



# **POLICY OF USE AND DISCLOSURE OF INFORMATION AND TRADING OF SECURITIES OF SANTOS BRASIL PARTICIPAÇÕES S.A.**

## **SANTOS BRASIL PARTICIPAÇÕES S.A.**

### **POLICY OF USE AND DISCLOSURE OF INFORMATION AND TRADING OF SECURITIES OF SANTOS BRASIL PARTICIPAÇÕES S.A.**

#### **1 PURPOSE**

- 1.1** In compliance with the CVM Instruction No. 358, this Policy has as purpose to establish (i) the procedures related to the disclosure and use of information on the Company's Material Facts of Acts, also including procedures to maintain the confidentiality of non-disclosed material information; and (ii) requirements and limits for the negotiation of securities issued by the Company by the Company itself and certain Related Persons.

#### **2 PERSONS SUBJECT TO THIS POLICY**

- 2.1** The Related Persons must comply with the guidelines established herein, which are included in this definition: (i) Controlling Shareholders, officers, members of the Board of Directors, of the fiscal council and of any bodies of the Company with technical or advisory functions, created by statutory provision; (ii) employees and executives with access to Privileged Information; and (iii) whoever, due to his/her position or title in the Controlling Shareholders, Subsidiaries or Affiliated Companies, has the knowledge of Privileged Information.
- 2.2** The Related Persons must execute the relevant Accession Agreement to this Policy, under the form included in Exhibit I, which shall be filed at the Company's headquarters while the Related Person maintains a bond with the Company, and for, at least, five (5) years after its withdrawal.
- 2.3** The Company shall keep, in its headquarters, the list of persons who executed the Accession Agreement, with the relevant qualifications, position or title, address and number of Corporate or Individual Taxpayers' Registry, and such information shall be immediately updated whenever there is change. The list shall be made available to CVM at all times.

#### **3 DEFINITIONS**

- 3.1** The terms and expressions listed below, when used herein, shall have the following meaning:

**Controlling Shareholders:** means the shareholder or group of shareholders bound by a shareholders' agreement or under common control that exercises the Company's control power, pursuant to Law No. 6.404/76 and subsequent amendments thereto.

**Managers:** members of the Board of Directors, Board of Executive Officers, Fiscal Council and any bodies of the Company with technical or advisory functions, created by statutory provision.



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**Material Act or Fact:** means any decision of a Controlling Shareholder, resolution of the general shareholders' meeting or management bodies of the Company, or any other act or fact of a political and administrative, technical, legal, business related, or economic and financial nature, occurred or related to its businesses which may substantially influence:

- (i) the price of the Securities;
- (ii) the investors' decision to purchase, sell or hold the Securities;
- (iii) the investors' decision to exercise any rights inherent to the status of holder of the Securities.

**Stock Exchange:** group of the Stock Exchanges and/or organized over-the-counter market entities (foreign or domestic), in which the Securities are or may be admitted for trading.

**Company: Santos Brasil Participações S.A.**

**"Accredited Brokerage Companies":** the securities brokers specifically accredited by the Company to trade its Securities by Related Parties.

**CVM:** Brazilian Exchange and Securities Commission.

**Investor Relations Officer:** officer appointed by the Company's Board of Directors, who is responsible for the provision of information to the investors, CVM and the Stock Exchanges, as well as for the update of privately-held company registration, which shall also be responsible for the execution and follow up of disclosure and trading policies herein established.

**Former Managers:** the Managers who no longer belong to the Company management.

**Privileged Information:** information regarding the Material Act or Fact that has not been disclosed to the market, pursuant to the legislation or this instrument, and to which the Related Persons shall have access due to their title or position.

**CVM Instruction No. 358:** Instruction nº 358, of January 03, 2002, as amended, which provides for the disclosure and use of information on any Material Act or Fact involving publicly-held companies, as well as for the trading of Securities issued by publicly-held companies, while a relevant fact not disclosed to the market, amongst other matters, is still pending.

**CVM Instruction No. 400:** means CVM Instruction No. 400, dated December 29, 2003, which provides on the public offerings of distribution of securities, in the primary and secondary markets.

**Material Shareholding Interest:** direct or indirect interest equivalent to five percent (5%) or more in cash or class of shares representing the Company's capital stock.

- 3.2** **Related Persons:** regarding the Company, together or individually, (i) Controlling Shareholders, officers, members of the Board of Directors, fiscal council and any bodies of the Company with technical or advisory functions, created by statutory provision, (ii) employees and executives with access to Privileged Information, and (iii) whoever, due



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to his/her position or title in the Controlling Shareholders, Subsidiaries or Affiliated Companies, has the knowledge of Privileged Information.

Policy: this Policy of Disclosure of Information and Trading of Securities of Santos Brasil Participações S.A.

Trading Policy: Securities Trading Policy, approved by the Company's Board of Directors pursuant to Article 15 of CVM Instruction No. 358, described herein.

Individual Investment Plans: individual acquisition plans for securities filed at the Company's headquarters, through which the Related Persons have indicated their intent of investing with their own funds, on a long term basis, in the Securities.

Affiliated Companies: Companies in which the Company has ten percent (10%) or more, without control.

Subsidiaries: means the companies in which the Company, directly or through other subsidiaries, is the holder of shareholder's rights that permanently ensure the majority of votes on corporate resolutions and the power to elect the majority of the managers.

Accession Agreement: Accession Agreement to this Policy, document to be executed under article 16, § 1, of CVM Instruction No. 358, pursuant to Exhibit I to this Policy.

Securities: in its broadest sense, any shares, debentures, warrants, subscription rights and depositary receipts, promissory notes, call or put options, options on equity indices and other equity-based securities and derivatives of any kind, or any collective investment securities or contracts issued or established by the Company, or securities backed by any such assets, provided these are legally defined as securities.

### **4 GUIDELINES**

- 4.1** This Policy is based on the following principles of the Brazilian capital markets: (i) provision of full information to the potential investors and general market, to the Stock Exchanges, and, especially, to the Company's shareholders; (ii) guarantee of broad and timely disclosure of Material Act or Fact, as well as diligence for the secrecy when it has not been disclosed; and (iii) consolidation of good corporate governance practices.
- 4.2** The Related Persons must act before the Company and any third parties, whether they are agents of the capital markets or not, complying with this Policy and the principles of good faith, loyalty, integrity and accuracy.
- 4.3** The Related Persons must always take into account their role regarding the general society, the Company and its employees, and regarding the domestic or foreign regulatory bodies.
- 4.4** The clear, accurate and full information constitutes the main instrument available to the investors and, especially, to the Company's shareholders, for them to have a fair treatment ensured.
- 4.5** The Related Persons are responsible for allowing the access of all investors to Material Facts or Acts, and the use of any Privileged Information is prohibited, in any form, for their own benefit or for the benefit of third parties.



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- 4.6** The Related Persons shall ensure that the disclosure of information on the Company's business or its main shareholders, as the case may be, in the domestic or foreign market, is fully and timely performed, and it must also include the accurate and precise reality of the Material Act or Fact to be disclosed.
- 4.7** Subject Persons are expected and required to ensure that financial and other information disclosed by the Company's equity and financial condition shall be true, accurate and complete, as continually developed under supervision of the managers charged with such responsibility, and they also shall cover data on the improvement of its relevant shareholding positions, pursuant to this Policy and the legislation in force.

### **5 INFORMATION DISCLOSURE POLICY**

- 5.1** The Investor Relations Officer is responsible for submitting to CVM, through an electronic system available at the CVM's webpage, and to the Stock Exchanges, any Material Act or Fact that has occurred or related to the Company's business, as well as to ensure its broad and immediate concurrent disclosure in all markets in which such Securities are admitted for trading, including pursuant to item 5.2 below.
- 5.2** The disclosure of Material Act or Fact shall occur through a news portal in the internet, which provides, in a section available for free access, the information in its integrity.
- 5.2.1** The Company may, for each disclosure of Material Act or Fact, choose for performing it in a summarized form, including the minimum elements necessary for the understanding, with indication of the URLs where the full information is available, in the content, at least, identical to the one submitted to CVM and the Stock Exchanges.
- 5.2.2** The disclosure of Material Act or Fact, including under the summarized form, shall be performed in a clear and accurate way, in a language that is accessible to the investors.
- 5.3** The Controlling Shareholders and the Managers shall notify any Material Act or Fact of which they become aware to the Investor Relations Officer, who shall promote its disclosure under this Policy and under the applicable legislation.
- 5.3.1** If the persons mentioned in item 5.3 above verify the omission of the Investor Relations Officer in the compliance with its notice and disclosure duty, and provided that the maintenance of secrecy on the Material Act or Fact has not been disclosed (pursuant to article 6 of CVM Instruction No. 358) shall immediately notify the Material Act or Fact directly to CVM in order to be exempt from the responsibility imposed by the applicable legislation.
- 5.4** The Investor Relations Officer shall cause the disclosure of any Material Act or Fact pursuant to this Policy and the applicable legislation to precede or to be performed concurrently to the disclosure of the Material Act or Fact by any communication means, including communication to press, or in meetings of class organizations, investors, analysts or with selected audience, in Brazil or abroad.
- 5.4.1** The meetings with class organizations, investors, analysts or with the selected audience, in Brazil or abroad, regarding the matter that may constitute Privileged Information shall be attended by the Investor Relations Officer or any other



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person indicated for any such purpose, or to have the meetings' content, in which may represent Privileged Information, reported to the Investor Relations Officer.

- 5.5** The disclosure of Material Act or Fact shall occur, whenever possible, before the beginning or after the closing of trading at the Stock Exchanges.
- 5.5.1** If such rule application is not possible due to the hours of trading of the domestic and foreign market, the domestic market operating hours shall prevail.
- 5.5.2** If the disclosure of Material Act or Fact is mandatory during the Stock Exchange operational hours, the Investor Relations Officer may, at the disclosure, request the concurrent interruption of the Securities trading at the Stock Exchanges for the time needed to the proper disclosure of the material information. The request mentioned in this item shall only be effective in Brazil if the interruption is also accepted by the foreign Stock Exchanges where the Securities are also admitted for trading.
- 5.6** The changes in the communication channel used by the Company for the disclosure of Material Act or Fact shall be preceded of: (i) this Policy's update; (ii) update of the Company's registration form; and (iii) disclosure of the change to be implemented, in the form used by the Company until then, for the disclosure of Material Act or Fact.
- 5.7** The Investor Relations Officer shall notify CVM and the Stock Exchanges and disclose to the market, as the case may be, any Material Act or Fact that he/she may disclose abroad, due to the application or rules or establishments of regulatory entities of the foreign Stock Exchanges or capital markets.
- 5.8** The disclosure of information in Securities' public offering operations relying on registration with CVM shall comply with the provisions in this section 5, and the offeror shall, immediately after resolving, perform the public offering (except in the event of procedure of confidential preliminary analysis for registration of Securities public distribution), disclose the number of Securities to be purchased or sold, price, payment conditions and other conditions the offering may be subject to.
- 5.8.1** In the event of public offering subject to the implementation of conditions, the offeror shall disclose the Material Fact whenever the conditions are verified, clarifying if the offering shall be maintained, and under which conditions, or if the offering shall lose its effectiveness.
- 5.8.2** The primary or secondary public offering of Securities shall only be disclosed when it reasonably influences, (i) in the Securities' quotation; (ii) in the investors' decision to purchase, sell or maintain the Securities; or (iii) in the investors' decision to exercise any rights inherent to the condition of Securities holder.
- 5.9** The disclosure of information in operations of disposal of Company's shareholding control shall comply with the provisions in this section 5, and the acquirer shall notify CVM and the Stock Exchanges, as well as to disclose Material Act or Fact comprising, at least, (i) its name and qualification, including a brief summary of its operation sector and activities; (ii) name and qualification of the seller, including if indirect; (iii) price and payment conditions; (iv) acquisition's purpose, (v) number and percentage of acquired shares; (iv) information on agreements or contracts governing the voting right or the



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right to purchase and sell Securities; (vii) statement regarding the intention, or not, to promote, within one year, the cancellation of publicly-held company registration; and (viii) other material information regarding future plans.

### **5.10 EXCEPTION TO THE IMMEDIATE DISCLOSURE**

- 5.10.1** Material Facts or Acts may, exceptionally, not be disclosed if the Controlling Shareholders or managers believe that their disclosure will put a legitimate interest of the company at risk.
- 5.10.2** If the information regarding the Material Facts or Acts referred to in item 5.10.1 above gets out of control or if in the event of atypical fluctuation of Securities' quotation, price or traded volume, such Material Facts or Acts must be disclosed, whether directly through the Managers or the Controlling Shareholders, or indirectly, through the Investor Relations Officer.
- 5.10.3** If the Material Act or Fact is related to transactions directly involving the Controlling Shareholders and any such Controlling Shareholders elect for the non-disclosure thereof, the Controlling Shareholders shall inform the Investor Relations Officer thereon.
- 5.10.4** The Managers and the Controlling Shareholders submit to the CVM their request of, exceptionally, keep as confidential Material Facts or Acts whose disclosure in their judgment would jeopardize legitimate business interests of the Company, provided that the request to CVM shall be made in a sealed envelope marked "CONFIDENTIAL" to the attention of the CVM's Chief Executive Officer

### **5.11 Confidentiality Obligation**

- 5.11.1** The Related Persons must keep confidentiality on the Privileged Information they have access to due to positions or title they hold, until its market disclosure, and they must also cause the trustful subordinated and third parties employees to also maintain any such confidentiality, being any such trustful subordinated and third parties employees, together with the foregoing persons, also liable for the noncompliance with the confidentiality obligation.
- 5.11.2** The Related Persons shall cause the Company's service providers, including independent auditors, securities analysts, advisors and institutions comprising the distribution system, to equally comply with the confidentiality obligation.
- 5.11.3** In the event of doubt with respect to the significance of the Privileged Information, the Related Person shall contact the Company's Investor Relations Officer for avoidance of any such doubt.
- 5.11.4** The Related Persons shall also:
  - (i) Abstain from taking advantage of privileged information to obtain any type of direct or indirect financial advantage, including through trades in Company securities or financial assets backed by said securities, whether for his or her own benefit or for the benefit of third parties;



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- (ii) Exercise diligence to prevent violations of the provisions in this article through subordinate persons or trusted third parties, provided any such violation shall entail joint liability with the latter persons;
- (iii) Comply with the provisions in articles 11 and 12 of CVM Instruction No. 358 regarding the notices to the Company, CVM and Stock Exchanges in relation to the purchase or sell of Company's Securities, or underlying Securities, that the Related Persons hold, as the case may be;
- (iv) Exclusively involve the persons deemed indispensable in actions that may result in Material Facts or Acts;
- (v) Not to discuss the Privileged Information in the presence of third parties that are not aware of it, even if it may be expected that such third party cannot know intuitively the meaning of the conversation;
- (vi) not to discuss the Privileged Information in conference calls in which one cannot be sure who are the persons that may participate of it;
- (vii) Keep any type of documents related to the Privileged Information, including personal handwriting notes, in vault, cabinet or closed file, to which only authorized persons who know the information have access;
- (viii) Generate documents and electronic files referring to the Privileged Information always with a password protection;
- (ix) Circulate internally the documents containing Privileged Information in sealed envelopes, which shall always be delivered directly to the related addressee;
- (x) Not to send documents with Privileged Information by facsimile, unless one can be sure that only the authorized person to be aware of the information will have access to the receiving device; and
- (xi) Without prejudice of the responsibility of the one who is transmitting the Privileged Information, require to third party external to the Company that needs to have access to the Privileged Information the execution of a non-disclosure agreement, in which the nature of the information should be specified and contain the statement that the third party recognizes its confidential nature, undertaking not to disclose it to any person, nor trade with Securities before the disclosure of the Privileged Information to the market.

**5.11.5** When the Privileged Information needs to be disclosed to a Company's employee or another person holding a position, title or duty in the Company, in the Controlling Shareholders, in the Subsidiaries or in the Affiliated Companies, that is not a Company's Manager, the person responsible for the transmission of information shall ensure that the person receiving it is aware of this Policy, also requiring the receiving person to execute the Accession Agreement before providing the option of information access.

**5.11.6** The Investor Relations Officer shall evaluate the maintenance of secrecy of Material Act or Fact, and, if deemed necessary, it may submit the maintenance



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of Material Act or Fact in confidentiality to the resolution by the Board of Directors.

**5.11.7** Pursuant to article 48, item I of CVM Instruction No. 400, when the Company and/or its shareholders are involved in a future or present public offering for distribution of Securities, the Related Persons shall limit, until the offering is disclosed to the market, (i) the disclosure of information related to the offering only to the necessary for the purposes thereof, warning the recipients on the confidential nature of the information provided, and (ii) the use of confidential information strictly to the purposes related to the preparation of the offering. In addition:

- (i) The Related Persons shall also abstain from manifesting themselves in the media in relation to the offering or the offeror, until the publication of the “Announcement on Distribution Closing” (CVM Instruction No. 400, article 48, item IV);
- (ii) As from the moment when the offering becomes public, the Related Persons shall, when disclosing information related to the Company or to the offering: (a) comply with the principles related to quality, transparency and equality of access to information; and (b) clarify their links with the Company or their interest in the offering, in its manifestations in subjects involving the offering, the Company or the Securities subject matter of the offering (CVM Instruction No. 400, article 48, item V); and
- (iii) The Company and/or its shareholders involved in the offering shall ensure the accuracy and compliance of all and any information provided to any investors, through any means used, with the information comprised in the prospectuses used in the Securities’ public distribution (CVM Instruction No. 400, article 49).

### **5.12 Disclosure of Information on Trades by Certain Related Persons**

**5.12.1** Pursuant to article 11 of CVM Instruction No. 358, the Managers shall notify the Company about the number, characteristics and form of acquisition of the Securities and securities issued by Controlling Shareholders or Subsidiaries that are publicly-held companies, or underlying securities, that they hold, as well as any future changes in their positions.

**5.12.2** The communication shall also indicate the Securities that are held by their relevant spouses, partners, dependents included in annual income tax return and subsidiaries, directly or indirectly.

**5.12.3** The communication shall be submitted to the Investor Relations Officer, pursuant to form attached to this Policy as Exhibit II: (i) within five (5) days after the performance of each trade; or (ii) on the first business day after taking office.

**5.12.4** The information comprised in such communication shall be submitted by the Company to CVM and to the Stock Exchanges within ten (10) days after the end of the month in which the changes of held positions are verified, or the end of the month in which the investiture of the Managers occur.





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### **5.13 Disclosure of Information on Purchase and Sell of Material Shareholding Interest and on Trades of Controlling Shareholders and Shareholders**

- 5.13.1** The Controlling Shareholders and the shareholders electing the members of the Board of Directors or fiscal council of the Company, as well as any individual or legal entity, or group of persons, acting together or representing a single interest, who achieves Material Shareholding Interest, shall submit a statement to the Company, pursuant to the form attached to this Policy as Exhibit III.
- 5.13.2** The disclosure of the statement provided in item 5.13.1 above is also mandatory to the person or group of persons representing a the same interest, holding Material Shareholding Interest, every time such interest directly or indirectly exceeds, over or under, the thresholds of five percent (5%), ten percent (10%), fifteen percent (15%), and so on, of type or class of shares representing the Company's capital stock.
- 5.13.3** The communication to the Company shall be submitted immediately after the Material Shareholding Interest is achieved or exceeding the thresholds described in item 5.13.2 above.
- 5.13.4** The Investor Relations Officer is responsible for, as soon as the communications are received by the Company, transmitting the information comprised therein to CVM and to the Stock Exchanges, as well as to keep the reference form updated in the relevant field through the electronic system Empresas.net.
- 5.13.5** In the events when the acquisition results in or that has been performed with the purpose to change the control or the administrative structure of the Company, as well as in the events where the acquisition generates the obligation of performing the public offering, under the applicable regulation, the acquirer shall also promote the disclosure of notice to the market comprising the information of Exhibit III through publication in widely-circulated newspapers usually used by the Company.

## **6 TRADING POLICY**

- 6.1** The purpose of the Trading Policy is to set guidelines that shall govern, in an orderly way and within the limits established by law, trading activities in securities issued by the Company, pursuant to the provisions of CVM Instruction No. 358, whereas preserving and ensuring transparency.
- 6.2** Aiming to ensure proper standards of trading Securities and securities issued by the Subsidiaries that are publicly-held companies, the Company may choose to accredit Accredited Brokerage Companies to intermediate, on an exclusive basis, all tradings, by the Company and the Related Persons with Securities. In such event, the Company shall notify the Related Persons for them to start exclusively using the indicated list of Accredited Brokerage Companies in their tradings with Securities. Additionally, the list of the Accredited Brokerage Companies, as well as any updates, shall be submitted to CVM.
- 6.3** The Company, Subsidiaries and Related Persons shall abstain from trading with Securities during all the Black-out Periods communicated by the Investor Relations



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Officer. The Investor Relations Officer is not under the obligation to present grounds for the decision to establish the “Black-Out Period”, which shall be treated confidentially by those to which it is intended.

- 6.4** The Related Persons shall abstain from trading Securities:
- 6.4.1** before the disclosure of Material Act or Fact to the market;
  - 6.4.2** if there is the intention of promoting spin-off (partial or total), merger, transformation or corporate reorganization of the Company; or
  - 6.4.3** regarding the Controlling Shareholders and Managers, whenever they a purchase or sale of shares issued by the Company is being performed by the Company itself, Subsidiaries, Affiliated Companies or other company under common control, or when an option or power-of-attorney is granted for such purposes.
  - 6.4.4** during the period of fifteen (15) days prior to the disclosure of quarterly information (ITR) and annual information (DFP) of the Company; or
  - 6.4.5** until the publication of “Announcement on Distribution Closing”, in the events where the Company and/or its shareholders are involved in future or present public offering for distribution of Securities, except for the exceptions provided in CVM Instruction No. 400, pursuant to its article 48, item II.
- 6.5** If the Company accredits the Accredited Brokerage Companies, they shall be instructed by the Company to not register operations of the Related Persons for the period mentioned in item 6.4.4 above.
- 6.6** The prohibition for trading Securities before the disclosure of Material Act or Fact shall also apply to:
- 6.6.1** whoever is aware of information related to the Material Act or Fact and knows this is information not disclosed to the market yet, especially those who have commercial, professional or trust relation with the Company, such as independent auditors, securities analysts, advisors and institutions part of the distribution system; those are liable to verify the information disclosure before trading with the Company’s Securities; and
  - 6.6.2** the Former Managers who no longer belong to the Company’s management before the public disclosure of Material Act or Fact related to the trading or fact that arose during his/her management period, and in this case, the prohibition is extended through the term of six (6) months after their removal.
- 6.7** The prohibition of trading Securities in the event provided in item 6.4.1 above does not apply to the acquisition of shares held in treasury, through private trading, due to the exercise of purchase option pursuant to the call option plan for shares issued by the Company approved at a shareholders’ meeting, or when it is regarding grant of shares to managers, employees or service providers as part of a compensation previously approved at a shareholders’ meeting.
- 6.8** In the events of prohibition provided in the items above, even after the disclosure of Material Act or Fact, the trading prohibition shall continue to prevail if it – at the



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Company's discretion – interferes in the conditions of trading with Securities, in a way to result in loss for the Company or its shareholders, and such additional restriction shall be informed by the Investor Relations Officer.

- 6.9** It is also prohibited to the Company's competent bodies to resolve on the purchase or sale of shares issued by the Company: (i) if any agreement or contract is executed in relation to the transfer of Company's shareholding control, or if an option or power-of-attorney is granted for such purpose; or (ii) if there is the intention to promote the merger, spin-off, incorporation, transformation or corporate reorganization involving the Company, while, in any event, the relevant operation is not disclosed through publication of the Material Act or Fact.
- 6.10** If, after the approval of repurchase program, any fact comprised in any of the three events above occurs, the Company will suspend immediately the transactions with Securities until the disclosure of the related Material Act or Fact.
- 6.11** The restrictions for trading during the periods described in items 6.4.1 and 6.4.2 do not apply to the Related Persons when they perform operations as long-term investments (minimum term of 12 months), satisfying at least one of the following characteristics:
- (i) subscription or purchase of shares pursuant to the exercise of the options granted according to the stock option plan of the Company;
  - (ii) execution by the Company, of the purchases subject matter of the repurchase program of shares for cancellation or to be held in treasury;
  - (iii) investment of variable income received as profit sharing, in the acquisition of Securities; or
  - (iv) performance, by the Related Persons, of Individual Investment Programs.
- 6.12** The restriction provided in item 6.4.5 shall only be effective on days in which the repurchase is being effectively performed by the Company, in a way that, during the effectiveness of the repurchase program, there shall not be prohibition on the days in which the Company is not acquiring Securities.
- 6.13 Individual Investment Plan**
- 6.13.1** The Related Persons may formalize Individual Investment Plans in order to normalize its trading with Securities.
- 6.13.2** The Individual Investment Plans may allow the trading of Securities during the periods provided in items 6.4.1 to 6.4.3, provided that:
- (i) they are formalized by writing before the Investor Relations Officer prior to the performance of any tradings;
  - (ii) establishes, on an irrevocable and irreversible basis, the dates and amounts or quantities of trades to be performed by the participants; and
  - (iii) provides a term of, at least, six (6) months for the Individual Investment Plan, any changes and cancelation to produce effects.



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- 6.13.3** The Individual Investment Plans may allow trading of Securities during the period provided in item 6.4.4, provided that, in addition to complying with the provisions in item 6.13.2:
- (i) the Company has approved a schedule defining specific dates for disclosure of the Quarterly Information (ITR) and Financial Statements (DFP);
  - (ii) the Individual Investment Plan establishes the obligation of its participants to revert to the Company any losses prevented or gains at trading with Securities, arising out of the potential change of the disclosure dates of ITR and SFS forms, ascertained based on reasonable criteria to be established by such Investment Individual Program.
- 6.14** For purposes of provisions in item 6.13.2(i), the Individual Investment Plan may be formalized within thirty (30) days in advance before the beginning of the trading.
- 6.14.1** The restriction of term abovementioned shall not prevail to the first Individual Investment Plan registered after the effectiveness hereof.
- 6.15** Except in the event of force majeure, which in any event shall be justified in writing, the Securities acquired under the Individual Investment Program shall be subject to a ninety-day lock-up period starting from the date the securities are purchased.
- 6.16** The participants of Individual Investment Plan may not concurrently maintain more than one Individual Investment Plan.
- 6.17** The Board of Directors shall verify and follow-up, in January and December of every year, the adherence of tradings performed by the participants of the Individual Investment Plans formalized by them.
- 6.18** Without prejudice of option for longer term as provided in item 6.13.2(iii), the Company suggests that, whenever possible, the Individual Investment Plans have a six (6) months term and be formalized in June and December of each year, for the beginning of trading in July and January, respectively, and be subject to verification by the Board of Directors at the end of its effectiveness, as provided in item 6.17 above.

## **7 PENALTIES**

- 7.1** Without prejudice to the sanctions applicable due to the violation of legislation in force, the Company's Board of Directors may establish additional penalties to the Related Persons who do not comply with this Policy, taking into account the severity of breach committed and possible loss caused to the Company or the general market.

## **8 GENERAL PROVISIONS**

- 8.1** The prohibitions and obligations of communication of the trading set forth herein shall be applicable to any trading conducted, directly or indirectly, by the Related Persons, even in the events that the trading is performed through (i) company controlled by the foregoing persons; (ii) third parties with which a portfolio or share trust or management agreement is maintained



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- 8.2** The trading conducted by investment funds in which the Related Persons are unitholders shall not be deemed as indirect trading, provided that: (i) the investment funds are not exclusive; and (ii) the trading decisions of the investment fund manager are not affected by the unitholders.
- 8.3** The procedures to control the Securities trading shall be annually audited in the same occasion of the audit of the annual financial statements, by an independent company registered at CVM, after which such audit company shall issue a detailed report attesting the implementation of the procedure of control. The results and reports created by the external audit shall be submitted to CVM.
- 8.4** Pursuant to article 17, §3, of CVM Instruction No. 358, the Investor Relations Officer shall be responsible for the enforcement and overseeing this Policy.
- 8.5** Any change to this Policy shall be approved by the Board of Directors of the Company and notified to CVM and to the Stock Exchanges.
- 8.5.1** It is prohibited to change the Trading Policy during the period that the disclosure of Material Act or Fact is Pending.
- 8.6** The compliance with this Policy (i) does not hold the Related Persons harmless from any other obligations imposed by CVM or any other law or regulatory rule; and (ii) does not exclude the liability, resulted from legal and regulatory prescriptions, assigned to third parties that are not directly connected to the Company and who does not have knowledge on Material Act or Fact that they may trade with Securities.
- 8.7** Any question on the provisions hereof or on the application thereof shall be submitted directly to the Investor Relations Officer, who shall duly answer the question or guide you.
- 8.8** The non-authorized disclosure of non-disclosed Privileged Information on the Company is a damaging practice to the Company, its shareholders and the general market, and it is strictly prohibited.
- 8.9** The persons breaching the provisions hereof are subject to the procedures and penalties established by law and the other Company's acts.
- 8.10** This Policy has been approved by the Company's Board of Directors, at meeting held on August 23, 2017.
- 8.11** This Policy herein shall become effective on the date of its approval by the Board of Directors and it shall remain effective for an indefinite period, until resolved otherwise.

São Paulo, August 23, 2017.



**POLICY OF USE AND DISCLOSURE OF INFORMATION  
AND TRADING OF SECURITIES OF  
SANTOS BRASIL PARTICIPAÇÕES S.A.**

**Santos Brasil Participações S.A.**

*(Policy of Use and Disclosure of Information and Trading of Securities of Santos Brasil Participações S.A.)*

**Exhibit I**

**Accession Agreement to the Policy of Use and Disclosure of Information and Trading of Securities of SANTOS BRASIL PARTICIPAÇÕES S.A.**

By this instrument [insert name, qualification and address] hereinafter simply referred to as “Declarant”, as [indicate position, title or relationship with the company] of Santos Brasil Participações S.A., corporation headquartered in the City and State of São Paulo, at Rua Dr. Eduardo de Souza Aranha, 387, 2nd floor, suite 22, enrolled with CNPJ/MF under No. 02.762.121/0001-04, hereinafter simply referred to as “Company”, hereby declares to be fully aware of the “Policy of Use and Disclosure of Information and Trading of Securities of Santos Brasil Participações S.A.”, and that he/she has received a copy, establishing the internal policy regarding the use and disclosure of material information and trading of securities issued by the Company, and he/she undertakes to act always in compliance with such rules. The Declarant has executed this Accession Agreement in two (2) counterparts, same in format and content, in the presence of the two (2) undersigned witnesses.

[insert place and date of the signature]

[insert name and signature of the declarant]

Witnesses:

\_\_\_\_\_  
Name:

ID:

CPF:

\_\_\_\_\_  
Name:

ID:

CPF:



**POLICY OF USE AND DISCLOSURE OF INFORMATION  
AND TRADING OF SECURITIES OF  
SANTOS BRASIL PARTICIPAÇÕES S.A.**

**Exhibit II**

**Notice of Shareholding Position**

<b>Tradings performed with Securities issued by the Company or Controlling Shareholders or Subsidiaries (provided that they are publicly-held companies):</b>	
Period: [month/year]	
Name of the Buyer/Seller:	
Qualification:	
CNPJ / CPF:	
Date of business	
Issuing Company:	
Type of Business:	
Type of Security:	
Total Number:	
Number by Type and Class:	
Price:	
Brokerage Company Used:	
Other Significant Information:	



**POLICY OF USE AND DISCLOSURE OF INFORMATION  
AND TRADING OF SECURITIES OF  
SANTOS BRASIL PARTICIPAÇÕES S.A.**

**Exhibit III**

**Notice of Acquisition or Disposal of Material Shareholding Interest**

<b>Acquisition or Disposal of Material Ownership Interest</b>	
Period [month/year]:	
Name of the Buyer/Seller:	
Qualification:	
CNPJ / CPF:	
Date of Business:	
Issuing Company:	
Type of Business:	
Type of Security:	
Target Number:	
Number by Type and Class:	
Price:	
Brokerage Company Used:	
Purpose of the Interest:	
Number of debentures convertible into shares directly or indirectly held:	
Number of shares subject matter of conversion of debentures, by type and class, if applicable:	
Number of other Securities directly or indirectly held:	





**POLICY OF USE AND DISCLOSURE OF INFORMATION  
AND TRADING OF SECURITIES OF  
SANTOS BRASIL PARTICIPAÇÕES S.A.**

Indication of any agreement or contract governing the exercise of voting rights or the purchase and sale of Securities:	
Other Significant Information:	