

**BYLAWS**

Approved by the Extraordinary Shareholders' Meeting held on March 10<sup>th</sup>, 1942, filed in the Register of Commerce under no. 17,298, on April 7<sup>th</sup>, 1942; and changed by the following General Meetings with their respective filing numbers: 6.24.1952 (23,896 on 07.15.52), 4.19.1956 (43,281 on 05.29.56), 08.03.1959 (68,010 on 10.09.1959), 05.15.1961 (122 on 07.14.61), 11.06.1961 (205 on 12.15.61), 4.25.1962 (291 on 06.27.62), 4.26.1963 (439 on 05.29.63), 08.03.1964 (675 on 09.10.64), 02.01.1965, (836 on 03.18.65) 02.04.1966 (1,162 on 03.29.66), 08.07.1966 (1,305 on 08.18.66), 04.20.1967 (1,513 on 09.06.67), 08.15.1967 (1544 on 10.11.67) 25.02.1969 (2,028 on 05.22.69) 12.18.1969 (2,360 on 02.19.70), 07.31.1970 (2,638 on 10.06.70), 11.24.1971 (3,241 on 12.28.71), 04.17.1972, (3,466 on 07.11.72) 09.01.1972 (3,648 on 11.21.72), 09.18.1973 (4,320 on 10.18.73) 10.09.1974 (5,121 on 11.12.74), 04.15.1975 (5,429 on 04.22.75), 10.23.1975 (5,853 on 11.25.75), 04.02.1976, (6,279 on 06.15.76) 11.08.1976 (6,689 on 12.02.76), 04.18.1977 (7,078 on 05.19.77), 11.10.1977 (7,535 on 12.09.77), 03.12.1979 (8,591 on 05.08.79), 04.23.1980 (53,925.4 on 05.09.80), 04.28.1981 (53.1002.9 on 06.01.81), 03.31.1982 (1,53,2908 on 06.03.82), 04.27.1983 (1,53,3670 on 07.25.83), 03.29.1984 (1,53,4194 on 05.21.84), 07.31.1984 (1,53,4440 on 09.21.84), 03.05.1985 (1,53,4723 on 04.08.85), 12.23.1985 (1,5361 on 04.16.86) 04.07.1986 (1,5420 on 05.15.86), 04.27.1987 (1,6075 on 06.04.87), 08.05.1987 (1,6267 on 09.10.87), 04.20.1988 (16,681 on 05.26.88), 02.15.1989 (531711,0 on 03.10.89), 04.19.1989 (531719.1 on 05.22.89), 03.08.1990 (531712.4 on 04.24.90), 05.14.1990 (531727.8 on 07.02.90), 06.29.1990 (531735.6 on 08.01.90), 04.24.1991 (531780.2 on 05.31.91), 11.12.1991 (539724.2 on 12.06.91), 04.29.1992 (5310645.4 on 05.22.92), 12.10.1992 (5312340.0 on 02.01.93), 12.30.1992 (5312485.0 on 03.01.93), 04.30.1993 (5313236.6 on 06.24.93), 10.05.1993 (5314578.8 on 12.07.93), 12.27.1993 (5314948.6 on 01.28.94), 01.27.1994 (5312357.1 on 03.10.94), 04.28.1994 (5315254.1 on 07.20.94), 04.25.1995 (5317742.5 on 09.14.95), 11.14.1995 (5318223.1 on 12.13.95), 03.29.1996 (5318902.9 on 05.09.96), 04.23.1996 (5319068.7 on 06.12.96), 06.17.1996 (5319241.0 on 07.05.96), 09.25.1996 (960476369 on 11.13.96), 04.23.1997 (970343256 on 06.20.97), 10.13.1997 (970662831 on 11.13.97), 04.24.1998 (980316812 on 07.02.98), 09.29.1998 (980531535 on 11.09.98), 04.30.1999 (990269655 on 06.15.99), 04.25.2000 (000288004 on 05.26.2000), 04.30.2001 (20010388893 on 07.13.2001), 08.27.2001 (20010578382 on 10.8.2001), 11.29.2001 (20020253346 on 5.10.2002), 06.07.2002 (20020425961, on 07.30.2002), 04.22.2003 (20030387515, on 07.18.2003), 11.12.2003 (20030709806 on 12.11.2003), 12.22.2004 (20050003739 on 01.04.2005), 04.26.2005 (20050420810 on 07.11.2005), 04.28.2006 (20060339098 on 08.07.2006), 05.22.2006 (20060339101 on 08.07.2006), 08.24.2006 (20060482842 on 10.05.2006), 12.28.2006 (20070117900 on 04.05.2007), 04.25.2007 (2007034397, on 06.14.2007), 07.12.2007 (20070517410 on 08.16.2007), 10.23.2007 (20070819807 on 12.19.2007), 01.24.2008 (20080389414, on 05.19.2008), 04.17.2008 (20080635695, on 08.14.2008), 04.23.2009 (20091057000, on 12.10.2009), 08.18.2009 (20091057477, on 12.10.2009), 11.30.2009 (20100284574, on 04.22.2010), 04.13.2010 (20100628060, on 08.12.2010), 08.05.2010 (20100696040, on 09.02.2010), 09.06.2011 (20110895207, on 01.31.2012), 04.26.2012 (20120445450, on 06.28.2012), 09.19.2012 (20120907496, on 11.20.2012), 12.18.2012 (20130248410, on 03.12.2013) and 12.19.2013 (20140228632, on 04.01.2014), 04.29.2014 (20140529110, on 07.11.2014) and 04.28.2015 (to be registered).

**CHAPTER I – DENOMINATION, CHARACTERISTICS AND NATURE OF THE BANK**

Art. 1 Banco do Brasil S.A., a private and government-controlled listed company organized as a multiple bank, is governed by these bylaws and applicable legal provisions.

Paragraph 1 - The duration of the Bank is indefinite.

Paragraph 2 - The Bank's domicile and head office is in Brasília, and it may open or close branch offices, branches, agencies, facilities or other service stations anywhere in Brazil and abroad.

Paragraph 3 - With the admission of Banco do Brasil in the special listing segment called New Market, or Novo Mercado, of BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuro (Stock, Commodities and Futures Exchange), the Bank, its shareholders, directors and members of the Audit Committee are subject to the provisions of the BM&FBOVESPA New Market Listing Regulation.

Paragraph 4 - The provisions of the New Market Regulation will prevail over statutory provisions, in case the rights of tender offer recipients in the articles 55, 56 and 57 are hindered.

**CHAPTER II – CORPORATE OBJECTIVES****Section I – Corporate objectives and prohibitions****Corporate objectives**

Art. 2 The objectives of the Bank are to perform all active, passive and accessory bank transactions, provide banking, intermediation and financial support services in their multiple forms, and to undertake any activities permitted for member institutions of the National Financial System.

Paragraph 1 - The Bank may also operate with the trading of agricultural and livestock products and organize the movement of goods.

Paragraph 2 - As main financial agent of the Brazilian Federal Government, it is also required to perform the roles assigned thereto by Law, especially those of Article 19 of Law no. 4595, of December 31, 1964, in compliance with the provisions of arts. 5 and 6 of these Bylaws.

Art. 3 Third-party asset management shall be performed through the engagement of a subsidiary or controlled company of the Bank.

**Prohibitions**

Art. 4 Further to the prohibitions provided for by law, the Bank is not allowed to:

I – carry out transactions backed only by the shares of other financial institutions;

II – grant loans or advances, purchase or sell property of any nature to members of the Board of Directors, of the Audit Committee, of the Executive Board and of the Supervisory Board;

III – hold interest in the capital stock of other companies, unless in a percentage equal or up to:

a) 15% of the net equity of the own Bank, taking into account the aggregate of investments of that kind;

b) 10% of the capital of the invested company;

IV – issue preferred (fruition) shares, debentures and beneficiary shares.

Paragraph 1 - The limitations provided for in item III of this article do not include the interests held in Brazil or abroad in:

I – companies in which the Bank has interests at the date these bylaws are approved;

II – financial institutions and other entities authorized to operate by the Brazilian Central Bank;

III – private pension entities, capitalization, insurance or brokerage companies, financial companies, sales promoters, operating support service processing and card processing companies, since related to banking activities;

IV – clearing and settlement houses and other companies or associations integrating the payments system;

V – companies or associations that provide collection and assets restructuring services, or administrative or operating support to the Bank;

VI – not-for-profit associations or companies;

VII – companies in which the interests held result from a legal provision or credit renegotiation transactions, such as payment in kind, purchase by auction or judicial decision and conversion of debentures into shares; and

VIII – other companies, against approval of the Board of Directors.

Paragraph 2 - The limitation provided for in subitem (a), item III of this article does not include investments related to the use of fiscal incentives.

Paragraph 3 - The holdings dealt with in item VII, Paragraph 1 of this article, resulting from credit renegotiation transactions, must be sold within the period determined by the Board of Directors.

## **Section 2 – Relationships with the Federal Government**

Art. 5 The Bank will contract, as stipulated by law, directly with the Federal Government or with its intervention:

I – Carry out the duties and services pertinent to the function of a financial agent of the National Treasury and other functions assigned to it by law;

II – provide financing of government interest and carry out official programs by investing funds from the Federal Government or any nature; and

III – provide guarantee for the Federal Government.

Sole Paragraph. The activities provided for by this article are conditioned, as the case may be, to the following:

I – the availability of corresponding funds to the Bank and the setting out of a corresponding interest payment;

II – the prior and formal definition of the proper interest payable in connection with the funds to be invested in case of equalization of financial charges; and

III – to the prior and formal definition of the assumption of risks and of remuneration, never lower than the costs of the services to be rendered.

## **Section III – Relationship with the Brazilian Central Bank**

Art. 6 The Bank may engage the performance of duties, services and transactions that are assigned to the Brazilian Central Bank, provided that the provisions of the sole paragraph of art. 5 of these bylaws are followed.

## **CHAPTER III – CAPITAL AND SHARES**

### **Capital and common shares**

Art. 7 The capital stock is R\$ 60,000,000,000.00 (sixty billion reais), represented by 2,865,417,020 (two billion, eight hundred sixty-five million, four hundred and seventeen thousand and twenty) book-entry common shares without par value.

Paragraph 1 Each common share entitles its holder to one vote at the General Meeting's resolutions, except when adopting multiple vote for the Board of Directors' election.

Paragraph 2 Book-entry shares shall remain deposited in this Bank on behalf of their holders without issuance of certificates, and a fee may be charged for this purpose from their holders, as provided for by law.

Paragraph 3 The Bank may buy back its shares upon authorization of the Board of Directors for canceling or keeping them in treasury for subsequent sale.

### **Authorized capital**

Art. 8 The Bank may, regardless of any amendments to these bylaws, if approved by a General Meeting, and in the conditions established therein, increase its capital up to the limit of R\$ 120,000,000,000.00 (one hundred and twenty billion reais) by issuing common shares, granting shareholders preference for subscribing the capital increase proportionally to the number of held shares, while maintaining the rights of subscription bonus holders.

Sole Paragraph. The issuance of shares up to the limit of authorized capital for sale at stock exchanges or public subscription or exchange of shares through tender offer may be carried out regardless of the preemptive right of existing shareholders or shortening the period to exercise such right, pursuant to the provisions of item I, article 10 of these bylaws.

## **CHAPTER IV – GENERAL MEETING**

### **Call notice and functions**

Art. 9 The General Meeting of Shareholders will be convened by decision of the Board of Directors or, in the sets of circumstances permitted by law, by the Board of Officers, by the Supervisory Board, by a group of shareholders or by one shareholder alone.

Paragraph 1 - The work of the General Meeting will be directed by the Bank's President, by his substitute, or, in the absence or impediment of both, by one of the shareholders or officers of the Bank present, chosen by the shareholders. The chairman will invite two shareholders or officers of the Bank to act as secretaries of the General Meeting.

Paragraph 2 - The participants of the Extraordinary General Shareholders Meetings will exclusively address the subject matter declared in the notices of meeting, not permitting the inclusion, in the agenda of the Meeting, of general topics.

Paragraph 3 - The minutes of the General Shareholder Meeting will be written in summarized form as refers to the events have occurred, including disagreements and protests, and will contain the transcription only of decisions made, in compliance with the legal provisions.

### **Competence**

Art. 10. In addition to the powers provided for by law, the General Shareholders Meeting shall have especial authority to resolve about the following:

I – sale of all or any shares of the capital stock of the Bank or its subsidiary companies; initial public offering; increase of capital stock through subscription of new shares; waiver of rights of subscription of shares or debentures convertible into shares of subsidiaries; sale of debentures convertible into shares of the Bank issued by subsidiaries; or, also, issuance of any other securities in Brazil or abroad;

II – spin-off, merger or takeover;

III – swap of shares or other securities;

IV – differentiated practices of corporate governance and execution of contract for this purpose with stock exchange.

Sole Paragraph. The choice of the specialized institution or company for determination of

the company's economic value, in the situations provided in articles 55, 56 and 57 of these Bylaws, lies within the exclusive authority of the General Shareholders Meeting, through presentation of a three-name list by the Board of Directors, and shall be decided by the majority of votes of the shareholders representing the outstanding shares, present at the respective General Meeting, not counting blank votes. If convened at first call, it shall feature the presence of shareholders representing at least twenty percent (20%) of the total free-float shares, or, if convened at second call, it may feature the presence of any number of shareholders representing these shares.

## **CHAPTER V – MANAGEMENT AND ORGANIZATION OF THE BANK**

### **Section I – Rules common to Management Bodies**

#### **Requirements**

Art. 11. The following are management bodies of the Bank, formed by Brazilians with evident knowledge, including about the best practices of corporate governance, experience, good repute, irreproachable reputation and technical capacity compatible with the post:

I – the Board of Directors; and

II – the Executive Board comprised of the Board of Officers and the other Officers, all resident in the Country, in the manner established in art. 24 of these Bylaws.

Paragraph 1 - The Board of Directors has, in the manner set forth by Law and in these Bylaws, strategic attributions, guiding, elective and supervisory duties, not encompassing operating or executive roles.

Paragraph 2 – The positions of the Board of Directors Chairman and Vice-Chairman cannot be held cumulatively with the position of President or CEO of the Company, albeit temporarily.

#### **Installation**

Art. 12. The members of Management bodies will take office upon signing the related statements in the book of minutes of the Board of Directors or Executive Board, as the case may be.

Paragraph 1 - Those elected for Management bodies shall take office whether they pledge a collateral or not.

Paragraph 2 - Upon installation, the directors elect shall also sign the Record of Consent of Directors to the Listing Regulation of the New Market of BM&FBOVESPA – São Paulo Stock Exchange.

#### **Impediments and prohibitions**

Art. 13. In addition to those impeded by law, the following persons cannot participate in Management bodies:

I – those who are delinquent in relation to the Bank or who have caused losses to it not yet recovered;

II – those who hold the control of significant interest in the capital stock of companies that are delinquent in relation to the Bank or that have caused losses not yet recovered, this impediment being extended to those who have taken management offices in companies in this same situation during the year immediately prior to the election or appointment date;

III – those that have been sentenced for a crime of tax evasion, or crime against the National Financial System;

IV – those declared unfit for taking management offices in institutions authorized to operate by the Brazilian Central Bank or in others requiring authorization, control and oversight from direct or indirect Public Administration bodies and entities, including

private pension plan entities, insurance companies, capitalization companies and listed companies;

V – those who are defending themselves, as individuals or legal entity's controller or manager, in claims related to protest of notes, judicial collection, issuance of check returned for lack of funds, delinquency and other analogous events or circumstances;

VI – those declared bankrupt or insolvent;

VII – those that hold controlling interest or participate in the management of a bankrupt or insolvent legal entity or one that has filed for chapter 11, in the five-year period prior to the date of election or appointment except in the capacity of trustee, administrative receiver or judicial trustee;

VIII – a partner, ascendant, descendant or collateral kin or similar, up to the third kindred, of a member of the Board of Directors or Executive Board;

IX – those that occupy positions at companies that can be considered competitors in the market, especially on advisory boards, boards of directors or Supervisory Boards, or in an Audit Committee, and those that have an interest conflicting with the company, unless released by the Meeting.

Sole paragraph. Candidature to an elective public term of office is incompatible with participation in the Bank's management bodies, whereas the interested party shall apply for his or her suspension from office, under penalty of losing the position, the moment his or her intention to apply as a candidate becomes public. During the period of suspension from office there will be no remuneration due to the member of the management body, who will lose the position as from the date of registration of the candidature.

Art. 14. The members of the management bodies are prohibited from intervening in the study, deferral, control or settlement of any operation in which:

I – companies in which they hold controlling interest or ownership interest above ten percent (10%) of the capital are directly or indirectly interested;

II – they have interest conflicting with that of the Bank.

Sole Paragraph. The impediment referred to in subsection I also applies when dealing with a company in which they occupy, or have occupied in a period immediately prior to installation at the Bank, an administrative post.

### **Loss of position**

Art. 15. The following events shall entail loss of office:

I – Except for force majeure or fortuitous event, a member of the Board of Directors who fails to attend, with or without justification, three consecutive annual meetings or four alternate annual meetings during its term of office; and

II – a member of the Executive Board who is absent, without authorization, for more than 30 days.

### **Compensation**

Art. 16. The compensation of the members of Management bodies shall be fixed by the General Meeting, pursuant to legal requirements.

Sole Paragraph. In years in which mandatory dividends and profit sharing are paid, the General Meeting may decide to pay profit sharing to Executive Board members, provided that the total amount does not exceed 50% (fifty percent) of total annual compensation of such members nor five thousandth of profits (Art. 190 of Lei 6404/76), whichever is lower.

### **Disclosure and other requirements**

Art. 17. Without prejudice to the currently adopted self-regulation procedures, the members of the Board of Directors and Executive Board must:

I – notify the Bank, the CVM – Brazilian Securities Commission - and the stock exchange about:

a) immediately after installment in the position, the quantity and characteristics of the securities or derivatives that they own, directly or indirectly, issued by the Bank, by its subsidiaries or by the associated companies related to their area of activity, besides those belonging to their respective spouses, partners and dependents included in the annual income tax return;

b) at the moment they take office or occasional further changes, their plans of periodical trading of the securities and derivatives referred to in subitem (a) of this item, including their subsequent changes; and

c) the deals with securities and derivatives referred to in paragraph “a” of this subsection, inclusive of the price, by the tenth day of the month following that in which the transaction is verified;

II – abstain from trading the securities or derivatives dealt with in subitem (a) of item I of this article:

a) within 15 (fifteen) days prior to the disclosure of quarterly (ITR) and annual reports (DFP and IAN); and

b) in other events provided for by the applicable legislation.

## **Section II – Board of Directors**

### **Composition and term of office**

Art. 18. The Board of Directors will be composed of natural people elected at General Meeting, and shall have eight members who shall serve for an unified term of two (2) years, including one Chairman and one Vice-Chairman, reelection being allowed. The management period will last up to the installation of the new members.

Paragraph 1 - The minority shareholders are guaranteed the right to elect at least two board of director members, if not entitled to a higher number by the multiple vote process.

Paragraph 2 - The Federal Government will submit to the General Meeting approval the appointment of six members to the Board:

I – President of the Bank;

II – three members appointed by the Ministry of Finance;

III – a representative indicated by employees of Banco do Brasil S.A., as provided for in Paragraph 4 of this article;

IV – one representative appointed by the Ministry of Planning, Budget and Management.

Paragraph 3 - The Chairman and Vice-Chairman of the Board will be chosen among the members nominated by the Ministry of Finance, as provided in the Paragraph 2 of Article 11.

Paragraph 4 - The representative of employees will be chosen by direct voting of his/her pairs, among the Company's active employees, in an organized election regulated by the Bank, along with Representative Unions that represent them, in conformity with requirements and procedures provided for in the law and the provisions of Paragraphs 5 and 6 of this article.

Paragraph 5 - To exercise its role, the Director which represents the employees is subject to all the criteria, requirements and prohibitions provided by law and in these Bylaws.

Paragraph 6 - Without prejudice to prohibitions provided for in Article 13 and 14 of these Bylaws, the representative Director of the employees will not take part in discussions and decisions on matters that involve unions relations, remuneration, benefits and

advantages, including supplementary pension plans, as well as other matters for which a conflict of interest is characterized.

Paragraph 7 - The following rules will also be complied with in the composition of the Board of Directors:

I – a minimum of twenty percent (20%) of the members of Board of Directors shall be Independent Directors, as defined in the Listing Regulation of the New Market of BM&FBOVESPA – São Paulo Stock Exchange, and the directors elected under the terms of Paragraph 1 of this article shall also be in this capacity;

II – the capacity of Independent Director will be expressly declared in the Minutes of the General Shareholders Meeting that elects him;

III – when, as a result of the observance of the percentage referred to in the foregoing paragraph, it results in a fractional number of board members, this number shall be rounded off under the terms of the BM&FBOVESPA New Market Regulation.

Paragraph 8 - In the event of adoption of the multiple vote process provided in Paragraph 1 of this article, the vacancy allocated to the employees' representative shall not be considered.

### **Multiple vote**

Art. 19. Should they comply with the minimum percentage set out by the CVM, shareholders shall submit a written request to the President of the Bank up to 48 hours before the General Shareholders Meeting for the adoption of the multiple voting process to elect members to the Board of Directors, as provided for by this article.

Paragraph 1 - The panel conducting the meeting shall inform in advance to shareholders, considering the Attendance Book, the number of votes required to elect each member to the Board of Directors.

Paragraph 2 - With the multiple vote adopted, in place of the prerogatives provided for in Paragraph 1 of art. 18 of these Bylaws, the shareholders representing at least fifteen percent (15%) of the total voting shares, will be entitled to elect and remove one member and his alternate member of the Board of Directors, in separate voting at the General Shareholders Meeting, excluding the controlling shareholder.

Paragraph 3 - The right provided for in Paragraph 2 above can only be exercised by the shareholders that prove the continuous ownership of the equity interest required therein during the period of three years, at least, immediately prior to the performance of the General Shareholders Meeting.

Paragraph 4 - A record will be kept with the identification of the shareholders that exercise the prerogative referred to in Paragraph 2 of this article.

### **Vacancy and replacements**

Art. 20. Except for the hypothesis of dismissal of a member of the Board elected by the multiple vote process, when there is a Board member position vacant, remaining members will nominate the shareholder that will complete the term of the replaced member. If the majority of positions are vacant, whether or not occupied by appointed substitutes, the General Shareholders Meeting will be convened to hold a new election.

Sole Paragraph. The Chairman of the Board will be replaced by the Vice Chairman and, in the latter's absence, by another director appointed by the Chairman. In case of vacancy, the replacement will continue until the choice of the new incumbent of the Board, which shall occur at the first subsequent meeting of the Board of Directors.

### **Duties**

Art. 21. Besides the competencies defined by law, the Board of Directors has the following duties:

I – approve the policies, the corporate strategies, the investment plan, the master plan



and the general budget of the Bank;

II – decide on:

- a) distribution of interim dividends, including to the account of retained earnings or of revenue reserves existing in the last annual or semi-annual balance sheet;
- b) payment of interest on own capital;
- c) acquisition of its own shares, on a temporary basis;
- d) holdings of the Bank in companies, in the country and abroad;

III – define the duties of the Internal Audit department, regulate its operation and appoint and dismiss its head;

IV – choose and remove the independent auditors, whose names may be subject to appropriately grounded veto by the Director elected in the manner of Paragraph 2 of art. 19 of these Bylaws, if any;

V – fix the number and elect the members of the Executive Board, in compliance with art. 24 of these Bylaws and the provisions of art. 21 of Law 4595, of December 31, 1964;

VI – approve its internal regulation and decide on the creation, discontinuation and operation of committees within the sphere of the actual Board of Directors;

VII – approve the internal rules of the Executive Board of the committees within the sphere of the actual Board;

VIII – decide on the profit sharing or gain sharing of the Bank's employees;

IX – present the General Meeting with a triple list of specialized companies to determine the economic value of the company, for the purposes provided for in the sole paragraph of art. 10;

X – establish a profitability target that guarantees the adequate remuneration of own capital;

XI – elect and dismiss the members of committees within the sphere of the actual Board;

XII – formally appraise the performance of the Executive Board and of the committees within the sphere of the actual Board; and

XIII – formally express its position upon performance of public offerings for the acquisition of shares issued by the Bank.

Paragraph 1 - The Bank's corporate strategy will be fixed for a period of five years, and shall be reviewed annually, by the month of September of each year.

Paragraph 2 - To advise the Board of Directors in its decisions, the proposals of establishment of duties and of regulation of the operation of the Internal Audit department, referred to in subsection III, shall contain a prior opinion from the technical areas involved and from the Audit Committee.

Paragraph 3 - The supervision of the management of the members of the Board of Officers, referred to by Law no. 6404/76, may be exercised individually by any board member, who will have access to the Bank's books and papers and to information about the contracts signed or in the process of being signed and any other acts that he considers necessary for the performance of his role, and may request them directly from any member of the Board of Officers. The arrangements arising therefrom, including proposals for hiring of external professionals, will be submitted to the decision of the Board of Directors.

Paragraph 4 - The favorable opinion or misgivings referred to in section XIII shall be by means of a reasoned prior opinion, released within up to fifteen (15) days from the publication of the notice of the public share offering, and addressing, at least: (i) the convenience and timeliness of the public share offering in terms of the interest of the group of shareholders and in relation to the liquidity of the securities held thereby; (ii) the repercussions of the public share offering on the Bank's interests; (iii) the strategic plans disclosed by the issuer in relation to the Bank; (iv) other points that the Board of Directors

considers pertinent, as well as the information required by the applicable rules established by the Securities Commission (CVM).

### **Operation**

Art. 22. The Board of Directors shall meet with the attendance of at least the majority of its members:

I – ordinarily, at least once a month; and

II – extraordinarily, whenever it is convened by its Chairman, or at the request of at least two board members.

Paragraph 1 - The meetings of the Board of Directors shall be called by its Chairman.

Paragraph 2 - Extraordinary meetings requested by directors, as provided for in item II of this article, shall be called by the Chairman over the seven days subsequent to the request; in the event the Chairman has not called it over this period, any director may do so.

Paragraph 3 - The resolutions of the Board of Directors are taken by majority of votes, being necessary:

I – the favorable vote of five Directors for the approval of the subject matters addressed by subsections I, III and IV, of art. 21; or

II – the favorable vote of the majority of board members present, for the approval of the other subject matters, with the vote of the Chairman of the Board, or of his or her substitute in the performance of roles, prevailing in case of a tie.

Paragraph 4 - From time to time, against justification, the directors are allowed to take part in the meeting, by phone, teleconference or other media capable of guaranteeing effective participation and the authenticity of their vote, which will be considered valid for all legal intents and purposes and incorporated to the minutes of said meeting.

### **Appraisal**

Art. 23. The Board of Directors will perform an annual formal appraisal of its performance.

Paragraph 1 - The appraisal process mentioned in the main provision will be carried out according to procedures previously defined by the Board of Directors itself and that shall be described in its internal regulation.

Paragraph 2 - It will be incumbent upon the Chairman of the Board to conduct the appraisal process.

### **Section III – Executive Board**

#### **Composition and term of office**

Art. 24. The Bank's management will be the responsibility of the Executive Board which will have between ten and thirty-seven members, as follows:

I – the President of the Bank, appointed and dismissed at the discretion of the President of the Republic;

II – up to nine Vice-Presidents elected as set forth in the law;

III – up to twenty-seven Officers elected as set forth in the law.

Paragraph 1 - Within the Executive Board, the President and Vice-Presidents shall form the Board of Officers.

Paragraph 2 - The position of Officer is peculiar to active employees of the Bank.

Paragraph 3 - Those elected to the Executive Board will have a term of office of three years, with reelection allowed. The management period will last up to the installation of the new members.

Paragraph 4 - In addition to the requirements provided for in article 11 of these bylaws, the following conditions for the exercise of the positions of the Executive Board of the Bank shall be cumulatively met:

I – Have an undergraduate degree; and

II – have exercised in the last five years:

a) for at least two years, management positions in institutions of the National Financial System; or

b) for at least four years, management positions in the financial area of other institutions with net equity exceeding one fourth of the minimum realized capital and net equity required by the Bank's regulations; or

c) for at least two years, relevant positions in bodies or entities of public administration.

Paragraph 5 - Excepting, in relation to the conditions provided for in subsections I and II of Paragraph 4 of this article, former directors that have occupied positions of officer or of managing partner in other institutions of the National Financial System for more than five years, excepting in a credit cooperative.

Paragraph 6 - Once the term of office has come to an end, former members of the Executive Board are prevented, for a period of four months from the end of the term of office, if a longer period is not set in the regulations, from:

I – pursuing activities or rendering any service to competing companies or entities that compete with the companies from the Banco do Brasil Group;

II – accepting the position of director or board member, or establishing a professional relationship with an individual or legal entity with whom or which they have maintained a direct and relevant official relationship in the six months prior to the end of the term of office, if a longer period is not set in the regulations; and

III - sponsoring, directly or indirectly, interested of an individual or legal entity, before an agency or entity of the Federal Public Administration with whom or which they have maintained a direct and relevant official relationship in the six months prior to the end of the term of office, if a longer period is not set in the regulations.

Paragraph 7 - During the period of impediment, former members of the Executive Board are entitled to compensatory remuneration equivalent to that of the position that they held on this body, in compliance with the provisions of Paragraph 8 of this article.

Paragraph 8 - Former members of the Management Board that are not on the Bank's staff who, in compliance to Paragraph 6 of this article, opt to resume, prior to the end of the period of impediment, the performance of the permanent or high level job or duty, which they held in public or private administration prior to their investiture, shall not be entitled to the compensatory remuneration referred to in Paragraph 7 of this article.

Paragraph 9 - Once the management has finished, the former Officers and the former members of the Board of Officers originating from the Bank's staff are subject to the internal rules applicable to all the employees, in compliance with the provisions of Paragraph 7 of this article.

Paragraph 10 - Unless released by the Board of Directors, as set forth in Paragraph 11, the non-performance of the obligation referred to in Paragraph 6, implies, besides loss of compensatory remuneration established in Paragraph 7, the return of the amount already received for this purpose and the payment of a fine of twenty percent (20%) of the total compensatory remuneration that would be due in the period without prejudice to the redress of damages possibly caused thereby.

Paragraph 11 - The Board of Directors may, upon request from the former member of the Executive Board, release him from the performance of the obligation provided for in Paragraph 6, without prejudice to the other legal obligations to which this individual is

subject. In this case, the payment of the compensatory remuneration alluded to in Paragraph 7, as of date on which the application is received, is not due.

### **Prohibitions**

Art. 25. The position of a member of the Executive Board requires full time dedication, and its members are prohibited, under penalty of losing their position, from exercising any activity in other companies with profit purposes, except:

I – In subsidiary or controlled companies of the Bank, or in companies in which the Bank holds direct or indirect interest, pursuant to paragraph 1 of this article; or

II – in other companies, as assigned by the President of the Republic, or with prior and express authorization from the Board of Directors.

Paragraph 1 - Further, any Executive Board member is not allowed to exercise any activity in an institution or company related to the Bank whose objective is asset management, except in the capacity of a Board of Directors or Supervisory Board member.

Paragraph 2 - For the purposes of the previous paragraph provisions, the institutions or companies related to the Bank are those that meet such definition set out by the National Monetary Council.

### **Vacancy and replacements**

Art. 26. It will be granted:

I – suspension from office of up to 30 days, excepting leave, to the Vice Presidents and Officers, by the President, and to the President, by the Board of Directors; and

II – leave to the Bank's President, by the Minister of State of Treasury; to the other members of the Board of Officers, by the Board of Directors.

Paragraph 1 - The individual duties of the Bank's President will be performed, while he is suspended from office and during other leave:

I – up to 30 consecutive days by one of the Vice-Presidents who he or she assigns; and

II – over 30 consecutive days, by whoever, as provided for by law, is temporarily appointed by the President of the Republic;

Paragraph 2 - In the event of a vacancy, the President position will be taken, until its successor takes office, by the Vice-President who has the longest period in office; if equal seniority, by the eldest.

Paragraph 3 - The individual duties of the Vice-Presidents and of the Officers will be performed by another Vice-President or Officer, respectively, in cases of suspension from office and other types of leave, and in that of vacancy, as follows:

I – up to thirty consecutive days upon assignment by the President;

II – above thirty consecutive days, or in case of vacancy, until the installation of the substitute elect, through designation of the President and ratification, within the period during which this person performs the duties of the position, by the Board of Directors.

Paragraph 4 - In the hypotheses provided for in paragraphs 1 to 3 of this Article, the Vice-president or Director will accumulate his/her functions with those of the President, Vice-president or Director, as assigned, without increase in remuneration.

### **Representation and constitution of proxies**

Art. 27 The judicial and extrajudicial representation and the constitution of proxies of the Bank are incumbent, individually, upon the President or any of the Vice-Presidents and, within the limits of their duties and powers, upon the Officers. The grant of writ of mandate is incumbent upon the President, the Vice-Presidents and the Legal Officer.

Paragraph 1 - The power of attorney shall state the acts or operations that shall be carried out as long as it is effective and may be separately conferred by any member of the Executive Board, pursuant to the provisions of paragraph 2 of article 29 of these bylaws. The power of attorney may be valid for an indefinite term.

Paragraph 2 - Power of attorneys shall remain valid even though its signatory retires from the Bank's Executive Board, except if such document is expressly revoked.

### **Duties of the Executive Board**

Art. 28. It is incumbent upon the Executive Board to comply and enforce compliance with these Bylaws, the decisions of the General Shareholders Meeting and of the Board of Directors and to perform the duties defined therefore by this Board, always observing the principles of good banking technique and good practices of corporate governance.

### **Duties of the Board of Officers**

Art. 29. The following are duties of the Board of Officers:

I – to submit to the Board of Directors, through the Bank's President, or by the Coordinator designated thereby, proposals for its decision, especially about the matters listed in subsections I, II, VII, VIII and IX of art. 21 of these Bylaws;

II – to enforce execution of the policies, the corporate strategy, the investment plan, the master plan and the general budget of the Bank;

III – to approve and enforce execution of the market plan and the work agreement;

IV – to approve and ensure the execution of the allocation of funds to operating activities and for investments;

V – to authorize the disposal of items of the permanent assets, the recording of actual burden, the granting of collaterals for third-party liabilities, the waiver of rights, the transaction and the business rebate, with option of granting these powers with express limitation;

VI – to decide on the career plans, salaries, advantages and benefits, and approve the Personnel Rules of the Bank, observing the legislation in force;

VII – to distribute and apply profits, as approved at the General Shareholders' Meeting or by the Board of Directors, observing the legislation in force;

VIII – to decide on the creation, installation and suppression of branches or agencies, offices, premises and other points of service in Brazil and abroad, with option of granting these powers with express limitation;

IX – to decide on the internal organization of the Bank, the administrative structure of the directorates and the creation, discontinuation and functioning of committees in the sphere of the Executive Board and of administrative units;

X – to fix the levels of authority of the Executive Board and of its members and the duties and levels of authority of the committees and of the administrative units, of the regional bodies, of the distribution networks and of the other bodies of the internal structure, besides those of the Bank employees, allowing the granting of these powers with express limitation;

XI – to authorize, provided that the security and proper compensation in each case has been formerly verified, the granting of loans to social assistance entities and to communication companies, as well as the financing of public service work, with option of granting these powers with express limitation;

XII – to decide on the granting of contributions for social purposes to foundations created by the Bank, limited, every year, to 5% (five per cent) of the operating result;

XIII – to approve the criteria for selection and appointment of directors to compose the boards of companies and institutions in which the Bank, its subsidiaries, controlled or affiliated companies participate or have right to indicate a representative; and

XIV – to decide on situations not included in the assignments of another management body and on extraordinary cases.

Paragraph 1 - Management Board's decisions bind the entire Executive Board.

Paragraph 2 - The grants of powers provided for in subsections V, VIII, X and XI of this article, when designed to produce effects before third parties, will be formalized by means of a power of attorney signed by the President and a Vice-President or by two Vice-Presidents.

### **Individual duties of the members of the Executive Board**

Art. 30. Each Executive Board member shall comply with and cause compliance with these bylaws, the resolutions of General Meetings and Board of Directors' meeting and joint decisions of the Board of Officers and Executive Board. They also have the following duties:

I – of the President:

- a) to preside the General Shareholders' Meeting, call and preside the meetings of the Board of Officers and of the Executive Board and supervise their performance;
- b) to propose to the Board of Directors the number of members of the Executive Board, indicating for election the names of the Vice-Chairmen and Executive Officers;
- c) to propose to the Board of Directors the assignments of the Vice-Chairman and Executive Officers, as well as any possible change;
- d) to supervise and coordinate the work and activity of the Vice-Presidents, of the Officers and heads of units that are under his direct supervision;
- e) to appoint, remove, assign, promote, commission, punish and dismiss employees, with the ability to grant these powers with express limitation;
- f) to appoint, among the Vice-Presidents, a coordinator with the purpose of convening and presiding over the meetings of the Management Board and of the Executive Board in his absence or impediment.

II – of each Vice-President:

- a) administer, supervise and coordinate the areas that are assigned thereto and the performance of the Officers and Units that are under his direct supervision;
- b) to coordinate the meetings of the Management Board and of the Executive Board, when requested by the Chairman.

III – of each Officer:

- a) manage, oversee and coordinate the activities of the executive office and units under his or her responsibility;
- b) advise on works of the Management Board, in the sphere of the respective attributions; and
- c) execute other tasks that are assigned thereto by the member of the Management Board to whom he is related to.

Paragraph 1 - The Coordinator assigned by the President to summon and chair Board of Directors' and Executive Board's meetings will not pass a quality vote while exercising this function.

Paragraph 2 - The individual duties of the President, Vice-Presidents and the Officers will be exercised, in their absences or impediments in the form of art. 26, according to the provisions established in the Internal Regulations of the Executive Board and of the Board of Officers, the rules about competences the decision, the competent jurisdiction and other procedures fixed by the Board of Officers.

Art. 31. The operation of the Executive Board and of the Board of Officers will be regulated by means of their internal regulation, in compliance with this article.

Paragraph 1 - The Executive Board shall meet on a regular basis once every three months and on extraordinary basis whenever convened by the Bank's President or by the Coordinator designated by it.

Paragraph 2 - The Board of Officers:

I – Is a body that takes joint resolutions and meet on a regular basis at least once a week and extraordinarily, whenever convened by the President or by the Coordinator designated hereby, requiring, in any case, the presence of at least the majority of its members;

II – the decisions require at least, the approval of the majority of members present; in case of a tie, the vote of the President will prevail; and

III – once a decision is made, the Board of Officers members shall take measures to implement it.

Paragraph 3 - The Board of Officers shall be assisted by an executive secretariat, the President being responsible for assigning its holder.

#### **Section IV – Segregation of Duties**

Art. 32. Management bodies must, within their respective duties, follow the following duty segregation rules:

I – The executive offices or units responsible for functions related to management risk cannot be under the direct oversight of the Vice-President to whom the Executive Officer or units responsible in charge of any other administrative or business activity is bound, except for the cases of credit recovery and conformity;

II – The executive offices or units responsible for risk assessment cannot be under the direct oversight of the Vice-President to whom the Executive Officer of units responsible for credit granting or guarantee pledging is bound, except for the credit recovery cases; and

III - Vice-Presidents, Executive Officers or any party responsible for the management of the Bank's own assets cannot manage the assets of third parties.

#### **Section V – Committee with Board of directors**

##### **Audit committee**

Art. 33. The Audit Committee, with attributions and functions assigned by legislation, will be formed by four effective members with annual terms renewable for a maximum of five years, pursuant to the terms of applicable standards, preferably respecting the rule that the substitution of all members should not occur simultaneously.

Paragraph 1 - The members of the Audit Committee will be elected by the Board of Directors, in compliance with the provisions of these Bylaws and the following criteria:

I – a regular member will be chosen among those appointed by the members of the board of directors elected by the minority shareholders;

II – three members will be chosen among those appointed by the members of the board of directors representing the Federal Government; and

III - At least one of the members of the Audit Committee shall have proven knowledge in the areas of accounting and auditing.

Paragraph 2 - A member of the Audit Committee that fails to appear, with or without justification, at three (3) consecutive ordinary meetings or at four (4) alternate meetings in the period of twelve months will be removed from office, except in cases of force majeure or acts of God, and at any time, by decision of the Board of Directors.

Paragraph 3 - Audit Committee shall have the following duties, in addition to other provided for by its own legislation:

I - advise the Board of Directors as concerns the performance of its auditing and supervisory roles;

II - supervise the activities and evaluate the work of the independent audit firm;

III – perform its duties and responsibilities at the companies controlled by Banco do Brasil that have adopted the single Audit Committee regime.

Paragraph 4 - The operation of the Audit Committee will be regulated through its internal rules, observing that:

I – it will meet at least on a quarterly basis, with the Board of Directors, with the Board of Officers, with the independent auditors and with the Internal Audit Department, jointly or separately, at its sole discretion;

II - the Audit Committee may invite the following individuals to take part in its meetings, without the right to vote:

a) Supervisory Board members;

b) the incumbent and other representatives of the Internal Audit department;  
and

c) any members of the Executive Board or employees of the Bank.

Paragraph 5 - The remuneration of the members of the Audit Committee, to be defined by the Board of Directors, will be compatible with the work plan approved by this Collegial body, observing that:

I – the remuneration of the Committee members will be no higher than the average fee received by the Officers;

II – in the case of public officials, their remuneration for participation in the Audit Committee will be subject to the provisions established in the pertinent legislation and regulation;

III – the member of the Audit Committee that is also a member of the Board of Directors shall opt for the remuneration relating to only one of the posts.

Paragraph 6 - At the end of the term of office, the former members of the Audit Committee, are subject to the impediment provided for in Paragraph 6 of art. 24 of these Bylaws, in compliance with Paragraphs 7 to 11 of the same article.

#### **Remuneration Committee**

Art. 34. The Remuneration Committee, whose duties and responsibilities are provided for by the legislation, shall be composed of four effective members, who will serve for an annual term of office, which can be extended for no longer than ten years, pursuant to the applicable rules.

Paragraph 1 - The members of the Remuneration Committee will be elected by the Board of Directors, in compliance with the provisions of these Bylaws and within its Internal Rules:

Paragraph 2 - At least one of the members of the Remuneration Committee shall not be a member of the Board of Directors or of the Board of Executive Officers.

Paragraph 3 - The members of the Remuneration Committee shall possess the qualifications and the experience necessary to independently evaluate the director remuneration policy.

Paragraph 4 - A member of the Remuneration Committee that fails to appear, with or without justification, at three (3) consecutive meetings will be removed from office, except in cases of force majeure or acts of God, and at any time, by decision of the Board of Directors.

Paragraph 5 - Remuneration Committee shall have the following duties, in addition to other



provided for by its own legislation:

I – advise the Board of Directors in the establishment of the director remuneration policy of Banco do Brasil;

II – carry out its duties and take on its responsibilities before companies controlled by Banco do Brasil that choose the practice of a single Remuneration Committee.

Paragraph 6 The operation of the Remuneration Committee will be regulated by means of its internal regulation, approved by the Board of Directors, observing that the Committee will meet:

I – at a minimum semiannually to evaluate and propose the fixed and variable pay of the directors of the Bank and of its subsidiaries that have adopted the single committee system;

II – in the first three months of the year to evaluate and propose the annual total amount of pay to be set for the members of the management bodies, to be submitted to the General Meetings of the Bank and of the companies that have adopted the single Remuneration Committee system.

Paragraph 7 - Board member function addressed by the heading is not remunerated.

### **Section VI – Internal Audit**

Art. 35. The Bank will have an Internal Audit department, subordinated to the Board of Directors.

Sole Paragraph. The incumbent of the Internal Audit department will be chosen from among active employees of the Bank and appointed and dismissed by the Board of Directors, in compliance with the provisions of art. 22, Paragraph 3, I, of these Bylaws.

### **Section VII – Ombudsman**

Art. 36. The Bank will have an Ombudsman that will act as the communication channel between the Institution, clients and users, allowing them to seek solutions for problems in their relationship with Banco do Brasil, through filing of complaints, denunciations and suggestions.

Paragraph 1 - In addition to other functions provided for by the law, Ombudsman functions are as follows:

I – receive, file, analyze and give formal and proper treatment to clients' and users' complaints;

II – Provide necessary clarifications and inform the progress of their demands, as well as adopted actions;

III – inform the deadline established for final response.

IV – proposes to the Board of Directors, corrective measures and steps for the refinement of procedures and routines of the institution.

V – prepare and forward to the Internal Audit, Supervisory Board and Board of Directors half-annual reports on operations, containing the propositions mentioned in the prior item.

Paragraph 2 - The Ombudsman performance will be issued by the transparency, independency, impartiality and impartiality, and is provided with proper conditions for effective operation.

Paragraph 3 - Access to information necessary to his/her work will be assured to the Ombudsman, who may request information and documents to exercise his/her activities, in conformity with legislation related to bank confidentiality.

Paragraph 4 - The role of Ombudsman will be performed by an active employee, holder of a commission compatible with the duties of the Ombudsman department, who will have a term of office of one (1) year, renewable for equal periods, designated and removed, at any time, by the Bank's President.

Paragraph 5 - The employee designated to perform the duties of ombudsman will not receive any remuneration other than that established for the commission that he originally occupies.

## **CHAPTER VI – SUPERVISORY BOARD**

### **Composition**

Art. 37. The Supervisory Board shall operate on a permanent basis and be composed of five effective members and their respective alternates, who shall be elected annually at the Annual General Meeting, minority shareholders being able to elect two members.

Paragraph 1 - The Federal Government representatives in the Supervisory Board shall be appointed by the Ministry of Finance, among which one shall be a representative of the National Treasury.

Paragraph 2 - The remuneration of the Supervisory Board members will be fixed by the General Meeting that elects them.

Paragraph 3 - In addition to the individuals to which art. 13 of these bylaws refer, management body members and employees of the Bank or controlled company, as well as their spouses and relatives up to the third kindred are not eligible for the Supervisory Board.

Paragraph 4 - The members of Supervisory Board will take office as of their respective election whether they sign the related statements.

Paragraph 5 - Supervisory Board, on the date of election, shall sign the Statement of Consent from Supervisory Board Members for compliance with the Novo Mercado Listing Rules set out by the São Paulo Stock Exchange (BOVESPA).

### **Operations**

Art. 38. Pursuant to the provisions of these bylaws, the Supervisory Board shall elect its President and approve its internal rules by favorable vote of at least four of its members.

Paragraph 1 - The Supervisory Board shall meet on a regular basis once a month and on an extraordinary basis whenever considered necessary by its members or the Bank's management.

Paragraph 2 - Except for force majeure or fortuitous event, a member of the Supervisory Board who fails to attend without justification three consecutive monthly meetings or four alternate monthly meetings during its term of office shall be removed from office.

Paragraph 3 - Except for the events provided for in the head of this article, the matters submitted to the Supervisory Board shall be approved upon the favorable vote of at least three of its members.

Art. 39. The Supervisory Board members shall attend the Board of Directors meetings in which matters that require their opinion shall be resolved.

Sole Paragraph. The Supervisory Board shall be represented by at least one of its members at General Meetings and shall provide information requested by shareholders.

### **Duty to inform and other obligations**

Art. 40. The members of the Supervisory Board who hold shares of the Bank must also meet the duties provided for in article 17 of these bylaws.

## **CHAPTER VII – FISCAL YEAR, PROFIT, RESERVES AND DIVIDENDS**

### **Fiscal year**

Art. 41. The fiscal year shall be the same of the calendar year, ending on December 31 of each year.

### **Financial statements**

Art. 42. Financial statements shall be prepared at the end of each six-month period and interim balance sheets shall be prepared as of any date whenever considered necessary, including for purposes of payment of dividends, pursuant to legal requirements.

Paragraph 1 - The financial statements for the quarters, six-month periods and years shall contain the following, in addition to meet legal requirements and regulations:

I – Consolidated balance sheet, consolidated statement of operations and statement of cash flows;

II – Statement of added-value;

III – comments on consolidated performance;

IV – ownership interest of any and all shareholders who directly or indirectly hold more than 5% of the Bank's capital stock;

V – number and characteristics of securities issued by the Bank directly or indirectly held by the controlling shareholder, senior managers and Supervisory Board members;

VI – change in the securities held by the individuals referred to in the previous item over the immediately prior twelve-month period; and

VII – number of shares outstanding and their percentage in relation to the total issued shares.

Paragraph 2 - Indicators and information about the Bank's socio-environmental performance will also be presented in the financial statements of the year.

Art. 43. Quarterly, half-annual and annual financial statements will also be prepared in English and, at least annual financial statements will also be prepared in accordance with international accounting standards.

### **Distribution of profit**

Art. 44. After offsetting any accumulated losses and deducting the provision for income tax from the result for the six-month period, the proceeds shall be used as follows, pursuant to the limits and conditions provided for by the law:

I – Formation of legal reserve

II – formation, if necessary, of the Reserve for Contingency and Unrealized Profit Reserves;

III – payment of dividends, in compliance with the provisions of articles 44 and 45 of these Bylaws;

IV – in relation to the balance remaining after the prior uses:

a) setting up of the following statutory reserves:

1- Reserve for operating margin with the purpose of guaranteeing an operating margin compatible with the development of the company's operations, at an amount from up to 100% of net income to 80% of capital stock;

2- Reserve for dividend equalization with the purpose of guaranteeing funds for paying dividends, at an amount from up to 50% of net income to 20% of capital stock;

b) other reserves and retained profits provided for in the legislation.

Sole Paragraph. Upon setting up reserves, the following rules shall be followed:

I – reserves and profit retention to which item IV refer cannot be approved with prejudice to the distribution of minimum mandatory dividend;

II – the revenue reserve balance, except contingencies and unrealized profit, cannot exceed the capital stock;

III – the uses of proceeds over the year shall be as proposed by the Board of Officers, approved by the Board of Directors and the Annual Shareholders Meeting dealt with in Paragraph 1 of article 9 of these bylaws, at which event the percentages adopted for setting up statutory reserves provided for in sub item (a) of item IV of the head of this article shall be explained.

### **Compulsory dividend**

Art. 45. Shareholders are entitled to a minimum and mandatory dividend every six-month period at 25% of adjusted net income, as provided for by law and these bylaws.

Paragraph 1 - Dividends corresponding to each half-year will be stated by the Management Board, approved by the Board of Directors.

Paragraph 2 - The amounts of the dividends due to the shareholders will incur incidence of financial charges as set forth in the legislation, from the closing of the semester or of the fiscal year in which they are determined up to the day of effective deposit or payment, without prejudice to the incidence of interest on arrears when this payment is not verified on the date stipulated by law, by the General Meeting or by decision of the Board of Officers.

Paragraph 3 - Interim dividends shall be distributed in periods shorter than that set out in the head of this article, pursuant to the provisions of articles 21, II, "a", 29, I and VII, and 44, Paragraph 1, of these Bylaws.

### **Interest on own capital**

Art. 46. Pursuant to the applicable law and as provided for by the Board of Directors resolution, the Board of Officers may authorize the payment or credit to shareholders of interest on own capital, as well as the addition of such amount to the mandatory minimum dividend.

Paragraph 1 - The Board of Officers shall be responsible for setting the amount and date of payment or credit of each interest portion, authorized as provided for in the head of this article.

Paragraph 2 - The amounts of interest due to the shareholders, as remuneration on own capital, will incur incidence of financial charges, as established in Paragraph 2 of the foregoing article.

## **CHAPTER VIII – RELATIONSHIP WITH THE MARKET**

Art. 47. The Bank shall:

I – hold, at least once a year, the public meeting with market analysts, investors and other stakeholders, to disclose information about its economic/financial situation, as well as projects and outlooks;

II – send to the stock exchange in which its shares are most traded, in addition to other documents required by law:

a) the annual calendar of corporate events;

b) call option programs involving shares or other securities issued by the Bank, intended for its employees and directors, if any; and

c) documents made available to shareholders based on General Meeting Resolution;

III – divulge at its Internet page the following information, among other:

- a) referred to in arts. 41 and 42 of these Bylaws;
- b) divulged at the public meeting referred to in item I of this article; and
- c) provided to the stock exchange as provided for in item II of this article;

IV – adopt measures in order to dilute ownership when distributing new shares, such as:

- a) assurance of access, to all the interested investors, or
- b) distributing to individuals or non-institutional investors at least 10% of issued shares;

## **CHAPTER IX - MISCELANEOUS**

### **Admission to the Bank's staffs**

Art. 48. Only Brazilians will be granted admission to the Bank's staffs in the country.

Sole Paragraph. Portuguese citizens resident in Brazil may also be employed by the Bank, provided that they are entitled to equal rights and have equal civil obligations and enjoy legally recognized political rights.

Art. 49. Admission to the staffs of the Bank will take place through approval in a public competitive examination test.

Paragraph 1 - The Bank's employees are subject to labor legislation and to the internal regulations of the company.

Paragraph 2 - Professionals may be hired, on a trial basis and dismissible "ad nutum", to perform the roles of special advisor to the President, observing the maximum allocation of three Special Advisors to the President and one Private Secretary to the President.

### **Official publications**

Art. 50. The Board of Officers will arrange for publication of in the Official Federal Gazette, of the Regulation of Bids of Banco do Brasil.

### **Evaluation of risk analysis processes**

Art. 51. The Bank will periodically contract an external audit firm to evaluate the credit, market, liquidity and operational risk analysis process, and the process of deferral of operations of the Institution, submitting the results of the work to the examination of the Board of Officers, Supervisory Board and Board of Directors.

### **Arbitration**

Art. 52. The Bank, its shareholders, senior managers and Supervisory Board members agree to resolve through arbitration, before the market's Listing Regulations, any and all disputes or controversies that may arise among them, especially those related to or arising from the application, validity, effectiveness, construction, violation and related effects of the provisions of the Corporate Law, the Bank's bylaws, the rules issued by the National Monetary Council, the Brazilian Central Bank and the Securities and Exchange Commission, as well as other rules applicable to the capital market's overall operation, those provided for by the Novo Mercado Listing Rules of BM&FBOVESPA, the Arbitration Rules of the Arbitration Chamber, the contract for participation, and the Novo Mercado Sanction Rules.

Paragraph 1 - The provisions included in the head of this article are not applicable to the disputes or controversies related to the own activities of the Bank, as an institution that takes part of the National Financial System, and those activities provided for in art. 19 of Law 4595, as of December 31, 1964, and other laws that assign it roles of financial agent, administrator or manager of public funds.

Paragraph 2 - Also exclude from the caput, the disputes or controversies involving unavailable rights.

Art. 53. As provided for by the Board of Directors, the Bank shall guarantee to its current and former members of the Board of Directors, Supervisory Board, Executive Board, as well as Audit Committee and other technical or advisory bodies created in accordance with these bylaws, defense in lawsuits and administrative proceedings against them filed due to acts over the term of their offices, provided that no fact is found that may result in civil liability lawsuit nor conflict with the interests of the Bank, its subsidiaries or its controlled or affiliate companies.

Sole Paragraph. The Board of Directors may also, in the manner defined thereby and in compliance, as applicable, with the contents of the main provision of this article, authorize the contracting of insurance on behalf of the members and former members of the statutory bodies listed in the main provision to safeguard them from liability for acts or events for which they might be legally or administratively challenged in the future, covering the entire period of exercise of their respective terms of office.

## **CHAPTER X – CONTROLLING SHAREHOLDER’S OBLIGATIONS**

### **Sale of controlling interest**

Art. 54. The direct or indirect sale of the Bank’s controlling interest, both by means of a single operation, and by means of successive operations, can only be contracted under the suspensive or resolute condition, that the acquirer undertakes to, in compliance with the conditions and terms provided for in the current legislation and in the Listing Regulation of the New Market of BM&FBOVESPA, organize a public offering of acquisition of the shares of the other shareholders, guaranteeing that these receive treatment equal to that provided to the selling controlling shareholder.

Paragraph 1 - The public offering, set forth in the main provision of this article, shall also be held when there is (i) onerous assignment of rights to subscription of shares and of other bills or rights relating to securities convertible into shares, which result in the transfer of ownership of the Bank; or (ii) in case of transfer of ownership of a company that has control over the Bank, whereas in this case, the transferring controlling shareholder shall be obligated to declare to BM&FBOVESPA the value attributed to the Bank in this transfer of ownership and to attach documentation supporting this amount.

Paragraph 2 - The party that acquires controlling interest, under a share purchase agreement entered into with the controlling shareholder, involving any quantity of shares, shall be obligated to: (i) consummate the public offering referred to in the main provision of this article; and (ii) pay, under the terms indicated below, a sum equivalent to the difference between the price of the public offering and the value paid for any shares purchased on an exchange in the six (6) months prior to the date of acquisition of controlling interest, duly restated up to the payment date. The aforesaid amount shall be distributed among all the persons that sold shares of the Bank at the trading sessions in which the acquirer made the purchases, in proportion to the daily net sales balance of each one, whereas BM&FBOVESPA is responsible for carrying the distribution into effect, under the terms of its regulations.

Paragraph 3 - The selling controlling shareholder will only transfer the ownership of his or her shares if the buyer signs the Record of Consent of Controlling Shareholders. The Bank will only register the transfer of shares to the buyer, or to those that hold the Control Power, if this individual/these individuals sign(s) the Record of Consent of Controlling Shareholders to which the Listing Regulation of the “Novo Mercado” of BM&FBOVESPA alludes.

Paragraph 4 - The Bank shall only register the shareholders agreement that provides for the exercise of Control if its signatories sign the Statement of Consent from Controlling Shareholders.

### **Going Private**

- Art. 55. If the Bank goes private with consequent cancellation of publicly-held company registration, a minimum price shall be offered for the shares, corresponding to the economic value determined by a specialized company chosen by the General Meeting, which has independence and proven experience, as established in Law no. 6404, of December 15, 1976, and as provided for in the Sole Paragraph of Article 10.
- Paragraph 1 - In the case of the Bank's withdrawal from the New Market of BM&FBOVESPA, for the securities issued thereby to be henceforth registered for trading outside the New Market, or by virtue of a corporate reorganization operation in which the company resulting from this reorganization does not have its securities permitted for trading in the New Market, within one hundred twenty (120) days from the date of the general meeting that approved the aforesaid operation, the Controlling Shareholder shall carry out a public offering for purchase of the shares belonging to the other shareholders of the Bank, at a minimum, in the respective economic value, to be determined in an appraisal report prepared under the terms of Paragraph 3 of this Article and of the Sole Paragraph of Article 10, in compliance with the applicable rules of law and regulatory norms."
- Paragraph 2 - The costs arising from the engagement of the specialized company dealt in the head of this Article shall be borne by the controlling shareholder.
- Paragraph 3 - The appraisal reports referred to in this Article shall be prepared by a specialized institution or company, with proven experience and independence in relation to the power of decision of the Bank, of its directors and/or of the controlling shareholder(s), besides meeting the requirements of Paragraph 1 of Article 8 of Law no. 6404/76, and contain the responsibility provided in Paragraph 6 of the same Article.
- Art. 56. In the event there is no Controlling Shareholder, and if it is decided that the Bank shall withdraw from the New Market of BM&FBOVESPA, for the securities issued thereby to be registered for trading outside the New Market, or by virtue of a corporate reorganization operation, in which the company resulting from this reorganization does not have its securities permitted for trading in the New Market, within one hundred twenty (120) days from the date of the general meeting that approved the aforesaid operation, the withdrawal shall be dependent on the occurrence of a public share offering under the same conditions provided in Article 55 of these Bylaws.
- Paragraph 1 - Said shareholders' meeting shall define people responsible for performing the tender offer for the acquisition of shares; people who are present in the meeting and shall expressly assume the obligation of conducting the offer.
- Paragraph 2 - In case people responsible for performing the tender offer for the acquisition of shares are not defined, and the corporate reorganization results in a company that does not have its securities accepted to be traded in the New Market, shareholders that voted in favor of the corporate reorganization are responsible for conducting said tender offer.
- Art. 57. The withdrawal of the Bank from the New Market of BM&FBOVESPA due to nonperformance of obligations contained in the New Market Regulation is dependent on the consummation of a public share offering, at a minimum, in the economic value of the shares, to be determined in the appraisal report referred to in the Sole paragraph of Article 10 and Paragraph 3 of Article 55 of these Bylaws, in compliance with the applicable rules of law and regulatory norms.
- Paragraph 1 - The Controlling Shareholder should carry out the public share offering established in the main provision of this article.
- Paragraph 2 - In the hypothesis of absence of a Controlling Shareholder and delisting from New Market referred to in the heading resulting from a Shareholders' Meeting resolution, shareholders that voted in favor of the resolution that caused noncompliance shall perform the tender offer for the acquisition of shares provided for in the heading.
- Paragraph 3 - If there is no Controlling Shareholder and the withdrawal from the New Market referred to in the main provision occurs on account of a management act or event, the Bank's directors shall call a general meeting of shareholders with its agenda involving the decision on how to remedy the nonperformance of obligations contained in the New Market Regulation or, as the case may be, to decide on the Bank's withdrawal from the New Market.

Paragraph 4 - If the general meeting mentioned in Paragraph 3 above decides on the Bank's withdrawal from the New Market, the aforesaid general meeting shall define the party(ies) responsible for the performance of the public share offering established in the main provision, and these parties, present at the meeting, shall expressly assume the obligation of holding the offering.

**Free-floating shares**

Art. 58. The controlling shareholder shall take measures to keep a free float of at least 25% of the shares issued by the Bank.

**CHAPTER XI – TEMPORARY PROVISIONS**

Art. 59. The measures provided for in art. 43 of these bylaws shall be implemented after the Board of Directors defines a schedule.

Brasília (DF), April 28th, 2015.