

---

**M. DIAS BRANCO S.A. INDÚSTRIA E COMÉRCIO DE ALIMENTOS**  
Publicly-Held Company – Corporate Taxpayer ID (CNPJ): 07.206.816/0001-15 – Company Registry (NIRE): 2330000812-0

**INTERNAL REGULATIONS OF THE BOARD OF DIRECTORS**

The Board of Directors of M. DIAS BRANCO S.A. INDÚSTRIA E COMÉRCIO DE ALIMENTOS (the “Company”), in the exercise of the powers conferred upon it by the Bylaws, resolved to approve the following Internal Regulations:

**Chapter I – Purpose of the Internal Regulations**

Article 1. These Internal Regulations (“Regulations”) rule the operations of the Board of Directors (“Board”) and related committees, as well as the relations between the Board and other corporate bodies, pursuant to applicable legislation, the Company’s Bylaws and shareholders agreement, if any, filed at the Company’s headquarters.

**Chapter II – Mission of the Board of Directors**

Article 2. Respecting the Company’s values and shareholders’ purposes and beliefs, the Board shall safeguard the latter’s interests, protect and value the Company’s property and maximize investment returns, for the pursuit of the Company’s growth and continuation as a going concern.

**Chapter III – Scope of Operations and Purposes**

Article 3. The Board shall establish the Company’s general business guidelines and decide on strategic matters, exercising the powers conferred upon it by the Law and the Bylaws, in order to:

- I – Promote and observe the Company’s purposes;
- II – Safeguard the shareholders’ interests, also considering other stakeholders;
- III – Ensure the compliance with the Company’s Code of Ethics;
- IV – Promote and safeguard the Company’s sustainable growth and continuation as a going concern for the long term, involving economic, social, environmental and good corporate governance matters, when defining business and operations;
- V – Ensure that the Company has agile management structure and process, composed of skilled professionals of immaculate reputation;
- VI – Draw up the Company’s management guidelines, which will be reflected in strategic plan and annual and multi-year budgets;
- VII – Ensure that strategies and guidelines are effectively implemented by the board of executive officers; and
- VIII – Avoid and handle conflict of interests or divergence of opinion, deciding about them based on the Company’s values and purposes.

---

## Chapter IV – Composition and Requirements

Article 4. The Board composition is in compliance with the Law and the Bylaws, respecting the shareholders agreements, if any, filed at the Company's headquarters.

Article 5. The Board member shall have immaculate reputation. Non-eligible persons, except upon approval of the Shareholders' Meeting, are those who:

- I – occupy positions in companies deemed competitors by the Company; or
- II – have or represent interests conflicting with the Company's interests.

Article 6. The Board members will be invested in office by means of the execution of the instrument of investiture. For the execution of the instrument, the Board members shall deliver to the secretary the following documents:

- I – Copy of identification document;
- II – Copy of the Individual Taxpayer ID (CPF) document;
- III – Signed curriculum vitae;
- IV – Statement of immaculate reputation signed by the Board member elected, as required by the Brazilian Securities and Exchange Commission – CVM and Article 147, paragraphs 3 and 4, of Law 6404/76, amended by Law 10303/01;
- V – The following instruments, duly signed: (a) Instrument of Consent concerning the BM&FBOVESPA's *Novo Mercado* Listing Rules; (b) Instrument of Adhesion to the Security Trading Policy; (c) Instrument of Adhesion to the Material Act or Fact Disclosure Policy; and (d) Acknowledgment of Receipt and Instrument of Adhesion to the Code of Ethics; and
- VI – A statement that the member is not impeded from performing the duties in the exercise of the position.

Paragraph one. The Board member resident or domiciled abroad shall, up to the date of the investiture in office, appoint a proxy residing in Brazil, with powers to receive summons, to be valid for at least three (3) years after conclusion of the term of office.

Paragraph two. The Board members appointed by the Controlling Shareholders shall also sign the instrument of adhesion to the shareholders agreement, if any.

Article 7. It is incumbent upon the Chairman of the Board to preside over the meetings. In the absence or temporarily impediment of the Chairman of the Board, the Vice Chairman of the Board or, in the event of his/her absence, a Board member elected by the other directors shall act as the chairman of the meeting.

Sole Paragraph. The alternate members of the Chairman and the Vice Chairman will not perform the duties conferred upon these positions, replacing them merely as Board members.

Article 8. In the event of absence or temporary impediment of any Board member, he or she will be replaced by his or her corresponding alternate. In case of absence of the latter, the collective body will operate with the other members, provided that the minimum number of directors is observed. In the event of temporary impediment that precludes the minimum number of directors, a Shareholders' Meeting will be called immediately to elect members during the absence or temporary impediment so that the Board can duly operate.

Article 9. The definite vacancy of a position in the Board may be due to removal, resignation, death, proven impediment, invalidity, loss of term of office and other reasons provided for in Law.

Paragraph one. The director absent for three (3) consecutive annual meetings, without justification or license granted by the Board, will be permanently removed and his/her position will be vacant.

Paragraph two. In the event of definite vacancy of any Board member position, the alternate member will occupy it up to the following Shareholders' Meeting, which will elect a new member to complete the term of office.

Paragraph three. In case of cumulative voting in election of directors, the removal of any Board member will result in the removal of the others, and a Shareholders' Meeting must be called for a new election.

Article 10. In the event of vacancy of management position due to removal, resignation, death, proven impediment, invalidity or loss of term of office or other reason set forth by Law, the Board shall meet within fifteen (15) days after the event and elect a person to occupy the position up to the completion of the term of office of the person replaced.

Article 11. The Board members shall inform the Board of Executive Officers the number and characteristics of the securities obtained by them from the Company and its publicly-held subsidiaries or controlling companies, or related thereto, and how these securities were acquired, as well as the changes in their shareholding position. This information must be provided immediately after investiture of office, within five (5) days as of each transaction, informing the change in the shareholding position, indicating the initial position, the characteristics of operations and the final position.

Sole Paragraph. The caput of this article is also applicable to the acquisition of securities by the spouse, partner or any dependent included in the Board member's annual income tax return and companies directly or indirectly controlled by the Board member or these related persons.

## **Chapter V – Duties**

Article 12. It is incumbent upon the Board to decide on every matter of the Company's interest, except for those exclusively attributed to the Shareholders' Meeting, the Board of Executive Officers, the Fiscal Council or any other Company's body by the Law and/or the Bylaws.

Article 13. It is incumbent upon the Board to fulfill all duties set forth by the Law and the Bylaws, and may also:

- I – Perform regulatory functions relating to the Company’s activities, and may require that any matters other than those attributed exclusively to the Shareholders’ Meeting or the Board of Executive Officers be subject to its examination and resolution;
- II – Approve the risk management policy and monitor its implementation;
- III – Create committees for analysis and recommendation of specific matters and approve these committees’ internal regulations;
- IV – Appoint members for the committees created by the Board;
- V – Attribute to the executive officers their functions, duties and scope of authority not specified in the Bylaws, including the coordination of specific projects to any executive officer;
- VI – Approve the Company’s Code of Ethics and its own Internal Regulations;
- VII – Assess the Company’s, the Board’s and the Board of Executive Officers’ performance results;
- VIII – Call independent auditors to request any clarifications deemed necessary;
- IX – Provide previously an opinion on any proposal to be submitted to the Shareholders’ Meeting resolution;
- X – Supervise the relations among the executives and with other stakeholders, intermediating and solving impasses and conflicts; and
- XI – Determine that the Board of Executive Officers engages specialists and experts appointed by the Board in order to resolve better on the matters subject to it.

Sole paragraph. The Board’s duties cannot be delegated to others and, except in case of specific determination for exercise by one member only, they will only be performed collectively.

Article 14. For better performance of its duties, the Board may create defined-purpose committees or work groups composed of management and/or non-management persons appointed by it.

Paragraph one. The committees must have their own internal regulations.

Paragraph two. Executive officers, employees, specialists or others are allowed to participate as guests in the Board’s meetings without voting rights, provided that their contribution is useful for the decisions.

Article 15. The committees must analyze the matters under their responsibility and prepare proposals to the Board. The material necessary for the examination by the Board must be made available jointly with the voting recommendation, and the director may require additional information, if he/she deems necessary. Only the Board is allowed to make decisions.

Article 16. The members of specialized committees are subject to the same duties attributed to the director.

---

## Chapter VI – Board Members’ Rights and Obligations

Article 17. The Board members will have access, upon written request addressed to the Company, through the Chief Executive Officer, to documents and information necessary for the performance of their functions.

Sole paragraph. Should the request for documents and information not be granted, the requiring director shall inform the Chairman of the Board so that he/she can take pertinent measures.

Article 18. The Board members shall maintain secrecy about insider information, obtained due to the position they hold, up to its disclosure to the market, as well as ensure that their subordinates and third parties do so, being jointly liable.

Sole paragraph. The Board members shall also inform the Chairman of the Board, immediately after taking cognizance of, any fact involving the Company directly or indirectly and that may be deemed relevant, pursuant to the Brazilian Corporation Law and rules issued by inspection and control agencies.

Article 19. Each board member signatory to the Shareholders’ Agreement will be exclusively liable to discuss previously in specific jurisdiction or to seek guidance on matters which will be object of resolution at Board’s meeting, if imposed by the aforementioned agreement. It is incumbent upon the Board and the Company only to call their meetings and make available any information that supports each member’s decision, therefore they are not liable to submit the matters not object of discussion at Board’s meetings to any other jurisdiction or authority other than the Board itself and its members.

Article 20. The Company will provide the Board members with all administrative and logistic support necessary for the attainment of their duties, including infrastructure for meetings and assistants for transcription and disclosure of respective minutes and their filing at the Company.

Article 21. The Board members shall inform the Chairman of the Board any significant change in the main position they occupy, which can have an adverse impact on their commitment with the Company and the Board. The Board will decide on the permanence of the director under this condition or the necessity of submitting the matter to the Shareholders’ Meeting so that it can decide on the permanence of said Board member.

Article 22. The director shall participate actively and diligently in the Board’s meetings, having examined all related documents made available.

Article 23. The director shall abstain from intervening, alone or jointly with third parties, in any business of the Company, its subsidiaries and affiliates, its controlling shareholder and also between the Company and subsidiaries and affiliates owned by management members or the controlling shareholder, as well as other companies which, jointly with any of these persons, are part of the same group *de facto* or *de jure*, except for previous and specific approval by the Board.

Article 24. The director shall declare, previously to the resolution, that, for any reason, he/she has any private or conflicting interest regarding the Company's interests about certain matter submitted for his/her analysis, abstaining from the related discussion and voting.

### **Chapter VII – Chairman's Duties**

Article 25. It is incumbent upon the Chairman of the Board to:

- I – Ensure the Board's efficiency and good performance;
- II – Ensure the Board's efficient monitoring and assessment of the Company, the Board itself, the Board of Executive Officers and, individually, the members of each of these bodies;
- III – Make the Board's activities compatible with the interests of the Company, its shareholders and other stakeholders;
- IV – Organize and coordinate, jointly with the secretary, the agenda of the meetings, having taken into consideration the opinion of the other directors and, as the case may be, of the CEO and other executive officers;
- V – Coordinate the activities performed by other directors;
- VI – Ensure that the directors receive complete information on a timely basis on the items included in the agenda of the meetings;
- VII – Appoint the secretary of the Board;
- VIII – Submit to the Board the proposal for apportionment of directors' compensation;
- IX – Propose to the Board, having taken into consideration the committees' opinions, the Board's annual budget, including for the engagement of external professionals, to be submitted to the Shareholders' Meeting;
- X – Preside over the Board's meetings and the Shareholders' Meetings;
- XI – Propose to the Board the Company's annual event calendar;
- XII – Organize, jointly with the CEO, an integration and training program for a recently elected member, so that he/she can take cognizance of activities and obtain information on the organization;
- XIII – Call the Board's annual meetings through the secretary;
- XIV – Conduct the discussions on the matters to be analyzed by the Board;
- XV – Install, close and adjourn the meetings;
- XVI – Decide on objections;
- XVII – Put discussed matters to the vote and announce the decision made;
- XVIII – Authorize the participation of executive officers, employees and third parties in the meetings;
- XIX – Authorize the discussions of matters not included in the agenda;
- XX – Call the Board's special meetings, required by any of the directors;
- XXI – Propose that the entire or part of the Board's meeting be closed;
- XXII – Propose the determination of new term for discussion and voting;
- XXIII – Give the casting vote in the Board's resolutions;
- XIV – Propose solution for cases not provided for in these Internal Regulations.



## Chapter VIII – Secretary of the Board

Article 26. The Chairman of the Board shall appoint a qualified person to act as secretary of the Board's meetings, who can be a director, an executive officer, a Company's employee or third party hired for such purpose.

Article 27. It is incumbent upon the secretary, among other duties to support the Board and its members, to:

- I – Organize the agenda of the meeting, based on directors' requests and consultation with executive officers, and submit it to the Chairman of the Board for subsequent distribution;
- II – Call the Board's meetings, informing the directors—and possible participants—the venue, date, time and agenda;
- III – Act as secretary at the meetings, prepare and draw up the respective minutes and other documents at the Company's records and collect signatures of all directors attending the meetings, in addition to enter upon the minutes the participation of possible guests; and
- IV – File the minutes and resolutions taken by the Board at competent agencies and ensure the disclosure in the government printed office and widely circulated newspapers.

## Chapter IX – Meetings

Article 28. At the last meeting of each year, the following matters relating to the coming year must be included in the agenda:

- I – The annual calendar of meetings; and
- II – The Company's annual budget.

Sole paragraph. The frequency of meetings must ensure the effectiveness of the Board's works.

Article. 29. The Board must also meet whenever called by written notice, fax, e-mail or letter, upon grounded request of any of the directors, including date, time of beginning and end, venue and matters included in the agenda of the meeting. The request must be submitted to the Chairman of the Board, who will take all necessary measures for the call of the meeting.

Sole paragraph. If the Chairman not respond to the request of any director or remain inert or silent or, yet, be impeded from acting for fifteen (15) days after the request, the meeting may be called directly by at least two directors.

Article 30. The Board's meetings, either annual or special meetings, will be preferentially conducted at one of the Company's premises.

Article 31. The Board's meetings, either annual or special meetings, will only be installed, at first call, with the presence of most of the sitting members and, at second call, with the minimum number of members set forth in the Bylaws, in case this number is lower than the former.

---

## M. Dias Branco S.A Ind. e Com. de Alimentos

BR 116 Km 18 – Jaboti – Eusébio – CE  
Tel.: 85 4005--5500  
CNPJ: 07.206.816/0001-15 – C.G.F.: 06.102.6158

Paragraph one. The call notice of the Board's annual or special meeting must also include the call of the meeting at second call, which will be conducted necessarily on the same date, however, thirty minutes after the time determined.

Paragraph two. Each sitting member will have the right to one (1) vote, either in person or through other director, upon presentation and delivery of the following to the secretary, to be filed at the Company's headquarters:

- I – Specific proxy appointment for the respective meeting; or
- II – Written vote of the absent Board member and the justification.

Paragraph three. The specific proxy appointment referred to in paragraph two, as well as possible voting instruments, if prepared as private instrument, does not have to contain an authenticated signature.

Paragraph four. The directors are authorized to participate in the meeting by telephone, videoconference or any other mean that ensure their effective participation and authentic vote, as set forth by the Bylaws, provided that the vote is recorded in data storage device compatible with the mean of communication selected, which must be filed at the Company's headquarters. The directors will then be considered present in the meeting and their vote valid, for all legal purposes, which will be entered upon the minutes of the respective meeting.

Paragraph five. The Board's meetings will be presided over by the respective chairman or, in case of his/her absence, by the vice chairman.

Article 32. The secretary or, in the event of his/her absence, the Chairman of the Board, or whoever he/she appoints for the function seven (7) days prior to each meeting, must provide the directors with the information on the matters to be discussed at the meeting.

Sole paragraph. The matters submitted to analysis of the Board will be instructed with the proposal and/or opinion of the Company's Board of Executive Officers or competent bodies and counsel's opinion, whenever applicable to the examination of the matter, and must contain the following:

- I – precise indication of the subject-matter;
- II – necessary information for the analysis; and
- III – synopsis and records about the same matter, if it has already been submitted to the Board.

Article 33. The entire or a part of the Board's meetings may be private if the nature of the matter so requires, inclusive concerning its disclosure.

Article 34. Exceptionally, for reason of urgency duly grounded, the Chairman of the Board may put to the vote a matter not included in the call notice, in order to impede irreparable loss for the Company or its subsidiaries.

---

## M. Dias Branco S.A Ind. e Com. de Alimentos

BR 116 Km 18 – Jaboti – Eusébio – CE

Tel.: 85 4005--5500

CNPJ: 07.206.816/0001-15 – C.G.F.: 06.102.6158



Article 35. Regardless of the formalities provided for in these Internal Regulations, the meeting will be deemed regular upon the presence of all directors in person or through their representatives.

Article 36. During the discussion of the matters included in the agenda, the directors may require the Chairman to:

- I – take measures for its proper instruction;
- II – give urgency or preference to certain discussions and voting;
- III – postpone or exclude a discussion from the agenda, with justification;
- IV – raise objections to meeting conduction and procedures, with also the right and obligation to alert the Chairman in case of any non-compliance with the procedure rules during the meeting;
- V – request to see the matter in order to ground his/her decision, and in this case the decision will be postponed, and if the Chairman understands that the matter requires urgent resolution, he/she will propose a new date for discussion and voting.

Article 37. The Board member shall not have access to information or participate in the meetings discussing matters in which he/she has or represents interests conflicting with the Company, and his/her right to vote is expressly prohibited.

Article 38. The meetings must be adjourned or closed if circumstances so require, upon the request of any director and after collective approval.

Sole paragraph. In the event of adjournment of the meeting, the Chairman must determine the date, time and venue for resumption, and the issue of a new call notice is waived.

Article 39. Having the discussions been concluded, the Chairman will collect the vote of each director.

Paragraph one. The Chairman of the Board or the chairman of the meeting will not record a vote in non-compliance with the Shareholders' Agreement, if any, filed at the Company's headquarters. In this case, any Board member is allowed to require that the delinquent director's vote is considered and recorded for compliance with the Shareholders' Agreement.

Paragraph two. The Board's resolutions will be taken by majority of votes, and the Chairman has the casting vote.

Paragraph three. The director is authorized to enter upon the minutes his/her dissenting opinion.

Article 40. The matters and resolutions taken at the Board's meetings will be drawn up in minutes for registration in the Board Meetings' Minutes Book. Whenever these minutes include resolutions which may affect third parties, their excerpts must be filed with the competent registry of commerce.

Paragraph one. The minutes will be composed with clarity, containing all decisions made, abstentions from voting due to conflicts of interests, responsibilities and terms. The minutes must be signed by all those present and subject to formal approval.

Paragraph two. In the lack of unanimous decision, the minutes will be signed before the disclosure of the respective meeting.

Paragraph three. The secretary shall send copies of the minutes of the Board's meetings to the Fiscal Council members, if any, within ten (10) days.

Article 41. The directors residing out of the city where the meeting will be conducted will have their travelling and accommodation expenses necessary for the performance of their duties covered by the Company.

### **Chapter X – Budget**

Article 42. The Board will have its own annual budget, which will cover compensation, global or individual benefits and work-related expenses.

Paragraph one. Overall management's fees will be determined on an annual basis by the Shareholders' Meeting, and the Board will distribute the amount among its members and the executive officers.

Paragraph two. The Board's annual budget must cover expenses relating to consultation with external professionals for specialized guidance on matters deemed significant by the Company, as well as the necessary expenses for the participation of all directors in the meetings at the Company.

### **Chapter XI – Secrecy of Information**

Article 43. Certain Board's resolutions may be entirely or partly deemed secret, at the Chairman's discretion, inclusive concerning their disclosure, except for provisions set forth in CVM Rule 358/2002.

Article 44. Any confidential documents and information made available to the Board must not be examined by third parties, except for those related to the Company, for its strict interests.

### **Chapter XII – Conflict of Interests**

Article 45. Should a director have conflict of interests or personal interest on certain matter to be resolved, he/she is obliged to inform the Chairman of the Board before the meeting is declared open.

Article 46. Should the director not inform the Chairman on his/her own initiative, any one present in the meeting who have cognizance of the fact must inform the Chairman of the Board.

Article 47. Once identified the conflict of interest or personal interest, the director is prohibited to have access to any information, participate in the meetings of the Board or any other Company's management body, cast vote or any other manner of intervening in the matters in which he/she has direct or indirect interests, until the situation of conflict of interest is resolved.

### **Chapter XIII – Interaction with the Fiscal Council**

Article 48. The Board will meet periodically with the Fiscal Council, if any, to discuss matters of common interest.

Article 49. The Chairman of the Board will provide the Fiscal Council with clarifications and information, if required.

### **Chapter XIV – General Provisions**

Article 50. These Regulations will be amended only upon approval of the majority of the directors.

Article 51. Possible matters omitted from these Internal Regulations and doubts about its interpretation will be decided based on the Bylaws, the Law or other decision of the Board, in case of matters under its scope of authority.

Article 52. These Internal Regulations were approved at the Board of Directors' Meeting held on October 28, 2013.