) in charge of the tender offer provided for in the *caput*, who, in attendance of the meeting, shall expressly undertake the obligation to conduct the tender offer.

CHAPTER VII

Fiscal Year, Profits, Reserves and Dividends

Article 33 The fiscal year shall end on December 31 of each year, date when the financial statements required by law or regulation shall be drawn up.

Article 34 Accumulated losses and the provision for income tax and social contribution shall be deducted from the income for the year, and from the resulting amount, up to ten per cent (10%) shall be allocated to the Management's profit sharing, provided that attributed, in such fiscal year to shareholders, at least, the mandatory dividend referred to in Article 36, hereof.

Article 35 The fiscal year's net income, corresponding to the result after deductions and profit sharing provided for in Article 34 hereof, shall be mandatorily allocated as follows:

a) five percent (5%), before any other allocation, to form the legal reserve, which shall not exceed twenty percent (20%) of the subscribed capital stock, with the constitution of the legal reserve in the fiscal year when the balance of the legal reserve plus the amounts of the capital reserves (Article 182, Paragraph 1 of Law No. 6.404/76) exceeds thirty percent (30%) of the capital stock being permitted;

b) if proposed by management bodies, a portion may be allocated to the formation of a reserve for contingencies, less any reversal of said reserves formed in previous years, pursuant to Article 195 of Law No. 6.404/76;

c) if proposed by management bodies, a portion of net income may be allocated to the tax incentive reserve arising from donations or government subsidies for investments, which may be excluded from the base for the calculation of mandatory dividends;

d) in the fiscal year when the amount of mandatory dividends, calculated pursuant to Article 36 below, exceeds the realized portion of the fiscal year's net income, the Shareholders' Meeting may, if proposed by management bodies, allocate the surplus to the constitution of the unrealized profit reserve, pursuant to Article 197 of Law No. 6.404/76;

e) a portion not higher than the difference between (i) seventy-five percent (75%) of annual net income adjusted pursuant to Article 202 of Law No. 6.404/76 (including, therefore, any allocation of the net income portion to the constitution of the reserve for contingencies) and (ii) the reserve indicated in item (c) above may be allocated to the formation of the reserve for future capital increase, which will be intended to guarantee the Company's capitalization, and this reserve's accumulated balance may not exceed the lower of following amounts: (i) eighty percent (80%) of the capital stock; or (ii) an amount that, added to the balance of the other reserves, except for the unrealized profit reserve and the reserve for contingencies, does not exceed one hundred percent (100%) of the Company's capital stock; and

f) payment of mandatory dividends, pursuant to Article 36 of these Bylaws.

Sole Paragraph. In case of loss in the fiscal year, the constituted reserves may be used to absorb it. The Legal Reserve is the last to be absorbed.

Article 36 The Company will distribute as dividends, every fiscal year, at least twenty-five percent (25%) of annual net income, adjusted pursuant to Article 202 of Law No. 6.404/76. The amount of dividends declared based on the net income in the half-yearly balance sheet or based on the net income in the

balance sheet for a shorter period will be deducted from the minimum mandatory dividends in the fiscal year in which said interim dividends are declared.

Article 37 At the discretion of the Board of Directors, the Company may fully or partially pay or credit to shareholders the amount equivalent to interest on equity, calculated according to the prevailing laws, up to the amount that would result from Long-Term Interest Rate – TJLP, on a daily *pro rata* basis, for the corresponding period.

Sole Paragraph. Interest on equity when paid or credited to shareholders, shall be imputed by the net amount of income tax to the mandatory dividends.

Article 38 Dividends and interest on equity will be paid by means of deposit in a bank account on behalf of shareholder and indicated by him, unless the shareholder, ten (10) working days in advance, has requested in writing to be paid in the Company's treasury, through check payable to his order.

Article 39 The Company, unless if authorized by majority vote at the Special Shareholders' Meeting held by preferred shareholders, cannot retain, for over four successive quarters, cash and cash equivalents exceeding twenty five percent (25%) of total assets, as long as its economic and financial situation so allows.

Paragraph 1 For the purposes of applying this provision: a) the amounts corresponding to the last day of each quarter shall be considered, as per the balance sheet drawn up on respective dates, and b) the cash and cash equivalents corresponds to the sum of the amounts recorded under "Cash and banks "and " financial investments " less the sum of amounts recorded under "loans and borrowings" in current liabilities and "loans and borrowings" in long-term liabilities.

Paragraph 2 Out of the amounts each quarter exceeds the percentage of retention of cash and cash equivalents provided for in this Article, the amount corresponding to the quarter of lessen retention excess will be distributed as dividend, or paid as interest on equity, deducting from such excess the dividends or interest on equity already declared but not paid yet.

Paragraph 3 Once verified the assumption provided for in the previous Paragraph, the bylaws clause expressed in this Article only shall be applied again as of the four quarters following the last of the quarters involved in the calculation of the excessive retention.

Paragraph 4 The distribution of dividends, or the payment of interest on equity, will occur within the fiscal year following the last of the quarters involved in the calculation of the excessive retention.

Paragraph 5 The Company, unless if authorized by over 50% of preferred shareholders, cannot created subsidiary with the exclusive purpose of managing its own resources.

Paragraph 6 The amendment to this bylaws clause only may be resolved at the Shareholders' Meeting, with the previous approval of the holders of more than 50% of the preferred shares, at a special meeting.

CHAPTER VIII

Arbitration Court

Article 40 The Company, its shareholders, Management and members of the Fiscal Council shall undertake to resolve by means of arbitration before the Market Arbitration Panel, any dispute or controversy that may arise between them, related to or especially arising from the application, validity, effectiveness, interpretation, infringement and effects of the provisions contained in Law No. 6.404/76, these Bylaws, the rules issued by the National Monetary Council, the Central Bank of Brazil and Brazilian Securities and Exchange Commission (CVM), as well as other rules applicable to the operation of the capital markets in general, besides those contained in Level 2 Rules, the Sanctions Regulations (as defined in Level 2 Rules), the Listing Agreement at the Corporate Governance Level 2 and the Arbitration Rules.

Paragraph 1 The Brazilian laws shall be the only applicable to the merits of any and all controversy, as well as the execution, construal and validity of this arbitration clause. The arbitration shall take place in the City of São Paulo, State of São Paulo, where the arbitration award shall be rendered. The arbitration shall be managed by the Market Arbitration Panel, conducted and judged in accordance with the relevant provisions of the Market Arbitration Panel Rules ("Arbitration Rules").

Paragraph 2 The rules applicable to the arbitration shall be the Arbitration Rules effective on the date such arbitration proceeding initiates, binding the parties and arbitrators.

CHAPTER IX

Miscellaneous

Article 41 The Company may be dissolved and liquidated in the cases set forth by laws.

Article 42 The cases not mentioned herein shall be regulated by the legal provisions in force, applicable to the type, observing the Level 2 Rules.

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