



BANCO DO ESTADO DO RIO GRANDE DO SUL S.A.

Corporate Tax Payer's ID (CNPJ/MF) no. 92.702.067/0001-96

NOTICE TO THE MARKET

The Banco do Estado do Rio Grande do Sul S.A. – Banrisul announces that **Ernst & Young Terco Auditores Independentes S/S**, CRC 1SP 172.167/O-6, located on Av. Pres. Juscelino Kubitschek, 1830 - Tower I – 5th and 6th floors, Itaim Bibi, Zip Code 04543-900, São Paulo, SP, Brazil, Corporate Tax Payer's Id (CNPJ/MF) no. 61.366.936/0001-25, registered with the Securities and Exchange Commission of Brazil (CVM) as Declaratory Act no. nº 7275 of June 26, 2003, and registry no. 4715, was hired on March 15, 2011, to replace *Deloitte Touche Tohmatsu Auditores Independentes* in providing independent audit of accounts and financial statements, including consolidated statements, for the Bank, its subsidiaries and for the investment funds managed by companies of the Banrisul Group, for the years 2011 and 2012, renewable annually for three more years, pursuant National Monetary Council Resolution no. 3198, of May 27, 2004, the Central Bank of Brazil Circular no. 3192, of June 05, 2003, the, and CVM Instructions no. 308 and No. 409, of May 14, 1999, and August 18, 2004, respectively.

Held on the grounds of termination of contract with *Deloitte Touche Tohmatsu Auditores Independentes*, and with their consent, the hiring of **Ernst & Young Terco Auditores Independentes S/S** is based on the **bidding process no. 97/2010** regulated by Law no. 8666 of June 21, 1993 (Procurement Law), which sets forth the rules for bidding and public contracts with the Government and entities under their administration, to which, by being directly controlled by the State of Rio Grande do Sul, Banrisul abides. The complete set of the bidding process is available on the link below (Portuguese version only):

www.banrisul.com.br » Áreas Temáticas » Licitações e Leilões/Concorrências » Vender para o Banrisul » Concluídas » Súmula de Autorização de Compras e Serviços >> Concorrência >> 000097/2010 >> Contratação de empresa para a prestação de serviços de auditoria independente das demonstrações contábeis e financeiras, inclusive consolidadas, do Banco, de suas Controladas e Fundos de Investimento administrados pelas empresas do Grupo

Porto Alegre, April 04, 2011.

João Emílio Gazzana

CFO & IRO

Banco do Estado do Rio Grande do Sul S.A. – Banrisul