

Minute nº 564

1. **Date, time and place:** the ordinary meeting of the Board of Directors of Banco do Estado do Rio Grande do Sul SA (Corporate Tax Payer's (CNPJ) No. 92.702.067/0001-96 - NIRE No. 43300001083) held on September 25, 2014, at 2:00 pm, at the Company's head office at Rua Capitão Montanha, 177, 4th floor, Porto Alegre - RS.
2. **Verification of attendance:** Odir Alberto Pinheiro Tonollier – Chairman; Túlio Luiz Zamin – Vice-Chairman; Aldo Pinto da Silva; Guilherme Cassel; João Acir Verle and Marcelo Tuerlinckx Danéris - Members; Cláudio Moraes Machado – President of the Fiscal Council; Agomar Aliatti – Superintendent of the Insurance, Pension Plan and Special Savings Unit, Luiz Gonzaga Veras Mota – Superintendent of the Financial Unit; Alexandre Pedro Ponzi – Superintendent of the Investor Relations, Capital Markets and Governance Unit, Eduardo Machado de Campos – Superintendent of the Legal Counsel Unit, and Luis Renato Ferreira da Silva, representing TozziniFreire Advogados.
3. **Agenda: 3.1)** Restructuring of Insurance Operation - Life and Pension - Definitive Agreements and Contracts, and **3.2)** General matters.
4. **Deliberation: Restructuring of Insurance Operation - Life and Pension - Definitive Agreements and Contracts:** The project of the restructuring of Banrisul insurance operations with the creation of a Life insurance and pension company, in a corporate association model, which will commercialize, on a 20-year exclusive basis, its products through Banrisul's distribution channels, as approved by the Board of Executive Officers on May 19, 2014, and the Board of Directors on June 03, 2014, documented in the Minutes of Meetings recorded in their own books, and released by the Material fact published on July 14, 2014, it was granted to Icatu Seguros an 120-day exclusivity arrangement, by the signing of the Memorandum of Understanding (MOU), for the negotiation of the **definitive agreements** for the proposed operation in the Manifest of Interest for the setting up of an insurance company. Considering such deliberations, the Working Group (WG), composed of representatives of the Insurance, Pension Plans and Capitalization Unit; Accounting Unit; Financial Unit; Investor Relations, Capital Market and Governance Unit and the Legal Advisory Unit, submitted the contracts, agreements and negotiated items for deliberation. The definitive documents described in the documents submitted, included in items 1 to 10, to the creation the life insurance and pension company, are composed of:
 - Investment Agreement;
 - 39th Amendment to the Services Contract
 - Shareholders Agreement;
 - Operating Agreement;
 - Shared Services Contract;
 - Bylaws.

Based on the work developed by the Working Group and considering:

- the creation of shareholder value over the next 20 years by a new resilient source of revenue, earnings diversification, operational mix of the insurance area, Banrisul's alignment with the best market practices and reduced risk exposure given the low loss ration of the targeted insurance business;
- that the creation of a life and insurance pension company represents a significant evolution in Banrisul's currently business model in life insurance and pension plans products.
- that the portfolios of insurance and pension plans formed with the use of Banrisul's distribution channels since 2002 will be incorporated or migrated to the new insurance company, and
- the studies conducted (since the phase one of the project), the results of the negotiations (represented by the negotiated contracts and agreements), the result of the proceedings, and the work performed by PricewaterhouseCoopers Corporate Finance & Recovery Ltda ("PwC") and TozziniFreire Advogados, the

importance of the new business, and the opinion of Banrisul's Economic Management Committee. The Executive Board submitted to the Board of Directors, with its favorable opinion, the creation of a Life Insurance and Pension Plan Company, in accordance with items 01-10 described in the documents above. The Board of Directors approved of as proposed.

5. **Conclusion:** Nothing further to discuss, the meeting was closed, this minute was registered, read, approved and signed by the members present. Served as secretary to the meeting the meeting Mrs. Mirian Oliveira Bandeira, Analist of the General-Secretary of the State Bank of Rio Grande do Sul SA.

CERTIFICATE

I hereby certify that this document is a true copy of the Minute no 564, of September 25, 2014, drawn in the Book of Minutes of the Meeting of the Board of Banco do Estado do Rio Grande do Sul SA, signed by the Board Members: Mrs.: Odir Alberto Pinheiro Tonollier – Chairman; Túlio Luiz Zamin – Vice-Chairman; Aldo Pinto da Silva; Guilherme Cassel; João Acir Verle and Marcelo Tuerlinckx Danéris – Board Members.

Porto Alegre, September 29, 2014.

*Túlio Luiz Zamin,
Vice-Chairman.*