

**Resolutions of the Annual and Extraordinary General Meeting held on 3/25/2008:****I – At the Annual General Meeting:**

**1º)** Approval, without reservations, of the accountability of the managers, the Financial Statements and the Management Report, the Report of Independent Auditors and the Report of the Fiscal Council related to the fiscal year ended December 31, 2007.

**2º)** Approval of the allocation of the net income of the fiscal year ended December 31, 2007 in the amount of nine hundred sixteen million, three hundred eighty thousand, six hundred eighty reais and eighty centavos (R\$916,380,680.80), as follows: Legal Reserve of forty five million, eight hundred nineteen thousand, thirty four reais and four centavos (R\$45,819,034.04), Statutory Reserve of two hundred twenty nine million, ninety five thousand, one hundred seventy reais and twenty centavos (R\$229,095,170.20), Expansion Reserve of four hundred twenty three million, eight hundred twenty six thousand, sixty four reais and eighty seven centavos (R\$423,826,064.87) and Mandatory Dividends (25%) of two hundred seventeen million, six hundred forty thousand, four hundred eleven reais and sixty nine centavos (R\$217,640,411.69), being these last ones: interest on own capital distributed on 5/29/2007 and 7/6/2007 in the amounts of eighty million, five hundred thousand reais (R\$80,500,000.00) and twenty million, two hundred thousand reais (R\$20,200,000.00), respectively, and imputed to the referred payment to the amount of the dividends; dividends distributed on 12/27/2007 in the amount of seventy one million, five hundred eighteen thousand, seven hundred eight reais and eighty eight centavos (R\$71,518,708.88), and supplementary dividends in the amount of forty five million, four hundred twenty one thousand, seven hundred two reais and eighty one centavos (R\$45,421,702.81) declared at the Meeting.

**2.1)** Approval of the proposal of distribution of additional dividends for the years 2007 and 2008, in a percentage equivalent to ten percent (10%) of the adjusted net income, coming from the Statutory Reserve, totaling dividends of thirty five percent (35%);

**2.2)** Approval of the Capital Budget prepared for purposes of Article 196 of Law 6,404/76;

**3º)** Approval of the proposal of item three of the notice to elect the Fiscal Council, with term of office of one (1) year, pursuant to Article 38 of the Bylaws, which pursuant to Paragraph 6, of Article 161 of Law no. 6,404/76 will exercise their positions until the Annual General Meeting of 2009, constituted of the following persons:

**3.1)** Representing the majority shareholding: 3.1.1) Sitting members: CLAUDIO MORAIS MACHADO, a Brazilian citizen, married, accountant Identity Card no. 9002545292 - SSP/RS, of 7.16.85, and Individual Taxpayer's Register (CPF/MF) no. 070.068.530/87, domiciled in the city of Porto Alegre, State of Rio Grande do Sul, at Rua General Rondon, nº 411, Bairro Assunção; RUBENS LAHUDE, a Brazilian citizen, married, dentist, Identity Card no. 7010051551 - SSP/RS, of 8.4.77, and Individual Taxpayer's Register (CPF/MF) no. 001.814.630/91, domiciled in the city of Porto Alegre, State of Rio Grande do Sul, at Av. 24 de outubro, nº 700, apto. 401, Bairro Moinhos de Vento; RONEI XAVIER JANOVIK, a Brazilian citizen, divorced, accountant, Identity Card no. 8011302315 – SSP/RS, of 4.6.88, and Individual Taxpayer's Register (CPF/MF) no. 296.326.500/00, domiciled in the city of Porto Alegre, State of Rio Grande do Sul, at Av. Palmira Gobbi, nº 990, apto. 312, Bairro Humaitá; 3.1.2) Alternate members: ELIAS ABIP MUZA, a Brazilian citizen, married, economist, Identity Card no. 4002047217 - SSP/RS, of 3.5.75, and Individual Taxpayer's Register (CPF/MF) no. 065.614.110/72, domiciled in the city of Porto Alegre, State of Rio Grande do Sul, at Rua Cândia Gomes, nº 715, apto. 403, Bairro Floresta; RÉGIS EDUARDO LEAL DEVILLA, a Brazilian citizen, married, civil engineer, Identity Card no. 5017614991 – SSP/RS, of 12.23.82, and Individual Taxpayer's Register (CPF/MF) no.

514.937.800/34, domiciled in the city of Cachoeira do Sul, State of Rio Grande do Sul, at Rua Marcílio Dias, nº 1626, Bairro Gonçalves; MARGARETH BELLINAZO, a Brazilian citizen, judicially separated, economist, Identity Card no. 3991-8 - CORECON/RS, of 4.29.86, and Individual Taxpayer's Register (CPF/MF) no. 210.065.390/34, domiciled in the city of Porto Alegre, State of Rio Grande do Sul, at Rua Pery Machado, nº 99, apto. 03, Bairro Menino Deus;

**3.2)** Representing the preferred shares: 3.2.1) Sitting member: AMERICANO LOPES NETO, a Brazilian citizen, married, attorney, Identity Card no. 13.299 - OAB/RS, of 8.12.85, and Individual Taxpayer's Register (CPF/MF) no. 002.043.580/00, domiciled in the city of Porto Alegre, State of Rio Grande do Sul, at Rua Dr. Armando Barbedo, nº 715, apto. 401, Bairro Tristeza; 3.2.2) Alternate member: TELMO JOSÉ LOPES DE SOUZA, a Brazilian citizen, judicially separated, accountant, Identity Card no. 3017582937 - SSP/RS, of 7.3.98, and Individual Taxpayer's Register (CPF/MF) no. 201.852.940/49, domiciled in the city of Canoas, State of Rio Grande do Sul, at Rua São Nicolau, nº 570, Bairro Estância Velha;

**3.3)** Representing the minority shareholding: 3.3.1) Sitting member – IRNO LUIZ BASSANI, a Brazilian citizen, married, administrator, Identity Card no. 1003744677 – SJS/RS, of 5.9.02, and Individual Taxpayer's Register (CPF/MF) no. 010.403.400-91, domiciled in the city of Porto Alegre, State of Rio Grande do Sul, at Travessa da Paz, nº 34, apto. 302, Bairro Farroupilha; 3.3.2) Alternate member – LEONITA ZILDA MAHLKE, a Brazilian citizen, judicially separated, pedagogue, Identity Card no. 9017998213 – SSP/RS, of 10.24.79, and Individual Taxpayer's Register (CPF/MF) no. 516.616.080/00, domiciled in the city of Cachoeira do Sul, State of Rio Grande do Sul, at Rua Bento Gonçalves, nº 1552, Bairro Universitário. Those elected for the Fiscal Council comply with the conditions set forth in Article 2 of Resolution no. 3,041, of 11.28.02, of the Central Bank of Brazil;

**4º)** Approval of the proposal of item four of the notice, and the Board of Executive Officers will have the following compensation: Fees - a) For the position of CEO: nine thousand, three hundred reais and eighty three centavos (R\$9,300.83); b) For the position of Vice President: eight thousand, eight hundred thirty five reais and seventy eight centavos (R\$8,835.78); c) For the position of Officer: eight thousand, three hundred seventy reais and seventy four centavos (R\$8,370.74), and the representation amount was established at fifty percent (50%). The annual compensation comprises thirteen (13) payments. 4.1) Establishment of the compensation of the Board of Directors, which will be equivalent, for each member, to one thousand, eight hundred sixty reais and sixteen centavos (R\$1,860.16) – gross amount, per session they attend to. 4.2) Establishment of the compensation of the Fiscal Council, which will be equivalent, for each acting member, monthly, to nine hundred thirty reais and eight centavos (R\$930.08) – gross amount; 4.3) The elected members will comply with the provisions in article 37, sections XVI and XVII, of the Federal Constitution.

## **II – At the Extraordinary General Meeting**

**1º)** Ratification of the Capital Stock increase from R\$1,234,000,000.00 to R\$2,033,999,992.00 resolved at a Meeting of the Board of Directors held on July 30, 2007, within the authorized capital limit.

**2º)** Approval of the proposal of capital stock increase, upon the incorporation of Profit Reserves in the amount of two hundred sixty six million and eight reais (R\$266,000,008.00) resulting from the Expansion Reserve. Thus the capital stock will increase from two billion, thirty three million, nine hundred ninety nine thousand, nine

hundred ninety two reais (R\$2,033,999,992.00) to two billion, three hundred million reais (R\$2,300,000,000.00) without the issuance of new shares.

**3º)** Approval of the proposal to amend Article 4 of the Bylaws to adapt the wording to the resolutions indicated in the previous items, starting to have the following wording: Article 4, caput - The capital stock is two billion, three hundred million reais (R\$2,300,000,000.00);

**4º)** Approval of the amendment proposal to the Bylaws, as follows:

**4.1)** Amendment to paragraph 3 of Article 4 to change the authorized capital limit from 90 billion shares to 600 million shares, in view of the reverse split of shares resolved on the Extraordinary General Meeting held on 6/1/2007 and official letter DEOR/GEPAL 2007/07915, of the Brazilian Central Bank (BACEN), dated August 29, 2007, starting to have the following wording: Article 4, paragraph 3 - The capital stock may be increased, pursuant to article 168 of Law 6,404/76, until the limit of 600 million shares, in compliance with the maximum proportion between types of shares set forth by the current legislation and regulation, upon the resolution of the Board of Directors and regardless of statutory amendment. It will be incumbent upon the Board of Directors to determine the price and the number of shares to be issued, as well as the payment term and conditions.

**4.2)** Inclusion of a sole paragraph to Article 29 to talk about the Office of Third-Party Funds Management, in compliance with Resolution no. 2451, as of 11/27/97, of the National Monetary Council, as follows: Article 29, Sole Paragraph – One of the Officers will exclusively be responsible for the Office of Third-Party Funds Management, pursuant to the regulation issued by the National Monetary Council and by the Brazilian Securities and Exchange Commission, not being responsible for the other activities related to the Board of Executive Officers.

**4.3)** Insertion of Chapter IX providing rules about the Ombudsman Department, which already exists in the company, in compliance with Resolution no. 3,477, as of 7/26/2007, of the National Monetary Council, as follows: Chapter IX – Ombudsman Department - Article 58 – The Ombudsman Department, in permanent operation, will have the attribution to ensure, the Company as well as its subsidiaries, the strict compliance with the legal and regulatory rules related to the consumer rights and to operate as a communication channel between the Company and the clients and users of its products and services, inclusively in the mediation of conflicts. Article 59 – The Ombudsman Department will have the following attributions: a) to receive, register, instruct, analyze and give formal and adequate treatment to the complaints of clients and users of products and services of the Company, which are not solved by the usual customer service carried out by its branches and any other customer service station; b) to provide necessary clarifications and inform the claimants about the progress of their demands and the measures adopted; c) to inform the claimants about the term estimated for the final reply, which may not exceed thirty days; d) to submit a conclusive reply to the demand of the claimants until the term informed in item “c”; e) to propose to the Board of Directors corrective measures or measures to improve procedures and routines, due to the analysis of the complaints received; f) to prepare and submit to the internal audit, to the Audit Committee and to the Board of Directors, at the end of each half-year, a quantitative and qualitative report about the operation of the Ombudsman Department, with the propositions in item “e”. Article 60 – The Ombudsman Department will be managed by the Ombudsman, chosen among employees of the Bank, who will be appointed and dismissed by the CEO of the Board of Executive Officers, with a term of office of one (1) year. Reelection is allowed. Article 61 – Adequate conditions will be given to the Ombudsman Department for its operation, as well as for its operation to be based on transparency, independence, impartiality and exemption. Article 62 – The Ombudsman Department will have access to the information necessary to the preparation

of an adequate reply to the complaints received, with total administrative support, and it may require information and documents for the exercise of its activities.

**4.4)** Inclusion of a provision attributing to the CEO the responsibility to appoint and dismiss the Ombudsman, as item "8" of Article 36, with the following wording: Article 36, 8. to appoint and dismiss the Ombudsman.

**4.5)** Amendment to Article 45 as to the term of office of the Audit Committee, which will have the following wording: Article 45 – The Company will have a permanent Audit Committee, in compliance with the requirement of the Central Bank of Brazil, composed of three (3) members, appointed by the Board of Directors, which at any time may dismiss them, with a term of office of one (1) year. Reelection is allowed until the maximum limit allowed.

**4.6)** Amendment to Article 60 to reduce the number of secretaries of the General Meetings, starting to have the following wording: Article 60 - The work of the General Meeting will be opened by the Chairman of the Board of Directors or his statutory substitute, who will immediately require the shareholders to elect the presiding board, composed of the Chairman and the Secretary.

**4.7)** Inclusion of a statutory provision which enables the hiring of professionals of the legal area for the defense of the Members of the Board of Executive Officers and Boards, in the event they respond for judicial or administrative proceedings filed by the practice of acts carried out in the exercise of the position or function, as letter "e" of current Article 83 as follows: Article 83, e) it will be ensured, to its current and former managers and board members, in the events in which there is no incompatibility with the interests of the Company and as defined by the Board of Directors, by a proposal of the Board of Executive Officers, the defense in judicial and administrative proceedings, filed against them by the practice of acts in the exercise of the position or function, in compliance with the provisions of Law no. 8,906, as of 7/4/1994.

**5º)** In view of the amendments proposed to the Bylaws, the renumbering of its text and its consolidation was approved.