

JBS S.A.

Company Registry (NIRE): 35.300.330.587

Corporate Taxpayer's ID (CNPJ/MF): 02.916.265/0001-60

**SUMMARY OF THE MINUTES OF THE BOARD OF DIRECTORS' MEETING
HELD ON MAY 29, 2013**

- 1. DATE, TIME AND VENUE:** May 29, 2013, at 11:30 a.m., at the headquarters of JBS S.A. ("Company" or "Issuer"), located at Avenida Marginal Direita do Tietê, 500, Bloco I, 3º andar, Vila Jaguara, CEP 05118-100, in the city and state of São Paulo.
- 2. CALL NOTICE AND ATTENDANCE:** The meeting was called in accordance with the Company's Bylaws and all Board of Directors' members were present.
- 3. PRESIDING: Wesley Mendonça Batista** chaired the Meeting and **Francisco de Assis e Silva** acted as secretary.
- 4. AGENDA:** (1) To approve the Second Issue ("Issue") of the Company's Simple, Non-convertible, Unsecured Debentures, in up to Three Series ("Debentures") for public distribution pursuant to Instruction 400 of December 29, 2003, issued by the Brazilian Securities and Exchange Commission ("CVM"), as amended, ("CVM Instruction 400"), specifically observing the automatic registration procedure for the public distribution of securities by issuers with major market exposure envisaged in Articles 6-A and 6-B of CVM Instruction 400, CVM Instruction 480 of December 7, 2009, as amended ("CVM Instruction 480") and other applicable legal, regulatory and self-regulatory provisions ("Offering"), which will have the following characteristics and conditions, to be regulated by the "Private Instrument of Indenture of the Second Issue of Simple, Non-convertible, Unsecured Debentures, in up to Three Series for Public Distribution by JBS S.A." ("Indenture") entered into by the Company and the Trustee (as defined below) representing the collective interest of the holders of the Debentures ("Debenture Holders"); and (2) To authorize the Company's Board of Executive Officers and/or their proxies to take all the necessary measures to conduct the Issue and the Offering, in accordance with item 5.2, below. Terms beginning with capital letters, if not defined differently herein, shall have the same meaning attributed to them in the Indenture.

5. Resolutions: The meeting was called to order, the quorum was verified and the Board of Directors 1 members unanimously approved the following:

Approval of the Issue and Offering: approved the Issue and Offering, which shall have the following characteristics and conditions: **(a) Total Issue Amount:** up to five hundred million reais (R\$500,000,000.00) on the Issue Date (as defined below), with the possibility of Additional Debentures and an Overallotment Option, as defined below; **(b) Number of Issue:** the Issue is the Company's second Debenture issue; **(c) Number of Series and Debentures:** the Issue will be effected in up to three series, the Debentures distributed in the first series being hereinafter referred to as "First Series Debentures", those distributed in the second series as "Second Series Debentures" and those distributed in the third series as "Third Series Debentures" and, jointly with the First and Second Series Debentures, as "Debentures". Initially, up to five hundred thousand (500,000) debentures will be issued in up to three series, with the possibility of increasing this number, at the discretion of the Company and the Coordinators (as defined below), by up to twenty percent (20%) of the number of Debentures initially offered, excluding the eventual Overallotment Debentures (as defined below), exclusively on the closing date of the Bookbuilding Process ("Additional Debentures"), pursuant to Article 14, paragraph 2, of CVM Instruction 400, with no need for a new request or modification of the Issue and Offering terms ("Additional Debentures Option"), the number of debentures to be allocated to each series to be defined by the Bookbuilding Process (as defined below). Without prejudice to the Additional Debentures, the Company will grant the Coordinators the possibility of distributing supplementary debentures of up to fifteen percent (15%) of the number of Debentures initially offered, excluding the Additional Debentures ("Supplementary Debentures" or "Overallotment Debentures"), pursuant to Article 24 of CVM Instruction 400 ("Overallotment Option"), which will be exercised by the Coordinators, following consultation with and the prior agreement of the Company, on the closing date of the Bookbuilding Process, exclusively to meet surplus demand verified by the Coordinators during said Bookbuilding Process. The Additional Debentures and Overallotment Debentures will be offered at the same price and under the same conditions as the initially offered Debentures and may be first, second or third series Debentures, in accordance with the demand determined by the Bookbuilding Process. The number of series and Debentures to be issued, the interest rate applicable to the Debentures of each series, and the number of Debentures to be allocated to each series will be defined by the Coordinators in accordance with the demand determined by the Bookbuilding Process, the allocation of Debentures among the series to be effected by the communicating vessels system, i.e. the number of Debentures of one series will be subtracted from the total number of Debentures in the Issue, thereby limiting the number of Debentures to be allocated to the other series, all series to contain at least one hundred

thousand (100,000) Debentures. Any of the series may not be issued, at the exclusive criterion of the Company, depending on the result of the Bookbuilding Process, in which case all the Debentures will be issued in a single series or in two series. Pursuant to Articles 30 and 31 of CVM Instruction 400, a partial subscription of Debentures ("Partial Distribution") will be permitted, provided a minimum of three hundred thousand (300,000) Debentures are placed, equivalent to three hundred million reais (R\$300,000,000.00), each series to contain at least one hundred thousand (100,000) Debentures, as determined above ("Minimum Amount"). Debentures that are not subscribed and paid in during the Distribution Period will be canceled. Once the Minimum Amount has been reached, the Issuer, in agreement with the Lead Manager, may decide to reduce the total value of the Offering to an amount equivalent to the Minimum Amount, in which case the Offering may be terminated at any time; **(d) Issue Date:** for all legal purposes, the issue date of the Debentures will be July 15, 2013 ("Issue Date"); **(e) Maturity:** the First Series Debentures, Second Series Debentures and Third Series Debentures will mature in five (5) years, five (5) years and seven (7) years, respectively, as of the Issue Date, except in the case of early redemption of the Debentures or early maturity of the obligations arising from the Debentures, as envisaged in the Indenture; **(f) Nominal Unit Value and Restatement of Nominal Unit Value:** the nominal unit value of the Debentures is one thousand reais (R\$1,000.00), on the Issue Date ("Nominal Unit Value"). The Nominal Unit Value of the First Series Debentures will not be adjusted or monetarily restated by any index. The Nominal Unit Value of the Second and Third Series Debentures will be restated by the National Consumer Price Index ("IPCA"), calculated and disclosed by the Brazilian Institute of Geography and Statistics ("IBGE") on a monthly basis ("Restated Nominal Unit Value"), to be calculated in accordance with the formula to be described in the Indenture; **(g) Convertibility, Type, Form and Proof of Ownership:** the Debentures will be simple, non-convertible, unsecured debentures issued by the Company in registered, book-entry form with no issue of certificates. For all legal purposes, ownership of the Debentures will be attested by a statement of the depositary account issued by the Bookkeeper (as defined below), in its capacity as the financial institution responsible for the bookkeeping of the Debentures. The following will also be recognized as proof of ownership of the Debentures (i) a statement in the Debenture Holder's name issued by CETIP S.A. – Mercados Organizados ("CETIP"), in the case of those Debentures held in electronic custody by CETIP, and/or (ii) a statement in the Debenture Holder's name issued by BM&FBOVESPA S.A. – Brazilian Securities and Exchange Commission ("BM&FBOVESPA"), in the case of those Debentures held in custody by the BM&FBOVESPA; **(h) Category:** the debentures will be unsecured and the Debenture Holders will not be entitled to preemptive rights in relation to other unsecured creditors of the Company, pursuant to Article 58 of Law 6404 of December 15, 1976, as amended

(“Brazilian Corporation Law”); **(i) Allocation of Proceeds:** the net proceeds from the Issue and the Offering, including the eventual exercise of the Additional Debentures Option and/or Overallotment Option, will be used by the Issuer to amortize and restructure its debt maturing in 2013; **(j) Price and Form of Subscription and Payment in Full:** the Debentures may be subscribed at any time during the Distribution Period at their Nominal Unit Value in the case of the First Series Debentures and at their Restated Nominal Unit Value in the case of the Second and Third Series Debentures, in all cases incremented by the remuneration of the Debentures of each series, calculated *pro rata temporis* since the Issue Date until the effective payment date to eight (8) decimal places, without rounding. The Debentures will be paid in cash, in current Brazilian reais, upon subscription, in accordance with the settlement rules and procedures established by CETIP and/or the BM&FBOVESPA, whichever the case; **(k) Early Redemption:** the Debentures may not be redeemed in advance by the Company, except in the case of mandatory early redemption, with consequent cancellation of all the Debentures related to the series which were not approved by the Debenture Holders, the remuneration replacement rate of each series and if the early maturity of the Debentures is declared, in accordance with item 4.17.15 below; **(l) Remuneration:** the First Series Debentures will be remunerated at one hundred percent (100%) of the accumulated variation in the average daily one-day, *over extra-grupo* Interbank Deposit Rate - DI, expressed as an annual percentage based on a year of two hundred and fifty two (252) Business Days, calculated and disclosed on a daily basis by CETIP in its daily bulletin on its webpage (“DI Rate”), plus a spread to be determined by the Bookbuilding Process, but which may not exceed one and five-tenths of a percent (1.50%) per year of 252 Business Days, to be accrued on the Nominal Unit Value or the Balance of the Nominal Unit Value, whichever the case, as of the Issue Date or the immediately prior First Series Remuneration Payment Date (as defined below) and paid at the end of each Capitalization Period, calculated on a compound capitalization basis *pro rata temporis* by Business Days elapsed, based on the formula in the Indenture (“First Series Remuneration”); and (ii) the Second Series Debentures will be remunerated in accordance with a spread to be defined in the Bookbuilding Process, but which may not exceed five and nine-tenths of a percent (5.90%) per year of 252 Business Days, to be accrued on the Restated Nominal Unit Value or the Balance of the Restated Nominal Unit Value, whichever the case, as of the Issue Date or the immediately prior Second Series Remuneration Payment Date (as defined below), as applicable, and paid at the end of each Capitalization Period, calculated on a compound capitalization basis *pro rata temporis* by Business Days elapsed, based on the formula in the Indenture (“Second Series Remuneration”); and (iii) the Third Series Debentures will be remunerated in accordance with a spread to be defined in the Bookbuilding Process, but which may not exceed six and five-tenths of a percent (6.50%) per year of 252 Business Days, to be accrued on the Restated Nominal

Unit Value or the Balance of the Restated Nominal Unit Value, whichever the case, as of the Issue Date or the immediately prior Third Series Remuneration Payment Date (as defined below), as applicable, and paid at the end of each Capitalization Period, calculated on a compound capitalization basis *pro rata temporis* by Business Days elapsed, based on the formula in the Indenture ("Third Series Remuneration"); **(m) Payment of Remuneration:** without prejudice to payments arising from mandatory early redemption, optional acquisition and/or early maturity envisaged in the Indenture, payment of (i) the First Series Remuneration will be effected semiannually, as of the Issue Date, the first payment being due on January 15, 2014 and the last on the Maturity Date of the First Series Debentures ("First Series Remuneration Payment Date"); (ii) the Second Series Remuneration will be effected annually, as of the Issue Date, the first payment being due on July 15, 2014 and the last on the Maturity Date of the Second Series Debentures ("Second Series Remuneration Payment Date"); and (iii) the Third Series Remuneration will be effected annually, as of the Issue Date, the first payment being due on July 15, 2014 and the last on the Maturity Date of the Third Series, and ("Third Series Remuneration Payment Date"); **(n) Amortization:** except in the case of compulsory early redemption, Optional Acquisition (as defined below) and/or early maturity envisaged in the Indenture: (i) the Nominal Unit Value of the First Series Debentures will be amortized annually, beginning in the third year as of the Issue Date, the first payment being due on July 1, 2016 and the others on the dates and in the proportions indicated in the Indenture ("First Series Amortization Date"); (ii) the Restated Nominal Unit Value of the Second Series Debentures will be amortized annually, beginning in the third year as of the Issue Date, the first payment being due on July 15, 2016 and the others on the dates and in the proportions indicated in the Indenture; and (iii) the Restated Nominal Unit Value of the Third Series Debentures will be amortized annually, beginning in the fifth year as of the Issue Date, the first payment being due on July 15, 2018 and the others on the dates and in the proportions indicated in the Indenture; **(o) Early Maturity:** upon the occurrence of any early maturity event provided for in the Indenture and described in Attachments I and II hereto, and the applicable grace periods having been observed, the Debentures and all the obligations envisaged in the Indenture will be deemed to have matured in advance and the Company shall be liable for paying the Nominal Unit Value or the Balance of the Nominal Unit Value, whichever the case, of the First Series Debentures, the Restated Nominal Unit Value or the Balance of the Restated Nominal Unit Value, whichever the case, of the Second or Third Series Debentures, as applicable, plus the remuneration of the respective Debenture series, calculated *pro rata temporis* as of the Issue Date or the immediately prior remuneration payment date of the respective Debenture series, as applicable, until the effective payment date, in addition to Delinquency Charges (as defined below), if any, and any other amounts owed by the Company, if any; **(p) Rescheduling:** the

Debentures will not be subject to rescheduling; **(q) Optional Acquisition:** the Company may acquire outstanding Debentures pursuant to paragraph 3, Article 55 of Brazilian Corporation Law: (i) for the same amount or less than their Nominal Unit Value or Balance of their Nominal Unit Value for First Series Debentures, as applicable, and their Restated Nominal Unit Value or Balance of their Restated Nominal Unit Value for Second or Third Series Debentures, as applicable, said event to be recognized in the Company's Management Report and Financial Statements; or (ii) for an amount higher than their Nominal Unit Value or Balance of their Nominal Unit Value for First Series Debentures, as applicable, and their Restated Nominal Unit Value or Balance of their Restated Nominal Unit Value for Second or Third Series Debentures, as applicable, in accordance with CVM rules. The Debentures acquired by the Company may be canceled, held in treasury, or once again placed on the market. If placed on the market again, the Debentures will be entitled to the same remuneration as the other Debentures in the same series; **(r) Distribution and Trading Procedures:** the Debentures will be registered for distribution in the primary market and trading in the secondary market through (i) the Asset Distribution Module (MDA) or the CETIP 21 Module – Marketable Securities, both managed and operated by CETIP, whereby the Debentures are distributed, financially settled and held in electronic custody by CETIP; and/or (ii) the Asset Distribution System (DDA) and BOVESPA FIX (the latter being a trading platform), both managed and operated by the BM&FBOVESPA, whereby the Debentures are distributed, financially settled and held in electronic custody by and on the BM&FBOVESPA; **(s) Placement and Distribution Procedures:** Pursuant to the "Agreement for the Coordination, Structuring and Public Distribution of Simple, Non-convertible, Unsecured Debentures in up to Six Series, on a Best Placement Efforts Basis, issued by JBS S.A." ("Distribution Agreement", to be entered into by the Company and Banco Bradesco BBI S.A. ("Bradesco BBI" or "Lead Manager"), BB – Banco de Investimento S.A. ("BB-BI"), Banco BTG Pactual S.A. ("Banco BTG Pactual") and HSBC Corretora de Títulos e Valores Mobiliários S.A. ("HSBC") and, jointly with the Lead Manager, BB-BI, and Banco BTG Pactual, "Coordinators"), the Debentures will be publicly distributed on a best placement efforts basis with the intermediation of the Coordinators. Within the scope of the Offering, the Coordinators will collect and register investment intentions ("Bookbuilding Process") from investors interested in acquiring the Debentures, pursuant to paragraph 1 of Article 23 and Article 44 of CVM Instruction 400, in order to define, in common agreement with the Company, the number of series and Debentures to be issued, the interest rate applicable to each series and the number of Debentures to be allocated to each series, in accordance with market demand for the Debentures; **(t) Delinquency Charges:** without prejudice to the restatement of the Nominal Unit Value of the Second and Third Series Debentures, as well as the remuneration of each series of Debentures, should any amounts due to the

Debenture Holders under the terms of the Indenture not be paid in a timely manner by the Company, said overdue and unpaid amounts, duly restated in the case of Second and Third Series Debentures and added to the remuneration of each series, will be subject to (i) a conventional, irreducible and compensatory fine equivalent to two percent (2%) of the amount in arrears, without prejudice to any actions for damages or lost profits; and (ii) delinquent interest of one percent (1%) per month calculated *pro rata temporis* ("Delinquency Charges"), as of the date of default until the date of effective payment, irrespective of any judicial or extrajudicial notice or notification; **(u) Registration with the CVM and ANBIMA:** The Offering will be registered with the CVM pursuant to Law 6385 of September 7, 1976, as amended, CVM Instruction 480 and CVM Instruction 400, specifically observing the automatic registration procedure for the public distribution of securities by issuers with major market exposure envisaged in Articles 6-A and 6-B of CVM Instruction 400, and other applicable legal, regulatory and self-regulatory provisions. The Offering will also be registered with ANBIMA – Brazilian Association of Financial and Capital Market Entities within a maximum of fifteen (15) days as of registration being granted by the CVM, pursuant to Article 25 of the "ANBIMA Code of Regulations and Best Practices for Public Offerings for the Distribution and Acquisition of Securities"; **(v) Trustee;** the Company hereby designates Pentágono S.A. Distribuidora de Títulos e Valores Mobiliários, a financial institution with headquarters at Avenida das Américas, nº 4.200, bloco 4, sala 514, Barra da Tijuca, in the city and state of Rio de Janeiro, inscribed in the roll of corporate taxpayers (CNPJ/MF) under no. 17.343.682/0001-38 as the trustee representing the Debenture Holders ("Trustee"); and **(x) Settlement Bank and Bookkeeper:** the Issue's settlement bank and bookkeeper is Banco Bradesco S.A., a financial institution with headquarters in the Cidade de Deus Administrative Center, Vila Yara, sem número, Prédio Amarelo, 2º andar, in the city of Osasco, state of São Paulo, inscribed in the roll of corporate taxpayers (CNPJ/MF) under no. 60.746.948/0001-12 ("Settlement Bank" and "Bookkeeper").

5.2. Delegation of Powers to the Company's Board of Executive Officers: given the exclusive authority of the Board of Directors to resolve on the Issue, pursuant to item xvii of Article 19 of the Company's Bylaws, the Board of Directors hereby authorizes the Board of Executive Officers to: (i) contract the Coordinators for the public distribution of the Debentures Issue; (ii) contract the service providers of the Issue, including but not limited to, the Trustee, the Settlement Bank and Bookkeeper, legal counsel and others; (iii) execute all the documents and practice all the acts necessary for the holding of the Issue and the Offering, including, but not limited to, signing the Indenture, Distribution Agreement, the letters of intent sent to CETIP, the BM&FBOVESPA, the CVM and

ANBIMA, and other Issue and Offering documents, as well as any amendments thereto; (iv) negotiate the final terms and conditions of the Issue and Offering documents, as well as eventual amendments thereto, including the Company's obligations, default events, the Debentures' early maturity conditions and any eventual declarations; (v) decide on and/or authorize the issue of Additional and/or Overallotment Debentures.

Closure: There being no further business to discuss, the Chairman offered the floor to anyone who wished to speak and, as no one did, the meeting was adjourned for the time necessary to draw up these minutes, which were then read, approved and signed by all those present. São Paulo, May 29, 2013. Signatures: **Presiding:** Wesley Mendonça Batista – Chairman; Francisco de Assis e Silva – Secretary. **Board of Directors:** Joesley Mendonça Batista, Wesley Mendonça Batista, José Batista Sobrinho, Humberto Junqueira de Farias, Marcus Vinicius Pratini de Moraes, Carlos Alberto Caser, Peter Dvorsak and João Carlos Ferraz.

São Paulo, May 29, 2013.

This is a free English translation of the original minutes drawn up in the Company's records.

Wesley Mendonça Batista
Chairman

Francisco de Assis e Silva
Secretary

**ATTACHMENT I TO THE MINUTES OF THE BOARD OF DIRECTORS'
MEETING**

HELD ON MAY 29, 2013

Automatic Early Maturity Events

- (a) the non-payment, by the Issuer, of any pecuniary obligations envisaged in the Indenture owed to the Debenture Holders, within one (1) business day as of the date on which said obligation became due in accordance with the Indenture;
- (b) the non-payment, by the Issuer, of any pecuniary obligations envisaged in the Indenture owed to the Trustee, Settlement Bank and Bookkeeper, including the reimbursement of expenses, within up to thirty (30) calendar days as of the date on which said obligations became due in accordance with the Indenture;
- (c) the allocation of the proceeds of the Offering to any purpose other than that established in the Indenture and Offering prospectuses;
- (d) the payment, by the Issuer, of dividends, except as provided for in Article 202 of Brazilian Corporation Law, interest on equity (including interest on equity attributable to the minimum dividend payment) or any other share of profits, or any other form of distribution or transfer of resources to its shareholders, if the Issuer (i) is in default regarding any pecuniary obligation related to the Debentures; or (ii) is not in compliance with the financial ratio indicated in item 4.17.2 (v) of the Indenture ("Financial Ratio");
- (e) a declaration of bankruptcy against the Issuer or the filing of a bankruptcy petition by the Issuer;
- (f) the filing of out-of-court reorganization proceedings by the Issuer in regard to any creditor or group of creditors, irrespective of whether court ratification of said proceedings has been requested or obtained; or the filing, by the Issuer, for court-supervised reorganization proceedings, irrespective of whether said proceedings have been granted by the competent judge; or the winding up of the Issuer's activities, for any reason; and/or the occurrence of any other analogous event characterized by default, by the Issuer and/or its subsidiaries, in relation to material agreements whose individual or joint pecuniary obligations are equal to or more than one hundred million reais (R\$100,000,000.00), or an equivalent amount in other currencies, except for the acquisition, by the Issuer, of companies that are bankrupt, in default or undergoing court-supervised or out-of-court reorganization proceedings.

- (g) the liquidation, dissolution or winding-up of the Issuer, except if said winding-up arises from corporate restructurings approved in accordance with item (p) below;
- (h) a reduction in the Issuer's minimum capital stock or the redemption of the Issuer's shares, except with the prior approval of Debenture Holders of the respective series representing at least seventy-five percent (75%) of the Outstanding Debentures (as defined below) at a Debenture Holders' Meeting called for this purpose, except in the case of a share buy-back program by the Issuer that was already under way on the Issue Date or approved by the Issuer's Board of Directors subsequent to the Issue Date, within the repurchase limits envisaged by the applicable CVM regulations;
- (i) the transfer or any form of consignment or promise of consignment to third parties, by the Issuer, of the obligations assumed in the Indenture without the prior consent of Debenture Holders representing at least ninety percent (90%) of the Outstanding Debentures, at a Debenture Holders' Meeting called for this purpose;
- (j) the early maturity of one or more financial agreements to which the Issuer is a party whose individual or joint amount is equal to or more than one hundred million reais (R\$100,000,000.00), or an equivalent amount in other currencies;
- (k) default on any obligations not provided for in the Indenture, whose individual or joint amount is equal to or more than one hundred million reais (R\$100,000,000.00), or an equivalent amount in other currencies;
- (l) protests of instruments against the Issuer, whose individual or joint amount is equal to or more than one hundred million reais (R\$100,000,000.00), or an equivalent amount in other currencies, unless within five (5) Business Days as of the protest payment notification date or the deadline established for payment of the protest if less than five (5) Business Days, (i) the Issuer can prove that the protest has been canceled or is the object of a legal measure that has been suspended, revoked or canceled; (ii) a court deposit has been accepted by the courts; or (iii) the amount in question has been paid in full
- (m) non-compliance, by the Issuer, with any administrative ruling, final and unappealable judicial ruling or sentence whose effects are not suspended within up to five (5) Business Days as of the disclosure of same, whose individual or joint amount is equal to or more than one hundred million reais (R\$100,000,000.00), or an equivalent amount in other currencies;

- (n) the alteration, transfer or disposal of the Issuer's direct or indirect control (pursuant to Article 116 of Brazilian Corporation Law), except with the prior approval of Debenture Holders representing at least seventy-five percent (75%) of the Outstanding Debentures at a Debenture Holders' Meeting called to discuss said alteration, transfer or disposal of control;
- (o) the spin-off or merger of the Issuer, including mergers of shares, or any other form of corporate restructuring directly involving the Issuer, without the prior and express consent of Debenture Holders representing at least seventy-five percent (75%) of the Outstanding Debentures at a Debenture Holders' Meeting called for this purpose , pursuant to Article 231 of Brazilian Corporation Law;
- (p) a change in the Issuer's corporate type or cancelation of its registration as an issuer of securities with the CVM;
- (q) a change in the Issuer's corporate purpose, pursuant to item 3.1 of the Indenture, which substantially alters the activities undertaken and described in its corporate purpose on the signature date of the Indenture;
- (r) as of the signature date of the Indenture, the constitution of any encumbrances, restrictions or security interests on assets belonging to the Issuer; (1) which, individually or jointly, during the term of the Debentures, represents an amount equal to or higher than two billion reais (R\$2,000,000,000.00), or an equivalent amount in other currencies, in the normal course of business; (2) is for the refinancing of debt, except for the refinancing of debt guaranteed by a real guarantees, whose asset that is the object of said encumbrance, restriction or security interest is the same asset that constitutes the real guarantee of the debt to be refinanced; or (3) in any situation not described in the previous items, except, in the case of items (1), (2) and (3), if the Issuer obtains the prior and express consent of Debenture Holders representing at least seventy-five percent (75%) of the Outstanding Debenture at a Debenture Holders' Meeting called for this purpose. Additionally, should any encumbrances, restrictions or security interests on the Issuer's assets existing on the signature date of the Indenture be lifted, the book value of said assets will be added to the above amount of two billion reais (R\$2,000,000,000.00);
- (s) the non-renewal, cancellation, revocation or suspension of any authorizations, grants, permits or licenses, including environmental agreements, of the Issuer, which (i) involve the interruption or suspension, even though temporary and partial, of all of the activities undertaken on the Issue Date, or (ii) substantially affect the

performance of the Issuer's regular activities, unless, within fifteen (15) Business Days as of the date of said non-renewal, cancellation, revocation or suspension, the Issuer can prove that it has filed for a license or the renewal of license or has received a judicial decision, as applicable, permitting the regular continuity of its activities until said authorization or license is obtained or renewed, provided that events (i) and/or (ii) cause any fact or circumstance which prevents the normal continuation of the Issuer's activities ("Adverse Material Impact");

- (t) the disposal by the Issuer or any of its subsidiaries of shareholding interests, or the total or partial disposal of equipment or other assets, that contribute more than three percent (3%) of the Issuer's total consolidated revenue, without the prior and express consent of Debenture Holders representing at least seventy five percent (75%) of the Outstanding Debentures at a Debenture Holders' Meeting called for this purpose. The total or partial disposal, by the Issuer or any of its subsidiaries, of equipment or other assets for the sole purpose of replacing same with new and/or higher quality equipment or assets, does not constitute an Automatic Early Maturity Event;
- (u) non-compliance with social and environmental legislation, especially, but not limited to, legislation and regulations related to health and occupational safety and the environment, as well as the encouragement, by the Issuer, of prostitution, or the use of child or forced labor in its activities as verified by (i) an administrative or judicial decision against the Issuer attesting to said non-compliance or encouragement; or (ii) the inclusion of the Issuer in any type of the official list of companies that violate social and environmental regulations, provided these facts are not reversed within 15 (fifteen) business Days as of the respective judgment or inclusion date;
- (v) proof that any provision of the Indenture has been revoked, rescinded, rendered void or for any reason is no longer valid and in force, and has not been remedied within thirty (30) days as of the receipt by the Issuer of the notification of non-performance;
- (w) non-compliance with the following Financial Ratio, to be monitored on an annual basis by the Trustee, based on the independently audited financial statements supplied to the Trustee, pursuant to the Indenture, as of (and including) the fiscal year ended December 31, 2013 until the Maturity Date of the Third Series Debentures: Net Debt / EBITDA ratio lower than four point seventy-five (4.75) times. Verification of the Financial Ratio will take place within up to five (5) Business Days as of receipt of the financial statements by the Trustee.

**ATTACHMENT II TO THE MINUTES OF THE BOARD OF DIRECTORS'
MEETING**

HELD ON MAY 29, 2013

Non-Automatic Early Maturity Events

- (a) non-compliance by the Issuer with any non-pecuniary obligation envisaged in the Indenture which (i) is not duly remedied within the specified remedy period, or (ii) in the absence of a specified remedy period, is not duly remedied within thirty (30) calendar days as of the date on which Issuer receives notification of said non-compliance from the Trustee;
- (b) the untruthfulness or inaccuracy of any declaration made by the Issuer in the Indenture;
- (c) the expropriation, nationalization, confiscation, provisional attachment, sequestration or levy of goods or any other governmental or legal measure leading to the loss of goods belonging to the Issuer representing, individually or jointly, in any of these cases, more than three percent (3%) of the Issuer's total consolidated revenue as in its most recent published consolidated financial statements, except if the Issuer, can prove, within fifteen (15) days of the imposition of said measure, that it has obtained a judicial ruling suspending the effectiveness of the respective measure;
- (d) a bankruptcy petition filed by third parties against the Issuer in an individual or joint amount equal to or more than seventy-five million reais (R\$75,000,000.00), or an equivalent amount in other currencies;
- (e) a reduction in the Issuer's national-scale risk rating on the Issue Date in two consecutive notes; and
- (f) the insolvency or filing of court-supervised or out-of-court reorganization proceedings, filing for bankruptcy, a bankruptcy petition uncontested within the legal term, or any other analogous legal procedure requested by or decreed against any of the Issuer's subsidiaries.