

REGULATIONS OF INTEREST TO FOREIGN INVESTORS

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CVM INSTRUCTION 400, DATED DECEMBER 29, 2003

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Regulates the public offers for the distribution of securities in primary and secondary markets, and revokes CVM Instruction 13, dated September 30, 1980, and CVM Instruction 88, dated November 3, 1988.

THE CHAIRMAN OF THE BRAZILIAN SECURITIES AND EXCHANGE COMMISSION - CVM makes it public that the board, in its board meeting on December 26, 2003, and based on the provisions of arts. 4, item VI, 8h, item I, and 19, paragraphs 5, and 21 of Law 6,385, dated December 7, 1976, has hereby resolved to issue the following instruction:

SCOPE AND PURPOSE

Article 1 This Instruction regulates public offers of securities in the primary and secondary markets and is intended to ensure the protection of investor interests and the market in general through equal treatment of bidders and by requiring a broad, transparent, and adequate disclosure of information on the offer, including: securities offered, the issuing company, the issuer, and any other people involved.

DISTRIBUTION PUBLIC OFFERS REGISTRATION REQUIREMENT

Article 2 Any public offer for the distribution of securities in the primary and secondary markets in the Brazilian territory directed to natural persons, legal entities, funds, or universality of rights, resident, domiciled, or constituted in Brazil, shall be previously submitted for registration to the Brazilian Securities and Exchange Commission – CVM, under the terms of this Instruction.

Paragraph 1 On the stock exchange or the over-the-counter market, only the following are permitted to be traded:

I - securities publicly distributed through primary or secondary offers registered at CVM; or

II - securities that have not been subscribed or publicly distributed, provided securities of the same type, class, sort, and series have already been admitted into negotiation on the stock exchange or the over-the-counter market.

Paragraph 2 It is also possible that securities that do not fit the parameters of

paragraph 1 can be traded on the stock exchange or in the over-the-counter market as long as they have been previously registered or exempted, under the terms of art. 21, clauses I and II, of Law 6,385/76, through the presentation of a prospectus under the terms of this Instruction.

Article 3 The sale, sale commitment, offer for sale or subscription are public distribution acts, as are the acceptance of a sale order or the subscription of securities consisting of any of the following elements:

I - the use of lists or sales or subscription bulletins, leaflets, booklets or ads of any medium or form meant for the public;

II - the complete or partial search for subscribers or undetermined purchasers for the securities, even if attempted through standard communications directed to individually identified addressees, through employees, representatives, agents, or any natural person or legal entity whether they take part in the securities distribution system or not, or, consultation on the feasibility of the offer or the collection of an investment commitment with subscribers or undetermined purchasers even if in noncompliance with the provisions of this Instruction;

III - negotiations conducted in stores, offices, or establishments open to the public and intended, in whole or in part, for subscribers or undetermined purchasers; or

IV - the use of oral or written marketing, letters, advertisements or notices, especially through mass or electronic media (pages or documents on the worldwide web or other open computer networks and e-mail), and any form of communication directed to the general public with the objective of promoting, directly or through third parties acting on behalf of the Issuer or issuer, the subscription or disposal of securities.

Paragraph 1 For the purposes of this Instruction, the general public is considered as a class, category, or group of people, even if individualized, with the exception of those who have had a close and regular previous commercial, credit, partner or work relationship with the issuer.

Paragraph 2 The public distribution of securities can be performed only with the mediation of the institutions taking part in the securities distribution system ("Corporate Brokers"), with the exception of the examples of specific exemption from this requirement granted in the terms of art. 4.

REGISTRATION OR REQUIREMENT EXEMPTIONS

Article 4 Depending on the characteristics of the public offer of the security distribution, at its sole discretion and in the best interests of the public and ensuring adequate information and protection for the investor, CVM can waive the registration or some of the requirements, including publications, terms, and procedures set forth in this Instruction.

Paragraph 1 In the exemption mentioned in the *caput*, CVM shall consider, cumulatively or separately, the following special conditions of the intended operation:

I - the open capital company registration category (art. 4, paragraph 3, of Law 6,404, dated December 15, 1976);

II - the unit value of the securities offered or the total value of the offer;

III - the securities distribution plan (art. 33, paragraph 3);

IV - the distribution being performed in more than one jurisdiction, and conforming to the different procedures involved, as long as the equality of conditions with the local investors is assured;

V - characteristics of the swap offer;

VI - the target public of the offer, including their geographical location or quantity; or

VII - exclusive direction to qualified investors.

Paragraph 2 Any request for exemption of registration or registration requirements shall be stated by the Issuer and by the corporate broker if such is the case, in a well supported document following the terms outlined in Appendix I, which shall contain the petitioner's justifications for the exemption (based on the terms set forth in arts. 8 and 9), and applied in the analysis.

Paragraph 3 Simultaneous presentation of the registration request for the distribution together with the request for the registration requirement's exemption is optional.

Paragraph 4 In case a registration requirement exemption based on item VII of paragraph 1, the following shall be additionally observed:

I - together with the supported request mentioned in paragraph 2 of this article, the Issuer shall also present the CVM with an example of the statement to be signed by subscribers or purchasers as the case might be, which must state that they:

a) have sufficient knowledge and experience in finance and business to be able to assess the risks and content of the offer, and that they are capable of assuming such risks;

b) had open access to the necessary and sufficient information for them to make the investment decision, particularly from that information normally supplied in the Prospectus; and the statement must also:

c) acknowledge that it is a hypothesis of registration or requirements exemption as the case might be, and are engaged in fulfilling the provisions of item III of this paragraph.

II - all subscribers or purchasers of the securities offered shall sign the statements mentioned in item I of this paragraph, which shall be inserted into subscription lists or purchase receipts;

III - the qualified investor that has subscribed or purchased securities based on the exemption from item VII of paragraph 1 of art. 4 and who intends to sell the securities purchased or subscribed to a non-qualified investor 18 (eighteen) months before the distribution closure can do this only if the market trading registration mentioned in art. 21 of Law 6,385 dated 1976, is previously obtained, except if the purchased securities fit the example of paragraph 1 of art. 2 of this Instruction;

IV - the terms for analysis outlined in paragraph 3 of art. 13.

Article 5 Without harm to other examples that shall be specifically examined by CVM, the following public offer distributions shall be automatically exempted from registration without needing to make the request set forth in art. 4:

I - any mentioned in CVM Instruction 286 dated July 31, 1998, which regulates the disposal of stock belonging to legal entities governed by public law and entities directly or indirectly controlled by the Public Power and exempts the registrations mentioned in arts. 19 and 21 of Law 6,385, dated December 7, 1976, in the cases it specifies;

II - a single and indivisible lot of securities;

III - securities issued by small and micro sized companies, as defined by law.

In Article 6, the CVM may also grant the registration of secondary distribution public stock offers admitted to negotiation on the stock exchange, in the event the registration of the open capital company of the stock issuer is updated through a simplified analysis of the documents and information submitted, as long as, cumulatively, the request for distribution registration:

I - contains a specific requirement for using the simplified analysis procedure;

II - is submitted with:

a) The documents and information set forth in Appendix II, with the exception of those consisting of items 4, 5, 7, and 9 to 11;

b) A call, in the terms of Appendix VIII; and

c) A statement signed by the stock exchange approving the terms of the call and authorizing the fulfillment of the offer.

Paragraph 1 The use of the procedure set forth in this article for the primary distribution of stock is allowed when dealing with the placement of surplus in a volume greater than 5% of the issue and less than 1/3 of the outstanding stock in the market, considering the new stock offer for the calculation of pending stocks, as long as the securities have already been admitted for negotiation on the stock exchange;

Paragraph 2 The terms for simplified analysis, fulfillment of requirements and checking the fulfillment in relation to registration are those established in art. 13, paragraph 3, items I, II, and III of this Instruction.

REGISTRATION REQUEST INSTRUCTION

Article 7 The public offer registration request for the distribution of securities shall be made to the CVM by the founders or by the Issuer as the case might be, together with the institution coordinating the distribution, and shall be submitted with the documents and information listed in Appendix II, in the form of a preliminary or final draft as the case might be.

TERMS FOR THE ANALYSIS

Article 8 The CVM shall have 20 (twenty) working days from the date of the formal request to issue an opinion on all registration requests submitted with all necessary documents and information. The registration shall be automatically granted if there is no contrary expression on the part of the CVM during this term.

Sole paragraph. The term mentioned in the *caput* of this article shall begin only upon presentation of all documents and information set forth in Appendix II, with the exception of the example of paragraph 3 of art. 4, which shall begin from the presentation of the protocol.

Article 9 The term outlined in art. 8 may be interrupted once if, through an official letter to the distribution coordinator and a copy sent to the Issuer or to the founders if it is the case, the CVM requests documents, alterations, or additional information regarding the distribution registration request or updated registration information from the open capital company. This request shall be made at once and by all responsible areas of the CVM that should then act.

Paragraph 1 For fulfilling the eventual requirements, a term of up to 40 (forty) working days from the receipt of the respective mail shall be allowed.

Paragraph 2 The term for the fulfillment of requirements can be extended once only for a period not greater than 20 (twenty) working days, by submission of request documents documented by the interested parties.

Paragraph 3 To fulfill the requirements of the CVM, the documents shall be presented in two versions; the first containing the originally submitted document containing any alterations made by the CVM and those that do not result from the fulfillment of such requirements, and the second without any marks.

Paragraph 4 From the receipt of all documents and information fulfilling the requirements, the CVM shall have 10 (ten) working days to issue an opinion on the registration request, which shall be automatically granted if there is no contrary expression on the part of the CVM within this period.

Paragraph 5 In the event that there are alterations in documents and information not resulting from the fulfillment of requirements, other than the documents and

information pertaining to paragraph 4, the CVM analysis term shall be 20 (twenty) working days.

Article 10. The CVM may interrupt one time only the analysis of the registration request for up to 60 (sixty) working days through an application documented and signed by the distribution coordinator and the Issuer. Following this, the analysis terms shall restart as if a new registration request had been presented, regardless of the phase in which the CVM analysis was.

SECURITIES DISTRIBUTION PROGRAMS

Article 11. An publicly held company that has already conducted a public distribution of securities can submit for filing with the CVM a Securities Distribution Program ("Distribution Program"), with the objective of making public offers of distribution in the future for any securities mentioned in the Program.

Paragraph 1 The Distribution Program shall be presented to the CVM by the issuing company on the advice of one or more corporate Brokers who shall be responsible, under the terms of the provisions and paragraphs of art. 56, for the information and their examination.

Paragraph 2 Any new corporate Brokers that did not participate in the creation of the documents presented when the distribution program was filed shall be allowed to lead offers supported by this program, being responsible for the creation of the supplement and for updating the information previously supplied, verifying the consistency and sufficiency of the newly rendered information.

Paragraph 3 The distribution Program shall have a maximum term of 2 (two) years, to be counted from its filing with the CVM, and any offer request registration associated with a distribution Program submitted after this term has elapsed shall be rejected.

Paragraph 4 The presented Prospectus and the remaining information related to the distribution Program shall be updated within the maximum term of 1 (one) year, to be counted from the filing of the distribution Program or when the annual financial statements are presented to the CVM, whichever is first, without harming the updating of such information and documents conducted through a supplement when a public offer supported by the distribution Program is made.

Paragraph 5 The CVM shall analyze any request for filing a Distribution Program, formulate requirements and oversee their realization in the shortest possible timeframe.

Paragraph 6. If before the end of the Distribution Program analysis, the registration of the secure public offer, to be issued based on the program, is requested, the terms of analysis, the formulation of requirements and verification of the respective fulfillment, whether in relation to the Distribution Program or to the request for public offer registration, shall be those established in arts. 8 and 9 of the present Instruction.

Paragraph 7. Once the analysis or its term is finished, the CVM shall send an official letter to the leading Intermediary Institution, along with a copy to the offering company, informing whether the request for filing of the Distribution Program has been granted or not.

Paragraphs 5, 6, and 7 of Article 11 amended by CVM Instruction 429, dated March 22, 2006.

Paragraph 8. The Distribution Program shall be cancelled:

I – by means of a request from the issuing company;

II – by decision of the CVM if the offer bound to it is performed in conditions different from those that are part of the registry without prejudice of the dispositions of art 60; and

III – automatically:

- a) with the closing of a public offer that represents the fulfillment of the value provided for in the Distribution Program;**
- b) in the event the Brochure and the other information related to the Distribution Program are not updated with due dates: and**
- c) through filing a new Distribution Program with the CVM**

Paragraph and 8 of Article 11 added by CVM Instruction 429, dated March 22, 2006.

Article 12. The Distribution Program filing request shall be submitted with:

I - Cover, similar to the cover of the Prospectus set forth in Appendix III, including the identification of the bidder and the corporate Brokers involved, as well as the indication of the maximum distribution value and the types, classes, and sort of securities to be distributed;

II - minutes of distribution contracts for each type, class, and species of security to be distributed;

III - Prospectus designed as per Appendix III, containing a specific section for each type, class, and species of security to be distributed;

IV - minutes of debenture deed, if such is the case; and

V - remaining documents required in Appendix II, as well as those that are specific for each type, class, and species of security to be distributed, all of them listed in their specific sections within the Prospectus mentioned in item III, with presentation of minutes being optional.

paragraph 1 The maximum value of the securities to be issued with the support of the program can be shown in the form mentioned in item I above, with the possibility of postponing the definition of the type, class, and species of security to be distributed and its respective price until the offer is made, as well as the remaining specific offer conditions among those established in the distribution Program.

Paragraph 2 The dates that should be mentioned in the Prospectus but which are still not known or defined when the distribution Program filing request is made, shall be shown in the Prospectus as blanks.

Article 13. After the filing of the distribution Program, the Issuer and the underwriter can request the securities distribution registration through the presentation of a supplement to the Prospectus, which must contain:

I – a cover similar to the cover of the Prospectus set forth in Appendix III, including the identification of the Issuer and the underwriter involved in the offer, as well as the type, class, and species of security to be distributed, and, if known, its respective value and any specific information regarding the offer whose registration is being requested, provided in a similar way as items 1 to 4 of Appendix III;

II - updating of the remaining information from the Prospectus mentioned in item III of art. 12, while including for reference any information already presented to the CVM and available to the public, be it periodic or eventual;

III - debenture deed; and

IV - report of a risk-rating agency, if existing.

paragraph 1 The Supplement shall be followed by the definitive versions of the documents presented under the form of minutes following the terms of art. 12, and the minutes and definitive versions shall be substantially identical, including the copy of the distribution contract signed and the remaining documents required by Appendix II, as

long as not presented in the form from art. 12 item V, as well as those documents specifically for the type, class, and species of security to be distributed.

Paragraph 2 A preliminary Supplement is allowed in accordance with the provisions of this Instruction regarding the preliminary Prospectus (art. 46).

Paragraph 3 By observing the provisions of arts. 8 and 9, the following terms for analysis, fulfillment of requirements and verification of the respective document shall be applied to the registration requests for distribution public offers based on the Supplement:

I - Analysis Term: 10 (ten) working days;

II - Requirements Fulfillment Term: 10 (ten) working days; and

III - Requirements Fulfillment Verification Term: 5 (five) working days;

Paragraph 4 The CVM may not make requirements regarding documents and information already presented for the filing or maintenance of the Distribution Program, with the exception of the present updating and inclusion in the Supplement of information.

Paragraph 5 In the event the information of the Distribution Program is altered in disagreement with the provisions of this article, the terms set forth in arts. 8 and 9 shall be applied.

APPROVAL

Article 14. The registration approval shall be communicated through official letter to the distribution coordinator, with a copy for the Issuer, containing the main characteristics of the registered distribution.

Paragraph 1 In the event a securities supplementary lot distribution option is granted under the terms of art. 24, the amount of additional securities to be distributed shall be considered for registration end.

Paragraph 2 At the discretion of the Issuer and without requiring a new request or modification of the terms of the offer, the quantity of securities to be distributed can be increased up to an amount not exceeding the initially requested quantity by 20% (twenty percent), and excluding the eventual supplementary lot mentioned in paragraph 1.

Paragraph 3 The approval of the secondary distribution public offer registration shall be conditional on the presentation by the Issuer of a document proving a freeze on the offered securities issued by the safekeeping institution, which is valid up to the closure of the offer.

Paragraph 4 The CVM may not approve the securities distribution public offer registration for the period beginning on the sixteenth day prior to any divulgence of periodic information of the issuer, and ending on the date of its effective release, except if this information already consists of the offer documents.

Article 14-A. If it is the case, a declaration of the Stock Exchange or entity of the organized Over-the-Counter market announcing the granting of a request for admission to trading of the security depends only on the obtainment of registration with the CVM.

Article 14-A added by CVM Instruction 429, dated March 22, 2006.

Article 15. The registration is based in formal criteria of legality, and does not involve any guarantee regarding the content of the information, the economic or financial situation of the Issuer or the issuer, its administration, the feasibility of the offer, or the quality of the securities offered.

DENIAL

Article 16. The registration request can be denied under the following situations:

I - in the case of establishment of a company, the unfeasibility or recklessness of its founders; or

II - when the requirements requested by the CVM are not delivered within the terms set forth in this Instruction.

Paragraph 1 Prior to the denial, the CVM shall send an official letter to the underwriter, with a copy to the Issuer, granting it the opportunity of solving the repairable situations, if any, within the term of 10 (ten) working days from the receipt of the official letter, or within the remaining time for the expiration of the analysis term, whichever is longest.

Paragraph 2 When the term mentioned in paragraph 1 ends without the solving of the problems that led to the suspension, the CVM shall deny the respective registration.

Paragraph 3 In any situation of denial, the CVM shall send an official letter to the underwriter, with a copy to the Issuer, communicating its decision, which can be appealed to the CVM Collegiate, in the form of the ruling regulation.

Paragraph 4 The documents that accompanied or followed the registration request shall stay with the CVM.

REGISTRATION FORFEITURE AND TERM OF OFFER

Article 17. The securities distribution registration shall expire if the Distribution Commencement Notice and the Prospectus or the Supplement mentioned in art. 13 are not made public within 90 (ninety) days of their obtainment.

Article 18. The subscription or purchase of the securities object of the distribution offer shall occur within the maximum term of 6 (six) months, dated from the issuance of the Distribution Commencement Notice.

SUSPENSION AND CANCELLATION OF THE DISTRIBUTION OFFER

Article 19. At any time, the CVM may suspend or cancel any distribution offer that:

I - occurs in conditions different from those outlined in this Instruction or in the registration; or

II - have been judged as illegal, contrary to the CVM regulation, or fraudulent, even after the respective registration has been obtained.

Paragraph 1 The CVM may suspend the offer when verifying illegality or violation of regulations.

Paragraph 2 The term of suspension of the offer may not be greater than 30 (thirty) days, during which the irregularity notes must be fixed.

Paragraph 3 When the term outlined in paragraph 2 ends without the fixing of the problems that caused the suspension, the CVM shall order the offer to be withdrawn and shall cancel the respective registration.

Paragraph 4 The termination of the distribution contract is implied in the cancellation of the registration.

Article 20. The Issuer shall inform the investors that have already accepted the offer of any suspension or cancellation thereby allowing said investors the possibility to withdraw acceptance up to the fifth working day after the receipt of the respective communication.

Sole paragraph. The integral restitution of amounts, goods, or rights given as counter entry for the securities offered, under the form and conditions of the Prospectus, shall

be a right of:

I - all investors that have already accepted the offer in case its cancellation; and

II - the investors that withdrew their acceptance in case its cancellation as set forth in the *caput*.

OFFER CONTENT

Article 21. The distribution public offers shall be made under conditions that assure equal treatment for recipients and accepters of offers, with priority concessions being given to older stockholders, without harming the provisions of arts. 23 and 33, paragraph 3.

Article 22. The offer shall be irrevocable, but can be subject to conditions that correspond to a legitimate interest of the Issuer but do not affect normal operation of the market and whose implementation doesn't depend on the direct or indirect performance of the Issuer or individuals bound to the Issuer.

Article 23. The offer price is unique, but the CVM may authorize, in some cases, different prices and conditions according to type, class, species, and quantity of securities or recipients, with objective terms and according to the legitimate interests of the Issuer, and can establish premium or discount status according to market conditions.

Paragraph 1 The Issuer may determine that the price and, in the case of securities representing debts, interest rates are established on the day when the result of the collection of investment intentions is verified, provided the objective criteria contained in the Preliminary Prospectus and in the notice mentioned in art. 53 are met.

Paragraph 2 In the event the capacity set forth in paragraph 1 is used, the definitive price and interest rate shall be divulged to the public in the same way as the Distribution Commencement Notice and the Prospectus, and communicated to the CVM and the stock exchange or organized over-the-counter market where the issuer securities are traded in the same day they are settled.

Paragraph 3 It is possible to have price stabilization contracts which have been previously approved by the CVM.

SUPPLEMENTARY LOT DISTRIBUTION OPTION

Article 24. In the event the demand for the securities object of the public distribution offer so justifies, the Issuer can grant corporate brokers the option of distributing a supplementary lot that previews the possibility of increasing amounts to be distributed to the public in the same conditions and at the same price as the initial offering, up to a pre-determined amount that must be included in the Prospectus and which cannot exceed 15% of the quantity initially offered.

Sole paragraph. Up to the day after the option of supplementary lot distribution has been exercised, the corporate broker shall inform the CVM of the date of the respective option and the quantity of securities involved.

ALTERATION IN THE CIRCUMSTANCES, CANCELLATION AND MODIFICATION

Article 25. If according to the CVM there is a substantially greater and unpredictable change in the circumstances from when the distribution registration request was made, or on which it was based that lead to a relevant increase in the risks to be assumed by the Issuer and inherent to the offer itself, the CVM shall accept requests for the modification or revocation of the offer.

Paragraph 1 It shall be assumed that the offer modification request shall be granted in the event there is no contrary indication of the CVM within 10 (ten) working days from the date the protocol is received.

Paragraph 2 If the modification is granted, the CVM may on its own initiative or under

request of the Issuer extend the offer term for up to 90 (ninety) days.

Paragraph 3 The modification of the offer is always allowed if it improves the offer in favor of investors, or to waive the offer condition established by the Issuer.

EFFECTS OF OFFER REVOCATION AND MODIFICATION

Article 26. The revocation makes the offer and the previous or later acts of acceptance invalid, and the amounts, goods, or rights given in return for the securities offered shall be integrally compensated in the form and conditions set forth in the Prospectus.

Article 27. The modification shall be immediately announced through the media at an equal level to that used in the declaration of the Distribution Commencement Notice, and when receiving the modifications, the distributing entities shall be careful and certain that the receivers are aware that the original offer has been altered and that they are aware of the new conditions.

Sole paragraph. In the hypothesis set forth in the *caput*, the investors that already agreed with the offer shall be directly advised of the modifications, and they have 5 (five) working days from the receipt of the notice to confirm their interest in maintaining their statements of acceptance. Acceptance shall be assumed in case silence.

REVOCATION OF ACCEPTANCE

Article 28. The acceptance of the offer can be revoked by the investor only if this possibility is expressly outlined in the Prospectus in the form and conditions defined there, with the exception of the option set forth in the sole paragraphs of arts. 20 and 27, which cannot be avoided.

RESULT OF OFFER

Article 29. The results of the offer shall be published according to the terms of Appendix V as soon as the stipulated term is over or immediately following the distribution of the total securities associated with the offer, whichever occurs first.

Sole paragraph. Up to the date the Distribution Commencement Notice is published, in the event the total securities are offered to investors through a bookbuilding process, this notice can be substituted by the simple issuance of a Distribution and Closure Notice that contains all the information from Appendixes IV and V.

PARTIAL DISTRIBUTION

Article 30. The corporate document that determines the public offer shall regulate the treatment to be given in the event the securities provided for the public offer are not totally distributed or not fully funded, using as reference the decision that sets the final quantity of securities to be offered or the final amount to be funded through the public offer by specifying, if such is the case, the minimum quantity of securities or the minimum amount of resources for which the public offer shall be maintained.

Paragraph 1 The Prospectus shall contain a specific section that deals with the disposition of resources according to the quantity of securities to be distributed or the amount of resources raised, as well as the eventual alternative source of resources, in case partial distribution or funding is accepted.

Paragraph 2 Except when the law or the terms of the offer provide otherwise, the replacement or acquisition of securities that occurred in a public offer with partial distribution or funding shall not be affected, as long as they are authorized by the proper authority within the company and accomplished within the minimum value set forth in the *caput*.

Paragraph 3 In a situation where the securities object of the offer is not integrally distributed and partial distribution is not authorized in the terms of the *caput*, the values, goods or rights given in contra entry for the securities offered shall be integrally restituted to investors in the form and conditions outlined in the Prospectus.

Paragraph 4 The provisions of paragraph 3 are applied to the refund of amounts, goods, or rights given as contra entry for the securities offered to investors that have conditioned their agreement on the total distribution of the securities, under the terms of art. 31.

Paragraph 5 The secondary public offers of securities are not subject to the rules of this article, but shall be subject to the partial distribution rules that are set forth in the Issuer acts and documents belonging to the offer.

Article 31. If there is a possibility of partial distribution, the investor can, in the act of acceptance, condition the agreement to the distribution:

I - of the totality of securities offered; or

II - of a minimum proportion or quantity of the securities originally projected in the offer, defined according to investor criteria, but which cannot be inferior to the minimum projected by the Issuer.

Paragraph 1 In the case of item II of this article, should the provided condition be implemented, the investor shall, at the moment of acceptance, indicate if they intend to receive the total securities subscribed or a quantity equivalent to the proportion of the number of securities effectively distributed and the number of securities originally offered, assuming, in the absence of an announcement, that the investor has interest in receiving the totality of securities subscribed to him/her/it.

Paragraph 2 For the purposes of this article, effectively distributed securities are understood as all securities subject to subscription or acquisition, depending on the case, including those subject to the conditions set forth in the items above.

FEASIBILITY STUDY

Article 32. The request for a public offer registration for the distribution of securities issued by a company shall be submitted with an economic-financial feasibility study of the issuer when:

I - the offer has the objective of forming a company;

II - the issuer has been conducting activity for less than two years and is attempting its first public distribution of securities;

III - the determination of the offer price is established mainly from the perspective of future profitability for the issuer;

IV - there was an issuance of securities in an amount superior to the issuer's shareholder's equity, according to the balance sheet of the last fiscal year, and the funded resources aimed at expanding or diversifying the activities or investments in subsidiaries or associated companies; or

V - the issuer had a negative shareholder's equity, or has been subject to arrangement with creditors or bankruptcy in the 3 (three) fiscal years that preceded the offer.

Sole paragraph. In case securities that represent debt, the presentation of the feasibility study shall be mandatory for the hypotheses listed in items II, III, and IV of the *caput*, and such document can be:

I - waived if the securities have a maturity term less than 1 (one) year from the date of issuance; or

II - in the remaining cases, substituted by a classification from a risk rating agency working in the country, which shall be integrally divulged.

CORPORATE BROKERS

Article 33. The relationship between the Issuer and the Corporate Brokers shall be

formalized through a securities distribution contract, which must contain the clauses contained in Appendix VI.

Paragraph 1 The distribution contract shall explicitly outline all forms of remuneration due to the Issuer, as well as any remuneration, even indirect, including the discount and/or re-lending granted to investors, if such is the case, supported by the Corporate Brokers.

Paragraph 2 In the situation of direct or indirect partnership binding the Issuer or its controlling shareholder and the underwriter or its controlling shareholder, such situation shall be outlined with emphasis in the Prospectus.

Paragraph 3 The distribution leader, with the express approval of the Issuer, shall organize a distribution plan, which should take into account the relationship with clients and other considerations of commercial or strategic nature of the leader and of the Issuer so that the Corporate Brokers can assure:

I - that the treatment of investors is fair and equitable;

II – that the adaptation of the investment to the risk profile of its respective clients is good; and

III - that the sales representatives of the institutions participating in the distribution consortium receive a sample of the Prospectus for mandatory reading prior to involvement, and that their questions can be clarified by a person appointed by the leading distribution institutions.

Article 34. The Corporate Brokers can be organized as a consortium with the specific purpose of distributing the securities in the market and/or guaranteeing the issuance subscription.

Paragraph 1 The clauses related to the consortium shall be formalized in the same instrument as the distribution contract, with the awarding of powers of representation by the Corporate Brokers of the consortium to the distribution leader and, if such is the case, the co-obligation conditions and limits of each participating institution.

Paragraph 2 To any institution that didn't sign the instrument mentioned in the *caput*, agreement to the respective term shall be allowed through signature with the distribution leader up to the date the registration is obtained.

Paragraph 3 Except through a contrary clause, in the terms of this article the obligation of each Corporate Broker in the consortium responsible for guaranteeing the distribution of securities in the market shall be at least limited to the amount of the risk assumed in the contract, by observing the clauses of the sole paragraph of art. 36.

Article 35. After distribution has begun, the distribution contract signed between the Issuer and the underwriter can be altered through previous authorization of the CVM, only in relation to:

I – the remuneration paid by the issuer;

II – the distribution procedure;

III - alteration in the distribution conditions of the issuer;

IV - exclusion or reduction of the distribution guarantee for the securities in the market (firm commitment) decided by the contracted Corporate Brokers; and

V - substitution or exclusion of the Corporate Brokers.

Article 36. Without harming the firm commitment of placement rendered to the Issuer, it is possible to accomplish reallocations among the underwriter and the remaining Corporate Brokers participating in the consortium, as long as such is set forth in the distribution contract and outlined in the Prospectus.

Sole paragraph. Notwithstanding the provisions of the *caput*, the responsibility for rendering of the guarantee before the Issuer belongs to the underwriter and the remaining Corporate Brokers participating in the consortium, respecting the conditions specified in the distribution contract.

Article 37. The distribution leader has the following obligations:

I – to assess, along with the Issuer, the feasibility of the distribution, its conditions, and the type of distribution contract to be signed;

II – to request, along with the Issuer, the duly instructed distribution registration, by advising in all distribution steps (art. 7),

III – to form the distribution consortium, if such is the case;

IV – to inform the CVM, up to the obtainment of the registration, as to the participants in the consortium, differentiating by type, sort and class the quantity of securities initially distributed to each of them;

V – to communicate immediately to the CVM any alterations in the distribution contract, or its termination;

VI – once the Distribution Commencement Notice has been issued, monthly report must be provided to the CVM within 15 (fifteen) days of month end indicating the consolidated activity of the securities distribution, in accordance with the model contained in Appendix VI;

VII – to participate actively, along with the Issuer, in elaborating the Prospectus (art. 38) and in verifying the consistency, quality, and sufficiency of the information it supplies, being responsible for the information rendered according to the terms of art. 56, paragraph 1;

VIII– when required by this Instruction, to publish the notices it provides for;

IX – to follow up and control of the offer distribution plan;

X – to control the subscription lists or the acquisition receipts, and returning to the Issuer, all unused lists or receipts, if any, within the maximum term of 30 (thirty) days following distribution closure;

XI – to suspend distribution in the occurrence of any irregularity, as well as after the obtainment of the registration, which serves to justify registration suspension or cancellation;

XII - without prejudiced to the provisions of item XI, to communicate immediately to the CVM any acts or irregularities mentioned there, which shall verify if the occurrence of the fact or irregularity is repairable under the terms of art. 19; and

XIII – to keep for (five) years at the disposal of the CVM, all documentation relating to the public distribution registration process and the elaboration of the Prospectus.

PROSPECTUS

Article 38. The Prospectus is the document elaborated by the Issuer together with the underwriter, and it is mandatory for the distribution of public offers treated in this Instruction. It must contain complete, precise, truthful, current, clear, objective and necessary information, in understandable language, so that investors can judiciously form their investment decisions.

Article 39. The Prospectus must not omit relevant facts or contain information that can induce investors to error. The Prospectus shall include data and information on:

I - the offer;

II - the securities object of the offer and the rights inherent in them;

III - the Issuer;

IV - the issuing company and its equity, economic, and financial situation;

V - third parties guaranteeing obligations related to the securities object of the offer; and

VI - third parties that come to be recipients of the resources funded with the offer.

Paragraph 1 In the event the provisions relative to the evolution of the activity and the issuer results, as well as the evolution of the prices of the securities object of the offer are included, they shall:

a) be clear and objective; and

b) be supported by the opinion of an independent auditor on the presuppositions, criteria used, and their consistency and coherence with the provisions.

Paragraph 2 The CVM may require from the Issuer, and insist on its inclusion in the Prospectus, any additional information it considers appropriate, as well as advertences and considerations that it considers reasonable for the analysis and comprehension of the Prospectus by the investors.

Paragraph 3 In the case of public offers that involve the issuance of securities to which there is no prevision of specific procedures, information, and documents, the CVM may, at the request of interested parties, establish the content of the respective Prospectus.

Article 40. The Prospectus shall have as minimum content the information and documents mentioned in Appendix III of this Instruction, with the CVM able to, through a specific rule, define different contents according to the characteristics of the operation, depending on the type of security offered or the target investing public.

Sole paragraph. In public offers for the distribution of securities that are the result of **securitization operations**, along with the information and documents outlined in Appendix III, the brochure shall contain the information and documents outlined in Appendix III-A.

Sole Paragraph of Article 40 added by CVM Instruction 442, dated December 8, 2006.

Article 41. In the event there is any imprecision or significant change in the information contained in the Prospectus after the registration is obtained, primarily resulting from information deficiency or from any other new or previous fact not considered in the Prospectus, which comes to be known and is relevant for the investment decision, the Issuer and the underwriter shall immediately suspend the distribution until due communication to the public of the complementation of the Prospectus and of this new information has been completed.

Sole paragraph. The above-mentioned alterations must be submitted to the CVM for examination, applying the terms and procedures of analysis set forth in arts. 8 and 9, and these and any requests for alterations already received must remain subject to the provisions of art. 27.

Article 42. The delivery of a copy of the Definitive or Preliminary Prospectus to the investor is mandatory, and this is possible through electronic means.

Paragraph 1 The Preliminary Prospectus shall be available to investors in the same places as the Definitive Prospectus at least 5 (five) working days before the initial term for the reception of reservations.

Paragraph 2nd The Definitive Prospectus shall be available to investors at least 5 (five) working days before the initial term for the acceptance of the offer:

I - if the Preliminary Prospectus is not used; and

II - if the Preliminary Prospectus has been used and the information in the Definitive Prospectus are substantially different from it.

Paragraph 3 Without harming the provisions of the *caput*, the Definitive Prospectus shall be available on the initiation date of distribution at the headquarters and on the web page:

a) of the issuer;

b) of the offerer;

c) of the Corporate Brokers leading the consortium;

d) of the CVM; and

e) of the stock exchange or organized over-the-counter market where the issuer securities are admitted for negotiation.

Paragraph 4 For the fulfillment of the provisions of *caput* and paragraph 3, the underwriter shall timely direct to the CVM and to the stock exchange or organized over-the-counter market, printed and electronic versions of the Definitive and Preliminary Prospectus without placing restrictions on copying.

Paragraph 5 For the purposes of fulfilling the provisions of this article, whenever a Distribution Program for the registration of public offers at the CVM is used, the offerer and the underwriter shall place at the disposal of investors, the Supplement, the documents of the Distribution Program filed by the CVM, and all documents incorporated through reference, following the guidelines of paragraph 3 of this article.

CONSULTATION ON THE FEASIBILITY OF THE OFFER

Article 43. The consultation to potential investors by the issuer and by the institution leading the distribution is permitted to verify the feasibility or interest of an eventual public offer distribution, provided this consultation does not exceed 20 investors and maintains reasonable criteria for the control of confidentiality and secrecy, in the event the issuer has already previously contracted a intermediary institution.

Paragraph 1 The consultation to potential investors cannot bind the parties under penalty of characterizing an irregular distribution of securities, and the accomplishment or acceptance of offers is vetoed, as is the payment or receipt of any value, good, or rights by any of the parties.

Paragraph 2 During the consultation to potential investors, the issuer and the institution leading the distribution shall warn their interlocutors that the intention to accomplish public distribution of securities is maintained in privacy until its regular and wide release to the market, in the terms of CVM Instruction 358, of January 3, 2002.

Paragraph 3 the issuer and the institution leading the distribution shall maintain a detailed list with information about the people consulted, the date and time they were consulted, as well as their answer regarding the consultation.

Paragraph 4 In the event a request for registration with the CVM is effectively filed, the issuer shall present, together with the documents listed in Appendix II, the list mentioned in paragraph 3.

COLLECTION OF INVESTMENT INTENTIONS

Article 44. With or without the reception of reserves, the collection of investment intentions from the divulgence of the Preliminary Prospectus and filing of the distribution registration request with the CVM is permitted.

Sole paragraph. The intention of conducting a collection of investment intentions shall

be communicated to the CVM together with the distribution registration request made within the terms of art. 7.

RECEPTION OF RESERVES

Article 45. The reception of reserves for the subscription or purchase of the securities available in the public offer is acceptable, so long as:

I - this fact is set forth in both the Definitive and Preliminary Prospectus;

II - the distribution registration has been required; and

III - there is a Preliminary Prospectus at the disposal of investors.

Paragraph 1 The reserves shall be accomplished in accordance with the provisions of the offer, with the requirement of deposits in cash in the amount reserved being optional.

Paragraph 2 Deposits in cash for reserves, if existing, shall be accomplished in a blocked account, remunerated or not, within the form and conditions established in the Prospectus, in an authorized financial institution recommended by the institution leading the distribution and under its responsibility, and which movement shall obey the following norms:

a) after the amounts of reserves and available surplus are computed and division is made, if such is the case, the institution leading the distribution shall authorize the waiver of the amounts corresponding to the subscriptions to be made through each institution in the consortium; and

b) the institution leading the distribution shall authorize, within a 3 (three) working days term, the release of the non-used balance of the deposits in favor of the respective depositors.

Paragraph 3 In the event the case set forth in paragraph 1 of art. 23 is used, the investor can stipulate in the reservation request a maximum price for subscription and a minimum remuneration interest rate as a condition for its confirmation.

Paragraph 4 Even if the Prospectus doesn't stipulate the possibility of waiver from the reserve request, this can occur without onus on the subscriber or purchaser in the event there is a relevant divergence between the information contained in the Preliminary Prospectus and the Definitive Prospectus that substantially modifies the risk assumed by the investor or his/her investment decision.

PRELIMINARY PROSPECTUS

Article 46. The Preliminary Prospectus shall contain the same information mentioned in art. 40, without revision or appraisal by the CVM.

Paragraph 1 The following wording shall exist on the Preliminary Prospectus cover, in bold form:

I - "Preliminary Prospectus" and its respective issuing date;

II - "The information contained in this preliminary Prospectus is under analysis by the Brazilian Securities and Exchange Commission, which has not decided on this subject";

III - "This preliminary Prospectus is subject to complementation and correction"; and

IV - "The definitive Prospectus shall be delivered to investors during the distribution period".

Paragraph 2 In the event the reception of reserves for subscription or purchase is provided, the following text shall also be included in the content of the Preliminary Prospectus: "The reception of reserves from a date to be divulged in notice to the

market, for subscription (or purchase, as the case might be), which shall be confirmed only by the subscriber (or purchaser) after the beginning of the distribution period, is acceptable."

Paragraph 3 In the event that the establishment of the quantity of securities, issue value, or, in the case of securities representing debts, the interest rate, have been delegated to the Management Board, and the Board has not yet discussed the subject, such information shall be included in the Preliminary Prospectus, along with clarification as to the range of prices, the maximum or minimum price, or other criteria established for such establishment.

ISSUER COOPERATION OBLIGATION

Article 47. The issuing company of securities to be distributed in a secondary public offer, observing the provisions of art. 157, paragraph 5 of Law 6,404, dated 1976, shall supply the issuer with the information and documents needed for the creation of the Prospectus. The issuing company shall be compensated for all costs incurred in the collection, creation, preparation, and delivery of information or documents that are additional to those it already periodically supplies to the market.

Sole paragraph. The issuing company or issuer shall also supply the information requested by the CVM for inclusion in the Prospectus.

CONDUCT NORMS

Article 48. The issuing company, the issuer, the corporate brokers, the latter since the signing of the contract, involved in any finalized or projected public offer distribution, and the people working with them or advising them in any way, shall, without contravening the provisions of CVM Instruction 358, of 2002:

I - while the public offer has not been released to the market, limit:

a) The release of information related to the offer to what is necessary for the objectives of the offer by alerting the recipients of the reserved character of the information transmitted; and

b) The use of the reserved information strictly to the purposes related to the preparation of the offer.

II - up to the publication date of the Distribution Closure Notice, abstain from negotiating with securities issued by the issuing company or the issuer, except in the case of:

a) Execution of stabilization plan duly approved by the CVM;

b) Total or partial disposal of securities lot that is the object of firm commitment;

c) Negotiation for the account and order of third parties; or

d) Operations clearly meant for accompanying a share index, certificate or receipt of securities;

III - presenting the CVM research and public reports about the company and the operation it has developed;

IV - abstaining from communicating in the media about the offer or Issuer until the issuance of the Distribution Closure Notice; and

V - from the moment the offer becomes public, when releasing information related to the issuer or offer:

a) Observing the principles relative to the quality, transparency and equality of access to information; and

b) Clarifying connections with the issuer or their interest in the offer, their communication on subjects that involve the offer, the issuer, or the securities.

Article 49. For all effects of art. 48, the issuing company, the Issuer, and the Corporate Brokers shall assure the precision and adequacy of any information supplied to any investor, regardless of the medium used, with the information contained in the Prospectus, being subject to direct such documents and information to the CVM, in the form of art. 50.

ADVERTISING MATERIAL

Article 50. The use of any advertising text for the offer, call, or promotion of the distribution through any form or medium, including audiovisual, shall depend on previous approval by the CVM, and can be done only after the Preliminary Prospectus has been presented to the CVM.

Paragraph 1 When 5 (five) working days from the date the advertisement material was filed has passed without any intervention of the CVM, it shall be considered as approved.

Paragraph 2 The advertising material cannot contain information that is different or inconsistent with that contained in the Prospectus, and shall be presented in calm and moderate language, alerting readers of the risks of the investment.

Paragraph 3 The material mentioned in this article shall expressly state that it is advertisement material, and must mention the existence of a Prospectus as well how to obtain a copy, and must be highlighted with the following wording: "READ THE PROSPECTUS BEFORE ACCEPTING THE OFFER"

Paragraph 4 The CVM, regardless of whether the use of the advertising material has been authorized, can, through motivated decision, at any time request corrections, alterations, or may even stop the publicity.

Paragraph 5 The documents supporting presentations offered to investors shall not be characterized as advertising material. They shall, nevertheless, be directed to the CVM before their use.

Article 51. The use of advertising material can be specifically admitted before the presentation of the Preliminary Prospectus, as long as it is meant for an education campaign before the target public, in distributions meant for investors that are unfamiliar with the securities market, by observing the procedure set forth in art. 50.

Sole paragraph. The use of advertising material in the form of the *caput* shall depend on the previous approval of the CVM, being assumed as granted if there is no contrary communication within the term of 10 (ten) working days from the protocol at the CVM of the respective request.

DISCLOSURE AND DISTRIBUTION PERIOD

Article 52. The lead institution shall give wide disclosure to the offer by means of a Distribution Commencement Notice that follows the terms laid out in Appendix IV, published in the newspapers where the issuer normally publishes its notices.

Sole paragraph. The issuer can make the release mentioned in the *caput* through a summarized notice published in the newspapers mentioned there, by indicating the web page where investors can obtain detailed and complete information.

Article 53 In the event the Preliminary Prospectus is used, the lead institution shall immediately publish a notice following the form set forth in art. 52 and its sole paragraph, before the Distribution Commencement Notice, which shall contain:

I - information on the date the securities distribution public offer registration request was filed at the CVM;

II - indication of location for obtaining the Preliminary Prospectus;

III - indication of estimated dates and places for the distribution disclosure notice;

IV - conditions for making reserves for the subscription or purchase of securities, if such is the case;

V - information on the collection of investment intentions (art. 44, sole paragraph), if any; and

VI - other information necessary for the distribution.

Article 54. The subscription or purchase of securities in a public offer distribution can only be done after the following conditions are observed:

I - obtainment of offer registration at the CVM;

II - publication of the Distribution Commencement Notice; and

III - availability of the Definitive Prospectus for prospective investors.

Article 55. In the event an excess of demand one third higher than the quantity of securities offered, the placement of securities with controllers or managers of the Corporate Brokers and the issuer, or other people connected to the issuance and distribution, as well as their spouses or companions, ascendants, descendants, and collateral relatives up to the 2nd degree is vetoed.

VERACITY OF INFORMATION

Article 56. The Issuer is responsible for the veracity, consistency, quality, and sufficiency of the information rendered when registration is made and when it is disclosed to the market during distribution.

Paragraph 1 The underwriter shall take all possible measures and act with the highest standards of diligence as well as take responsibility for any lack of diligence or omission to assure that:

I - the information offered by the Issuer is true, consistent, correct, and sufficient, allowing investors to make solid and reasoned decisions on the offer; and

II - the information disclosed to the market during all distribution terms, including possible or periodic terms necessary for the company registration updating and those necessary for the economic-financial feasibility study for the undertaking, if applicable, that come to integrate the Prospectus, are sufficient, allowing the investors to take well reasoned decisions on the offer.

Paragraph 2 In case of a Distribution Program in which there is no maintenance by the underwriter, the underwriter of each distribution shall be responsible for the creation of the relative Supplement and for updating any information previously rendered, by verifying its consistency and sufficiency in relation to the new information.

Paragraph 3 In the event that a secondary distribution is not accomplished by the issuer or by its controlling shareholder, the Issuer shall take the responsibility set forth on paragraph 1 of this article in relation to the issuer information.

Paragraph 4 The underwriter and the Issuer (the latter only in the case set forth on paragraph 3), shall keep for 5 (five) years at the disposal of the CVM all documentation proving their diligence in the fulfillment of the provisions of paragraph 1.

Paragraph 5 The Issuer and the underwriter shall declare that the Prospectus contains the relevant information needed to the understanding of the offer by investors, the securities offered, the issuer, its activities and economic-financial situation, the risks inherent to its activity, and any other relevant information, as well as noting that the Prospectus was developed in accordance with the pertinent norms.

Paragraph 6 In case the issuing company doesn't belong to the group controlling the

issuer, or is not acting as representative of the same of controlling shareholder interests as the issuer, and this one denies access to the documents and information necessary for the development of the Prospectus, the Issuer shall supply all relevant available information or communicate that it can be obtained in public registers and documents, and include this fact in the Prospectus, being subject to the request from CVM of the requirement from the issuer of the complementation of the information indicated by the Issuer, necessary for the registration of the public offer.

Paragraph 7 The registration does not imply, on the part of the CVM, a guarantee of truthfulness of the information rendered or a judgment on the quality of the company, its feasibility, management, economic-financial situation, or the securities to be distributed, and it is granted according to formal criteria of legality.

OFFER IN DIFFERENT JURISDICTIONS

Article 57. In case the fulfillment of simultaneous offers in Brazil and abroad requiring the registration of the regulating authority of the capital market abroad, at the request of the Issuer, the CVM may observe the preliminary confidential analysis procedure.

Paragraph 1 The preliminary confidential analysis procedure can be used only in cases where the registration abroad would be granted by a regulating authority with which the CVM has reached an agreement of understanding or exchange of information, and such authority assures the same confidentiality.

Paragraph 2 To obtain the treatment set forth in the *caput*, the Issuer shall request confidential treatment for the requisition, and commit to submitting to the CVM the request of definitive registration immediately after the preliminary analysis is concluded, using the terms of arts. 8 and 9 in its analysis.

Paragraph 3 The definitive registration request shall be automatically granted and cannot be renewed in relation to the request of preliminary confidential analysis and respective documentation, and shall be presented in strict conformity with the terms of the opinion stated by the CVM in the preliminary step.

Paragraph 4 In the event there is something new revealed in the registration request or its documentation, the CVM shall adopt the regular procedure of analysis set forth in this Instruction.

Paragraph 5 The Issuer shall add as an Appendix to the requisition of preliminary confidential analysis the proof of payment of the inspection fee mentioned by Law 7,940, of December 20, 1989, in the amount due for the request of definitive registration in the event it is due.

Paragraph 6 The preliminary confidential analysis procedure can be also used in cases where it is necessary for making the CVM procedures compatible with related procedures in process before foreign regulating authorities, by observing the provisions of paragraph 1.

Paragraph 7 The confidential treatment set forth in this article shall immediately cease in the event the operation becomes public in other markets or if there is an information leak regarding the offer in the Country.

Article 58. The Issuer can present the Prospectus in the format elaborated for presentation and registration in other countries for registration at the CVM, in Portuguese, as long as such Prospectus fulfills the conditions required in this Instruction.

Paragraph 1 The Prospectus presented in the form described in the *caput* shall contain a specific section describing the relevant differences between the national juridical system and the one of the country in which the Prospectus was developed, including, mainly, the treatment relative to:

I - information on stockholding and relevant facts, as well as on periodic information;

II - operations with securities of its own issuance;

III - existence of public offer purchase and other alternative means of protecting minority stockholders;

IV - possibility of exercising the right to vote through mail or electronic medium;

V - accounting criteria used in the preparation of the financial statements; and

VI - distribution of profits.

Paragraph 2 The financial statements presented shall follow the accounting norms and principles generally accepted in the country and the CVM may authorize that the financial statements are presented in accordance with internationally accepted accounting norms or principles.

Paragraph 3 The documents presented based in the *caput can*, by observing the ruling legislation, have values reflected in currency of the country of origin, containing in this case, indication of the exchange rate for the national currency and the respective reference date.

Paragraph 4 The Issuer that submits public offers that are object of concomitant distribution efforts abroad for registration in the country, shall direct, together with the Prospectus in Portuguese, all documents related to the public offer that have been presented to the Securities and Exchange Commissions of the countries where the offer was made, even if not required by their regulations, as well as any documents supplied to the foreign investing public, including advertising material.

SERIOUS INFRINGEMENT

Article 59. It is a grave infringement for the effects of paragraph 3 of Art. 11 of Law 6,385, dated 1976, without influencing the fine mentioned in paragraph 1 of the same article, for the distribution:

I – to be processed in conditions different from those present in the registration;

II – to be done without previous registration or waiver by the CVM;

III – to be done without the intermediation of Corporate Brokers, except in the cases allowed by law or through waiver of the CVM;

IV – to not observe the provisions of art. 55;

V – to render false or tendentious information in the Prospectus or in the scope of the offers treated by this Instruction; and

VI – to make alterations to the definitive versions in relation to the minutes or other documentation presented that are not emphasized in the specific version.

Sole paragraph. It is also considered as grave infringement the divulgence by the company, the underwriters, or the remaining Corporate Brokers involved in the distribution, of any Prospectus or advertising material, without the previous approval of the CVM or contravening the provisions of this Instruction.

FINAL PROVISIONS

Article 60. CVM Instruction 13, of September 30, 1980, and CVM Instruction 88, of November 3, 1988 are revoked.

Sole paragraph. This Instruction applies to any public securities distribution offer, except when there is a specific regulation in the provisions related to:

I – the Prospectus and its content;

II – the documents and information that shall instruct the registration requests;

III – the terms for the obtainment of the registration;

IV – the term for concluding the distribution; and

V – the hypotheses of specific waivers.

Article 61. This Instruction is effective from February 2, 2004.

Sole paragraph. The public offers made before the date set forth in the *caput* can, at the discretion of the respective Issuers and Corporate Brokers, follow the provisions of this Instruction.

LUIZ ANTONIO DE SAMPAIO CAMPOS

Acting Chairman

APPENDIX I

INFORMATION THAT SHOULD BE CONTAINED IN THE REGISTRATION EXEMPTION APPLICATION OR REGISTRATION REQUIREMENTS

I. the request should identify the names of the company issuing the securities and all people involved in the operation. The CVM will not consider a request based on a hypothetical situation;

II. the request should be limited to the issue object of the requested exemption by avoiding contemplating possible situations that can occur in the future;

III. the request should be concise and objective, while containing all pertinent facts and documents necessary for a decision on the exemption;

IV. the petitioner should give a grounded opinion on the legality of the request; and

V. The CVM may grant confidential treatment to the request, as long as requested and backed up by the petitioner.

APPENDIX II

DOCUMENTS AND INFORMATION REQUIRED FOR THE REGISTRATION

1. securities distribution contract, which must contain, among others, the clauses listed in Appendix VI, and respective additive terms or adhesion terms;

2. price stabilization and/or liquidity guarantee contracts, if existing, which shall be object of approval by the CVM;

3. other contracts related to the issuance or subscription, also in relation to the distribution of the supplementary lot, if existing;

4. subscription list or purchase receipt model, which must contain:

a) a place for the identification of numbering;

b) space for the signature of the subscriber or purchaser;

c) conditions for the payment, subscription, or purchase of surplus, if such is the case; and

d) statement by the subscriber or purchaser that they have obtained a copy of the Definitive Prospectus.

5. four copies of the Definitive Prospectus minutes or four copies of the Preliminary

Prospectus and, when available, three copies of the final version of the Definitive Prospectus, which shall, at least, contain the information required by the CVM (Appendix III);

6. copy of the authorization of program or on the issuance or distribution of securities taken by the competent corporate bodies of the Issuer and of the demanded administrative decisions, with all documents that were the basis or were used as the basis for the mentioned decisions, as well as the respective notices of the meeting, if such is the case;

7. minutes of the Distribution Commencement Notice, which shall contain at least the information set forth in Appendix IV;

8. minutes of the Distribution Closure Notice, which shall contain at least the information set forth in Appendix V;

9. model of the securities certificate or copy of the contract with an institution that renders book entry securities services, if such is the case;

10. debenture deed and report issued by a risk rating agency, if existing;

11. statement that the public company registration is updated before the CVM, if such is the case;

12. proof of fulfillment of all previous remaining formalities in virtue of legal or regulative requirements for the distribution or issuance of the securities, which do not result from this Instruction;

13. proof of payment of the inspection fee, in the terms of Law 7,940/89;

14. statement set forth in item 2.4 of Appendix III, signed by the legal representatives of the Issuer and the underwriter;

15. other information or documents required by the CVM in specific regulation.

APPENDIX III

Prospectus Cover

(COMPANY NAME)

(ADDRESS)

(VALUE OF ISSUANCE - in R\$)

(RISK CLASSIFICATION, if existing)

ISIN CODE:

STAMP OF THE CORPORATE BODY THAT APPROVED THE OFFER

REGISTRATION AT THE CVM:

DATE:

ISSUANCE OF (IN) [SECURITIES] (QUANTITY) (PAPER, SORT, FORM, AND CLASS) [OF THE PAR VALUE OF (WITHOUT PAR VALUE)], AT THE UNIT PRICE OF , DELIBERATED BY THE SHAREHOLDERS MEETING OF OFOF (RE-RATIFIED BY THE SHAREHOLDERS MEETING OF OF OF), ACCORDING TO MINUTES PUBLISHED IN NEWSPAPERS OF SURPLUS TO BE DISTRIBUTED IN THE MARKET MINIMUM QUANTITY OF SURPLUS TO BE DISTRIBUTED IN THE MARKET

"THE REGISTRATION OF THIS DISTRIBUTION DOESN`T IMPLY, ON THE PART OF CVM, ANY GUARANTEE OF TRUTHFULNESS OF THE INFORMATION RENDERED, OR JUDGEMENT

ABOUT THE QUALITY OF THE ISSUING COMPANY, OR ON THE [SECURITIES] TO BE DISTRIBUTED."

"THE INVESTORS SHOULD READ THE SECTION CALLED RISK FACTORS, PAGES TO"

and, if such is the case,

"THE SECURITIES OBJECT OF THIS OFFER SHALL NOT BE TRADED ON THE STOCK EXCHANGE OR ORGANIZED OVER-THE-COUNTER MARKET SYSTEM, AND THE AVAILABILITY OF INFORMATION ON PRICES PRACTICED OR BUSINESS ACOMPLISHED CANNOT BE ASSURED."

INDEX

(Indicating topics, subtopics, and respective pages)

1. SUMMARY THE CHARACTERISTICS OF THE OPERATION

1.1 Brief description of the operation, including presentation of the issuer and Corporate Brokers involved, identification of the target public, prices, and value of the issuance, and indication of admission for negotiation in stock exchange, organized over-the-counter market, or non-organized over-the-counter market.

2. IDENTIFICATION OF MANAGERS, CONSULTANTS, AND AUDITORS

2.1 Name, commercial address, and contact telephone number of managers who can render clarifications on the offer;

2.2 Name, commercial address, and telephones numbers of the consultants (banking, legal, etc.) involved in the offer, and responsible for the facts or documents mentioned in the Prospectus;

2.3 Name, commercial address, and telephones of the auditors responsible for auditing the financial statements of the last 3 (three) fiscal years; and

2.4 Statement, in the terms of art. 56, testifying as to the truthfulness of the information contained in the Prospectus.

3. INFORMATION RELATED TO THE OFFER

3.1 COMPOSITION OF THE CAPITAL

3.1.1 Current Capital (including emphasis, in terms of quantity and percentage, of the stockholders that hold more than 5% (five percent) of the capital, through total participation and through class/sort); and

3.1.2 Capital after the Increase, if such is the case.

3.2 CHARACTERISTICS AND TERMS

3.2.1 Description of the Offer and the Securities to be issued, including, at least, information relative:

3.2.1.1 to the quantity of securities of each class and sort to be issued, and to their rights, advantages, and restrictions, also in relation to the submission to preemptive right, by specifying also those rights, advantages, and restrictions resulting from eventual decisions of the assembly or board of management that decided the increase;

3.2.1.2 to the total value of issuance or to the form of calculation of the total issuance value, in currency;

3.2.1.3 to the corporate authorizations necessary for the issuance or distribution of the securities, by identifying the deliberative bodies responsible and the respective meetings in which the operation was approved;

3.2.1.4 eventual conditions the public offer is submitted to;

3.2.1.5 in case issuance of securities without par value, besides the issue value meant for the formation of capital reserve, if existing; and

3.2.1.6 to the quotation on the stock exchange or organized over-the-counter market of the securities to be distributed, also abroad, by identifying (i) minimum, average, and maximum quotation of each year, over the last 5 years; minimum, average, and maximum quotation of each quarter, over the last 2 years; and minimum, average, and maximum quotation of each month, over the last 6 months, informing also, in the event a capital increase or distribution of dividends has occurred during the period, the time in which the "ex-rights" negotiations began.

3.2.2 In the case of primary issuance of stock, a justification on the issue value for the securities to be distributed, as well as of the criterion adopted for its value fixing.

3.2.3 Schedule of the offer steps, emphasizing at least:

3.2.3.1 the dates provided for the commencement and the closure/result of the offer, the possibility of its suspension or extension, depending on the case, or even, in the event they are not known, the form in which such dates shall be announced, as well as the form in which there shall be release of any call related to the offer; and

3.2.3.2 the terms, conditions, and form for: (i) communications of acceptance of interested investors, or of acceptance rescinded, (ii) subscription, payment and delivery of the respective certificates, according to the case, (iii) distribution to the public, (iv) after the disposal of the securities acquired by the leader as a result of the rendering of guarantee, (v) payment and financing, if such is the case, (vi) for the delivery of certificates of securities or multiple papers or the certificates representing them, (vii) return and reimbursement of investors, if such is the case, and (viii) any other dates related to the public offer that interest the investors or the market in general.

3.2.4 Dilution (only applicable in the hypothesis of issuance of stock, subscription bonus, or convertible debentures):

3.2.4.1 develop a description comparing the issue value to the price paid by managers, controllers, or holders of options who acquired stock in the last five years;

3.2.4.2 present the value and percentage of immediate dilution resulting from the issuance, computed as the difference between the price of shares issued and their book value based on the last available accounting information; and

3.2.4.3 present the immediate dilution of the shareholders that do not subscribe to the stock issued, or the investors that subscribed to it in the offer.

3.2.5 Information on the eventual appropriation of the public offer or parts of the public offer by specific investors, and the description of these investors;

3.2.6 Restrictions to Stockholders: Communicate if there are stockholders subject to restrictions of stock sale, which discriminates them, and detailing such restrictions;

3.2.7 Statement of inadequacy of the investment for certain types of investors, in the event the investment is inadequate for certain types of investors, by specifying them and stating such inadequacy with emphasis;

3.2.8 Admission for negotiation on the stock exchange, organized over-the-counter market, or non-organized over-the-counter market; and

3.2.9 Clarification on the procedures set forth in arts. 25 to 28 of the Instruction in relation to the eventual modification of the offer, mainly in relation to the effects of the investor's silence.

3.3 SECURITIES DISTRIBUTION CONTRACT

3.3.1 Specify the conditions of the distribution contract in relation to the placement of the securities with the public and eventual guarantee of subscription rendered by the leader and the participants in the consortium, by specifying the quota of each one, if it is the case, besides other clauses considered relevant for the investor, indicating the place where the contract copy is available for consultation or copy; and

3.3.2 Relationship of the issuing company with the distribution leader and coordinators participating in the distribution consortium, such as loans, investments, and other relations eventually existing, including those with financial institutions that have corporate relations with the participants of the consortium; and

3.3.3 Exhibit of the Distribution Cost - inform:

3.3.3.1 the percentage in relation to the distribution unit price;

3.3.3.2 the Coordinating Commission;

3.3.3.3 the Placement Commission;

3.3.3.4 the Subscription Guarantee Commission;

3.3.3.5 Other Commissions (specify);

3.3.3.6 the Distribution Unit Cost;

3.3.3.7 the Expenses resulting from the Registration; and

3.3.3.8 other related costs.

3.4 CONTRACT OF LIQUIDITY GUARANTEE, PRICE STABILIZATION, AND/OR CONTRACT OF SUPPLEMENTARY LOT PLACEMENT OPTION: In case they have been signed, inform their main characteristics, in accordance with the norms issued by the CVM, by indicating the place where a copy of the contract can be obtained.

3.5 DESTINATION OF RESOURCES (only applicable to the distribution of securities issued by the Issuer)

3.5.1 Clear and objective explanation of the disposition of resources coming from the issuance, as well as its impact on the patrimonial situation and on the income of the issuer;

3.5.1.1 If the resources are direct or indirectly used in the purchase of assets, with the exception of those acquired in the normal course of business, describe briefly these assets and their costs. If they are acquired from listed parties, inform from whom they shall be bought, and how the cost shall be determined;

3.5.1.2 If the resources are used to acquire other businesses, present a brief description of these businesses and the situation of the purchases. If they are acquired from listed parties, inform from whom they shall be bought, and how the cost shall be determined;

3.5.1.3 If a significant part of resources is used for rebating debts, describe the interest rate and term of these debts and, for those incurred from the previous year, present the disposition of those resources, in the terms of items 3.5.1.1 and 3.5.1.2; and

3.5.1.4 In the case of only a part of the resources being obtained through distribution, what other forms of funding are provided for reaching the objective. And in the hypothesis of various objectives and only a part of the resources being obtained, what objectives shall have priority.

3.5.2 Other Sources of Resources - If existing, list other sources of resources that shall have disposition associated to the one that relates to the public distribution; and

3.5.3 Alternative funding sources, in case of partial distribution.

3.6 Information to be given in the hypothesis of setting up of a company:

3.6.1 existence or not of authorization for capital increase, regardless of statutory modification;

3.6.2 obligations assumed by the founders, contracts signed in the interest of the future company, and the amounts spent and to be spent;

3.6.3 the particular advantages the founders or third parties shall have right to, and the provision of the statute project regulating them;

3.6.4 governmental authorization for constituting the company, if necessary;

3.6.5 institutions authorized to receive the entries;

3.6.6 solution provided for the case of subscription excess;

3.6.7 term within which the company constitution assembly or the preliminary one shall take place, for the assessment of goods, if it is the case;

3.6.8 the name, nationality, marital status, profession, and residence of founders, or, if legal entity, the firm or name, nationality, and headquarters, as well as the number and species of stock that each one subscribes; and

3.6.9 the financial underwriter, in whose power the originals of the Prospectus and the statute project shall be deposited, with the documents they mention, to be examined by any interested person.

3.7 STUDY OF ECONOMIC-FINANCIAL FEASIBILITY

3.7.1 Mandatory for the cases mentioned in the art. 32 of this Instruction and facultative for the remaining hypotheses; and

3.7.2 It shall include:

3.7.2.1 analysis of the demand for the main product and/or service lines of the issuer, which represent a substantial percentage of its global volume of income;

3.7.2.2 supply of raw material; and

3.7.2.3 return on investment, by exposing clear and objectively each premise adopted for its elaboration.

4. RISK FACTORS

4.1 Expose, in order of relevance, the factors related to the issuance, the security, the issuer, the sector of the economy in which it acts or shall act, with its stockholders and with the macroeconomic environment that can somehow ground the investment decision of a potential investor, being supposed to be considered in the horizon of risk analysis the investment term and the term of the security distributed and the financial culture of the investors receiving the offer.

5. FINANCIAL SITUATION

5.1 DISCUSSION AND ANALYSIS OF THE ADMINISTRATION ON THE FINANCIAL STATEMENTS

5.1.1 The financial situation of the issuer, the alterations in this situation, and the results of each fiscal year for which there was a presentation of financial statements with the end of obtaining the distribution registration shall be discussed, including the causes, which are sufficient for the investor to understand the business of the issuer, and material alterations in each year for each financial statement;

5.1.2 It shall be supplied the information necessary for the investor to understand the financial conditions of the company and its income; and

5.1.3 It shall be discussed and analyzed the capacity of payment of the issuing company in relation to its financial commitments

5.2 FINANCIAL STATEMENTS OF THE LAST FISCAL YEAR, QUARTERLY INFORMATION, AND SUBSEQUENT EVENTS

5.2.1 Financial Statements with the respective opinions of independent auditors, and reports of the management, relative to the three last fiscal years closed;

5.2.2 Last Quarterly Information;

5.2.3 Detail the relevant subsequent events not mentioned in the financial statements and quarterly information.

6. INFORMATION RELATED TO THE ISSUING COMPANY

The updated information consisting of the registration of public company shall be presented, in the form below. If there are third parties rendering guarantee or receiving the resources, also such information related to them shall be presented, with the end of making a risk analysis.

6.1 BACKGROUND

6.1.1 Company name, headquarters, business objectives, foundation date, duration, date of registration at the CVM (if existing) or proof that the registration is being requested;

6.1.2 Relevant events in the development of the issuer activities;

6.1.3 Description of the main capital investments and divestments, including participations in other partnerships in the 3 last fiscal years;

6.1.4 Description of the ongoing capital investments and divestments, including the geographical distribution of such investments and the financing method (own resources or from third parties);

6.1.5 Indication of Public Offers of Purchase of stock from the issuer made by third parties, or by the issuer aiming at purchasing stock issued by other companies that occurred in the last and in the current fiscal year, as well as a description of such offers, including the price, conditions, and the result (income);

6.1.6 Events of corporate transformation and/or restructuring occurring in the last 5 years;

6.1.7 Relevant investments in other partnerships;

6.1.8 Identification of relevant contracts celebrated by the company, not directly related to its operational activities; and

6.1.9 Description of public offers of distribution made by the company or by third parties involving securities issued by the company that occurred in the two last or in the current fiscal year, if existing, as well as of the existence of public offers made by the company in relation to stock issued by other company in the same period.

6.2 ACTIVITIES - Detailed description, focused on the 3 (three) last fiscal years:

6.2.1 of the activities, operations, products, services, business, markets where the company acts, and its subsidiaries, including those still being developed or to be developed, with the detailing of their contribution for the income of the company and their eventual seasonality;

6.2.2 of the influence of raw material and inputs on the activities described in 6.2.1, of eventual volatility in their prices, of the relationship with suppliers, as well as if it is subject to governmental control or regulation, with the indication of the bodies and the

respective applicable legislation;

6.2.3 of the influence of intellectual property rights, such as patents, industrial or commercial licenses, marks, or technology transfer contracts in the activities described in 6.2.1;

6.2.4 of the dependency on relevant financing contracts to perform the activities described in 6.2.1;

6.2.5 relevant contracts for the development of the activities described in 6.2.1;

6.2.6 of the commercialization channels used by the company, including the explanation of any special method of sale; and

6.2.7 of the main establishments and assets linked to the activities described in 6.2.1.

6.3 ORGANIZACIONAL STRUCTURE

6.3.1 If it is the case, describe the economic group of companies in which the company is inserted, the description of relevant share it has in partnerships of this group, and any restructuring operation occurred in the group, in the 3 (three) last fiscal years.

6.4 PROPERTY, PLANTS, AND EQUIPMENT

6.4.1 Describe in detail the relevant property, plant and equipment, including those that are object of leasing, by emphasizing the existing expansion plans, their justifications and characteristics, respective previsions of future expenditures and past expenses, as well as the environmental issues related to such assets.

6.5 CAPITAL COMPOSITION

6.5.1 Stockholders (description of the stockholders holding more than 5% of the capital, by total participation and by class/species, in terms of quantity and percentage, also if there is limitation or peculiarities related to the exercise of the voting right by such stockholders, even if resulting from stockholder agreements);

6.5.1.1 Indication of relevant alterations in the participation of the control group members, in the 3 last fiscal years.

6.5.2 Treasury Stock - description of the quantity of treasury stock and the policies employed by the administration for trading securities issued by the company itself;

6.5.3 Securities issued by the company (convertible or not);

6.5.3.1 Description, amount, value per stock, situation of payment, authorized capital (and its disposition, if any);

6.5.3.2 Rights, advantages, and restrictions;

6.5.3.3 Indication of the quantity and description of the own stock issued and retained by the company;

6.5.3.4 Dividend policy in the last 5 (five) years, containing the details of the way of payment, prescription, rights in case of non-payment; and

6.5.3.5 Description of other securities issued by the company, with the indication of their characteristics.

6.5.4 Stockholder Agreements - detailed description of the clauses consisting of the stockholder agreements registered in the company; and

6.5.5 Transactions with Related Party: describe any relevant operation or business, existing or about to exist, between the company and its related parties, including those related to the rendering of guaranties on both parties in the 3 last fiscal years.

6.6 ADMINISTRATION

6.6.1 Composition - Name, commercial address, position, date of entrance into office, mandate term and abstract of professional experience of the actual and substitute members of the management board, fiscal council and the board of directors;

6.6.1.1 Indicate if there is any familiar relationship between the managers or between them and a controlling shareholder;

6.6.1.2 Stock direct or indirectly held by the managers, including those resulting from stock option plans, exercised or not, and other securities convertible in stock of the issuer; and

6.6.1.3 Contracts or other relevant obligations existing between the managers and the company - brief description.

6.6.2 Director of Relations with Investors - Name, commercial address, telephone, fax, e-mail address, and site of the company in the Internet;

6.6.3 Remuneration - description of the global remuneration received by the managers in the last fiscal year, including the remuneration resulting from stock option plans; and

6.6.4 Stock Option Plans - brief description, including beneficiaries (if managers) and the indication of conditions, prices, and outstanding option terms and quantity of stock object of exercise in the last and in the current fiscal year.

6.7 STAFF

6.7.1 Description of the group of employees of the company, in its totality, and by groups, based in the activity performed or by geographic localization, by indicating the average number of employees during or at the end of each one of the 3 (three) last years, including the policies of remuneration and benefits, with the indication of relevant liabilities and labor matters;

6.7.2 Description of the relationship between the company and the respective labor unions of its employees; and

6.7.3 Description of Stock Option Plans meant for employees, detailed in the form of item 6.6.4 above, and of other forms of their involvement in the company capital.

6.8 LEGAL AND ADMINISTRATIVE CONTINGENCIES

6.8.1 Description of the ongoing or potential relevant judicial and administrative contingencies, resulting from practices adopted by the company.

6.9 OTHER RELEVANT INFORMATION AND CONTINGENCIES

6.9.1 Description of other information that the company considers relevant or of contingencies not included in the previous items.

7. REMAINING INFORMATION CONSISTING OF THE FINANCIAL STATEMENTS, ANNUAL INFORMATION, AND QUARTERLY INFORMATION THAT ARE NOT PREVIOUSLY EMPHASIZED IN THE PROSPECTUS.

8. STATEMENT SAYING THAT ANY OTHER INFORMATION OR CLARIFICATION ON THE COMPANY AND THE RELATED DISTRIBUTION CAN BE OBTAINED WITH THE LEADER AND OR THE PARTICIPANTS OF THE CONSORTIUM, AND AT CVM.

9. OTHER DOCUMENTS AND INFORMATION THAT THE CVM CONSIDERS NECESSARY.

APPENDIXES

10. MINUTES OF THE EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OR FROM THE MANAGEMENT BOARD THAT DECIDED ON THE ISSUANCE.

11. UPDATED BY-LAWS OF THE ISSUER.

12. DEBENTURE DEED, IF IT IS THE CASE.

13. IN CASE A SPECIALIZED AGENCY HAS BEEN CONTRACTED FOR CLASSIFYING THE RISK, ENCLOSE THE SUMMARY OR REPORT OF THE CLASSIFICATION.

NOTE: The presentation of the integral financial statements and documents of periodic information IAN and ITR (items 5.2.1, 5.2.2 and 11) can be waived, as long as all information consisting of the financial statements, the IAN and the ITR are included in the respective sections of the Prospectus or, when such sections do not exist, in item 7.

APPENDIX III-A

ADDITIONAL BROCHURE INFORMATION REGARDING OFFERS FROM SECURITIZATION OPERATIONS

1. INFORMATION ON THE OPERATION STRUCTURE:

- 1. Identification of the institutions hired by the issuer, including, according to the case, the manager, the custodian, the risk classification agency, the independent auditor, the fiduciary agent and other service providers, accompanied by a brief description of their respective functions.**
- 2. Description of any kind of company relations or relevant contract relations (such as business relations or commercial partnerships) that might exist, according to the case, between officers and controlling shareholders of the issuer, manager, custodian, originators, grantors, credit reinforcement providers, expressive debtors and other service providers.**
- 3. Indication of the remuneration value of the formula used to calculate the remuneration of the officers and, according to the case, of the issuing manager and the fees that the custodian or other service providers shall receive to provide their services, identifying the payment source for the payment of such expenses, as well as a possible priority of reception that might be given to them.**
- 4. Description of the criteria and procedures for the substitution of the officials of the issuer, independent auditor and, according to the case, the manager, the custodian, the risk classification agency, the fiduciary agent and other service providers.**
- 5. Description of the assigned rights and of the main characteristics of the securities issued, individualized per class, series, and according to the case, encompassing, especially:**
- 6. the identification of the profitability assured or intended;**
- 7. conditions for the issuance, negotiation, amortization and redemption of securities;**
- 8. disclosure of the schedule intended for the distribution of funds to the title owners of the securities issued, before amortization and redemption, per class, with a description of the payment priorities and respective allocations per class of securities issued.**
- 9. information on the requirements or minimum requirements for investment, according to the case, as well as on the possible restrictions to quota transference.**
- 10. Description of the relevant tax aspects regarding the securities issued, mentioning the principal incident taxes in its subscription or transference, as well as if there is a different tax treatment according to the main types of investors that subscribe them.**

- 11. Possibility that the credits assigned be added, removed or substituted, with the indication of the conditions in which such events might occur and of the effects that might have over the regularity of the payment flow to be distributed to the title holders of the securities offered.**
- 12. Information and description of the credit reinforcement and other existing guarantees, stating how such mechanisms can help or facilitate the payment to the title holders of the securities issued, encompassing, among other relevant aspects, the structure and duration of the reinforcements, possible existing limits and conditions that have to be met so that they can be requested to inform how possible losses that are not covered by the reinforcements or guarantees expected shall be endured.**
- 13. Information on the possible use of derivative instruments that might alter payment flows expected for the titleholders of the securities issued. In case the derivatives are used as a form of portfolio protection, it shall be disclosed in the same way and under the same rules described in the two items before.**
- 14. The issuer's investment policy, describing also the methods and criteria used to select the assets.**

2. INFORMATION ON CREDIT RIGHTS:

- 1. Information describing the relevant characteristics of the credit rights, such as the number of assigned credit rights and total value, expressed in Reais; interest rates (describing the system, if simple or compound) or of return over the assigned credits, credit terms, amortization period, credit purpose; description of the guarantees eventually expected for the group of assets among others.**
- 2. Description of the form how the credit assignment to the issuer occurred or shall occur, highlighting the relevant passages of eventual contracts signed with this purpose and indication of the definite character or not, of the assignment.**
- 3. Indication of the levels of concentration of the credit rights, per debtor, in relation to the total value of credits that serve as a guarantee to the securities offered.**
- 4. Description of the criteria adopted by the originator or the assignor for the credit assignment.**
- 5. Collection and payment procedures, encompassing the periodicity and payment conditions.**
- 6. Statistical information on default payments, losses or pre-payments of credits of the same nature as the credit rights, that shall be part of the equity of the issuer, comprehending a period of 3 (three) years immediately before the date of the offer, accompanied of exposition of the methodology used for the purposes of this calculation.**
- 7. If the information required in item 2.6 hereinbefore is not known by the officials, the issuer or the issue intermediary, nor can they be obtained by them, such fact shall be disclosed, together with the declaration that all reasonable efforts to obtain them were made. Without prejudice, information that the official and the intermediary might have with this regard shall be disclosed, even if partial.**
- 8. Information on situations of pre-payment of the credit rights, with indication of possible effects on the profitability of the securities offered.**
- 9. Identification of any events, provided for in the contracts signed to structure the operation, that might incur in the anticipated liquidation or amortization**

of the credits assigned to the issuer, as well as any other facts that might affect the regularity of expected payment flows.

- 10. Description of the main contract dispositions, or, according to the case, of the regulation of the issuer or of the deed of issuance, that discipline the functions and responsibilities of the custodian or of the fiduciary agent, according to the case, and other service providers, highlighting the following:**
- 11. Procedures for the receipt and collection of credits, as well as segregation measures of the values received when the credit rights are liquidated;**
- 12. Procedures of the custodian or fiduciary agent, according to the case, and of other service providers, with regards to default payments, losses, bankruptcy, recuperation, including reference regarding possible guarantee execution; and**
- 13. Procedures of the custodian or fiduciary agent, according to the case and of other service providers in relation to the verification of the guarantee of credit rights.**
- 14. Information on eventual discount taxes practiced by the officials of the issuer in the acquisition of credit rights.**

3. ADDITIONAL INFORMATION ON RISK FACTORS:

- 1. Risks arising from the criteria adopted by the originator or assignor to concede credit**
- 2. Risks arising from business and assets and from the financial situation of the debtor or co-obliged that fit in the hypothesis provided for in items 5.2 and 5.3 of this Appendix.**
- 3. Possibility of credit rights that serve as a guarantee for the issuance to be reached as obligations or the originator or third parties, also as a result of requests for judicial recuperation or bankruptcy, or plans for the extrajudicial recuperation, or in another similar procedure.**
- 4. Possible restrictions of a legal or regulatory nature that might affect adversely the validity of the constitution and cession of credit rights for the issuer, as well as the behavior of the group of credits assigned and the generated cash flow.**
- 5. Specific events in relation to the operation that might start a default and determine the anticipation, liquidation or amortization of the payments.**
- 6. Risks inherent to the issuances guaranteed by real estate credits, in which the real estate bounded to real estate credits have not yet been received the "certificate of occupancy" of the competent administrative body.**
- 7. Any other risks arising from the structure of the operation and of the characteristics and the nature of the credit rights and other assets that shall be part of the issuer's equity.**

4. INFORMATION ON ORIGINATORS:

- 1. Identification of the originators and assignors that represent or might come to represent more than 10% (ten percent) of the credits assigned to the issuer, with the need to inform the type of society and general characteristics of its business, and, according to the case, describe its previous experience in other securitization operations having as an object the same assets object of the securitization.**
- 2. If the originators are responsible for more than 20% (twenty percent) of the credit rights assigned to the issuer, when the credit rights originate from**

warrants and trading agreements for the purchase and sale of products or services for future delivery or provision, as well as titles or certificates representing such agreements, besides the information provided for in item 4.1, their financial statements prepared in accordance with Law 6,404/76 and the regulation issued by the CVM, audited by an independent auditor registered at the CVM, regarding the last fiscal year shall be presented. This information is not required when the credit rights originate from financial institutions of other institutions authorized to function by the Central Bank of Brazil.

5. INFORMATION ON DEBTORS AND CO-OBLIGED:

- 1. Main homogeneous characteristics of the debtors of the credit rights.**
- 2. Name of the debtor or of the obliged person responsible for the payment or for the liquidation of more than 10% (ten percent) of the assets that are part of the issuer's equity, society type and general characteristics of its businesses; nature and concentration of the credits assigned, relevant contract dispositions related to them.**
- 3. If they are debtors or co-obliged responsible for 20% (twenty percent) of the credit rights, besides the information referred to in item 5.2, its financial demonstrations shall be presented, prepared in compliance with Law 6,404/76, and regulation issued by the CVM, audited by an independent auditor registered at the CVM, regarding the last fiscal year. This information is not requested when the debtor or co-obliged for the financial institution or similar, authorized to function by the Central Bank of Brazil, and in the hypothesis in which there is an exemption for the presentation or filing at the CVM of the financial statements according to the regulation in force.**

6. ADDITIONAL APPENDIXES:

- 1. Financial statements of debtors or co-obliged responsible for more than 20% (twenty percent) of the credit rights (items 4.2 and 5.3), except when it is an open capital company, a case in which the financial statements can be incorporated by reference.**
- 2. Financial statements of originators responsible for more than 20% (twenty percent) of the credits assigned, except, when they are open capital companies, a case in which financial statements can be incorporated by reference.**
- 3. Copy of Real Estate Credits Securitization, when they are public offers for the distribution of Certificates of Real Estate Receivables (Certificados de Recebíveis Imobiliários – CRI).**

Appendix III-A added by CVM Instruction 442, dated December 8, 2006.

APPENDIX IV

DISTRIBUTION COMMENCEMENT NOTICE

I - Name and address of the Issuer;

II - Name of the underwriter and remaining Corporate Brokers involved in the distribution, if any;

III - Name of the agent issuing certificates, or of the institution that was hired for dealing with book entry securities, if it is the case;

IV - Offer characteristics:

a) date of the Shareholder's Meeting or of the Management Board meeting that decided on the issuance or offer, depending on the case;

b) value, quantity, species, class, and form of the securities to be distributed;

c) price of issuance of the securities to be distributed, conditions of payment and financing for the purchase, if it is the case;

d) remunerations, discounts, and/or re-lending granted;

e) rights, advantages, and restrictions on the securities to be distributed, by specifying also those resulting from eventual decisions of the assembly or from the Management Board that decided the increase, if it is the case;

f) Description of the investing public targeted by the offer, and;

g) Securities placement system.

V - Date in which the securities distribution starts;

VI - Procedure provided for the distribution, which clearly explains the type of treatment to be given to those interested;

VII - Statement that the Prospectus shall be at the disposal of the interested parties, indicating the places and forms it can be obtained;

VIII - Statement of inadequacy and/or adequacy of the investment for specific investors, if any;

IX - Clarification, saying that more information on the distribution can be obtained with the leading distribution institution and/or remaining Corporate Brokers, or at CVM;

X - Number and date of the registration at CVM, in emphasized form;

XI - The wording, in emphasized form: "THE REGISTRATION OF THIS DISTRIBUTION DOESN`T IMPLY, ON THE PART OF THE CVM, ANY GUARANTEE OF TRUTHFULNESS OF THE INFORMATION RENDERED, OR JUDGEMENT ON THE QUALITY OF THE ISSUING COMPANY, AS WELL AS ON THE [SECURITIES] TO BE DISTRIBUTED." and

XII - If it is the case, "THE SECURITIES OBJECT OF THIS OFFER SHALL NOT BE TRADED IN STOCK EXCHANGE OR ORGANIZED COUNTER MARKET SYSTEM, AND THE AVAILABILITY OF INFORMATION ON PRICES PRACTICED OR BUSINESS ACOMPLISHED MAY NOT BE ASSURED."

APPENDIX V

DISTRIBUTION CLOSURE NOTICE

I - Name and address of the Issuer;

II - Quantity, species, class, form, and price of the securities distributed;

III - Name of the underwriter and remaining Corporate Brokers involved in the distribution, if any;

IV - Name of the certificates issuing agent, or of the institution that has been hired for dealing with the book entry securities, if it is the case;

V - Date of the Shareholder's Meeting or of the Management Board meeting that decided on the issuance or offer, depending on the case;

VI - Number and date of the registration at the CVM, in emphasized form;

VII - The wording, in emphasized form: "This notice has an exclusively informative character, being not a securities sale offer"; and

VIII - Final placement data, included in the last Monthly Placement Summary (Appendix VI).

APPENDIX VI

SECURITIES DISTRIBUTION CONTRACT

MANDATORY CLAUSES

- 1. Qualification of the issuing company, the underwriter, and the remaining Corporate Brokers involved in the distribution, if it is the case;**
- 2. Extraordinary General Meeting or Management Board that decided on the issuance;**
- 3. Securities placement system.**
- 4. Total of securities object of the contract, being mentioned the form, par value, if any, issuance price, and payment conditions, advantages and restrictions, specifying also those resulting from eventual decisions of the Assembly or of the Management Board that decided the increase;**
- 5. Conditions of resale of the securities by the underwriter or by the remaining Corporate Brokers involved in the distribution, in the case of placement system with firm commitment;**
- 6. Remuneration of the underwriter and remaining Corporate Brokers involved in the distribution, by clearly describing the commissions due;**
- 7. Description of the procedure adopted for the distribution; and**
- 8. Mention to contracts of price stability and of liquidity guarantee, if any.**

APPENDIX VII

MONTHLY SUMMARY OF SECURITIES PLACEMENT

The subscriptions and payments made in the month or, if it is the case, the sales, the previous month placement balance, the total of placement, and the balance to be placed, by dividing:

- 1. The securities by species and class, if it is the case;**
- 2. The type of investor, in the following form;**
 - 2.1 Natural person;**
 - 2.2 Investment clubs;**
 - 2.3 Investment funds;**
 - 2.4 Private pension entities;**
 - 2.5 Insurance companies;**
 - 2.6 Foreign investors;**
 - 2.7 Corporate Brokers participating in the distribution consortium;**
 - 2.8 Financial institutions linked to the issuer and/or to the participants of the consortium;**
 - 2.9 Remaining financial institutions;**
 - 2.10 Remaining legal entities linked to the issuer and/or to the participants of the consortium;**

2.11 Remaining legal entities;

2.12 Partners, managers, employees, representatives, and remaining people linked to the issuer and/or the participants in the consortium mentioned in art. 34 of this Instruction; and

2.13 Others (specify).

3. The number of subscribers or purchasers and the quantity of subscribed and paid-up or purchased securities.

APPENDIX VIII

CALL FOR STOCK AUCTION IN STOCK EXCHANGE

(NAME OF ISSUER)

(ADDRESS)

(VALUE OF DISTRIBUTION - in R\$)

ISIN CODE:.....

REGISTRATION AT CVM:.....

DATE:

(NAME OF ISSUER)

(ADDRESS)

(NAME OF THE UNDERWRITER AND PARTICIPANTS IN THE CONSORTIUM)

"THE REGISTRATION OF THIS DISTRIBUTION DOESN`T IMPLY, ON THE PART OF CVM, ANY GUARANTEE OF TRUTHFULNESS OF THE INFORMATION RENDERED, OR JUDGEMENT ON THE QUALITY OF THE ISSUING COMPANY, AS WELL AS ON THE [SECURITIES] TO BE DISTRIBUTED."

"THE INVESTORS SHALL READ THE RISK FACTORS SECTION, AVAILABLE IN.... [physic and electronic availability]"

1. INFORMATION RELATED TO THE OFFER

1.1 Brief description of the operation, including the presentation of the issuer and the Corporate Brokers involved, identification of the target public, prices, and value of the distribution.

1.2 CHARACTERISTICS AND TERMS

1.2.1 Description of the Offer and the Securities to be issued, including, at least, information relative:

1.2.1.1 to the quantity of stock to be distributed in each class and species, and to their rights, advantages and restrictions;

1.2.1.2 to the corporate authorizations necessary for the distribution of the securities, by identifying the deliberative bodies responsible and the respective meetings in which the operation was approved;

1.2.1.3 eventual conditions the public offer is submitted to; and

1.2.1.4 to the quotation in stock exchange of the securities to be distributed, also abroad, by identifying (i) minimum, average, and maximum quotation of each year, in the last 5 (five) years; minimum, average, and maximum quotation of each quarter, in the last 2 years; and minimum, average, and maximum quotation of each month, in the

last 6 months, informing also, in case a capital increase or distribution of dividends has occurred in the period, the time in which the "ex-rights" negotiations began.

1.2.2 Justification of the Issuer for the disposal of stock and for the establishment of the price of the stock to be distributed;

1.2.3 Schedule of the offer steps, emphasizing at least:

1.2.3.1 the dates previewed for the commencement and the closure/result of the offer, the possibility of its suspension or extension, depending on the case, or even, in the hypothesis they are not known, the form in which such dates shall be announced, as well as the form in which it shall be given divulgence to any call related to the offer; and

1.2.3.2 the terms, conditions, and form for: (i) manifestations of acceptance of the investors interested, and of acceptance revocation, (ii) payment and delivery of the respective certificates, depending on the case, (iii) further disposal of the securities acquired by the leader as a result of the rendering of guarantee, (iv) payment and financing, if it is the case, (v) delivery of certificates of securities or multiple papers or the certificates representing them, (vi) return and reimbursement of investors, if it is the case, and (vii) any other dates related to the public offer that interest the investors or the market in general.

1.2.4 Dilution: elaborate a description comparing the distribution price to the price paid by managers, controllers, Issuer, or holders of options to acquire stock in the last five years;

1.2.5 Information on the eventual destination of the public offer or parts of the public offer by specific investors, and by "type of investor";

1.2.6 Restrictions to Stockholders: Informing if there are stockholders subject to restrictions on stock sale, discriminating them and detailing such restrictions; and

1.2.7 Statement of inadequacy of the investment for certain types of investors, in case the investment is inadequate for certain types of investors, by specifying them and stating such inadequacy with emphasis;

1.3 STOCK DISTRIBUTION CONTRACT

1.3.1 Specify the conditions of the distribution contract in relation to the placement of stock with the public and eventual guarantee rendered by the leader and participants in the consortium, by specifying the quota of each one, if it is the case;

1.3.2 Relationship of the Issuer and the issuing company with the distribution leader and coordinators participating in the distribution consortium, such as loans, investments, and other relations eventually existing, including those with financial institutions that have corporate relations with the participants of the consortium;

1.3.3 Exhibit of the Distribution Cost - inform:

1.3.3.1 the percentage in relation to the distribution unit price;

1.3.3.2 the Coordinating Commission;

1.3.3.3 the Placement Commission;

1.3.3.4 the Distribution Guarantee Commission;

1.3.3.5 Other Commissions (specify);

1.3.3.6 the Distribution Unit Cost;

1.3.3.7 the Expenses resulting from the Registration; and

1.3.3.8 other related costs.

1.4 CONTRACT OF LIQUIDITY GUARANTEE, OF PRICE STABILITY, AND/OR CONTRACT OF SUPPLEMENTARY LOT PLACEMENT OPTION: In case they have been signed, inform their main characteristics, in accordance with the norms issued by CVM.

2. RISK FACTORS

2.1 Give, in order of relevance, a brief abstract of the main factors related to the distribution, the stock, the issuer, the economic sector in which you act or shall start acting, with your stockholders, and the macroeconomic environment that can, somehow, reason the investment decision of a potential investor. The physical and electronic place where the complete section of risk factors is available shall be informed.

3. INFORMATION RELATED TO THE ISSUING COMPANY

The physical and electronic place where the information on the registration of the issuing company are available shall be available for consultation.

The Issuer, together with the underwriter, shall indicate the investor object of the offer the attentive reading of specific information of the registration of the stock issuing company that in his understanding considers more relevant for a reflected and conscious investment decision in relation to the offer.

If there is informative material supporting the distribution, the physical and electronic place for its consultation shall also be informed.

4. IDENTIFICATION OF MANAGERS, CONSULTANTS, AND AUDITORS

4.1 Name, commercial/electronic address, and contact telephone numbers of managers that can render clarifications on the offer.

4.2 Name, commercial/electronic address, and telephones of the consultants (banking, legal, etc.) involved in the offer, and responsible for the facts or documents mentioned in the call;

4.3 Name, commercial/electronic address, and telephones of the auditors responsible for auditing the financial statements of the 3 (three) last fiscal years;

4.4 Statement of the Issuer and the underwriter, testifying the truthfulness of the information contained in the call.

5. OTHER DOCUMENTS AND INFORMATION THAT THE CVM CONSIDERS NECESSARY.

5.1 Statement of the Stock Exchange approving the call.