

# DURATEX S.A.

CNPJ. 97.837.181/0001-47

A Publicly Traded Company

NIRE 35300154410

## ISSUE INDENTURE FOR SIMPLE, UNSECURED, NON-CONVERTIBLE DEBENTURES, SECOND ISSUE, OF DURATEX S.A.

The present "Issue Indenture for Simple, Unsecured, Non-Convertible Debentures, Second Issue, of Duratex S.A." ("Issue Indenture") has the following as signatories:

I. As issuer and offeror of the Debentures (as defined ahead):

DURATEX S.A., a corporation registered as a Class-A securities issuer before the Brazilian Securities and Exchange Commission (CVM) (as defined ahead), with registered offices in the City and State of São Paulo, at Avenida Paulista 1938, 5th floor, enrolled before the tax authority under Taxpayer ID CNPJ (as defined ahead) No. 97.837.181/0001-47, with its articles of incorporation filed with the São Paulo State Board of Trade (JUCESP) under NIRE 35300154410, represented herein pursuant to its bylaws ("Company"); and

II. As fiduciary agent, appointed as such hereunder, and representing the community of Debenture Holders (as defined ahead):

SIMPLIFIC PAVARINI DISTRIBUIDORA DE TÍTULOS E VALORES MOBILIÁRIOS LTDA., a financial institution with registered offices in the City and State of Rio de Janeiro, at Rua Sete de Setembro 99, 24th floor, enrolled before the tax authority under Taxpayer ID (CNPJ) No. 15.227.994/0001-50, operating by means of its branch in the City and State of São Paulo, at Rua Joaquim Floriano 466, Bloc B, suite 1401, enrolled before the tax authority under Taxpayer ID (CNPJ/MF) No. 15.227.994/0004-01, represented pursuant to its Statutes (hereinafter, the "Fiduciary Agent"; the Company and the Fiduciary Agent hereinafter jointly the "Parties", when referred to in the collective, and each one a "Party", when referred to individually);

to be governed by the following clauses:

1. DEFINITIONS

1.1 The following terms, whether in the singular or the plural, shall be deemed defined terms for the purposes of the present Issue Indenture.

"Settlement and Bookkeeping Agent" shall mean Oliveira Trust Distribuidora de Títulos e Valores Mobiliários S.A., a financial institution with registered offices in the City and State of Rio de Janeiro, at Rua Sete de Setembro 99, 24th floor, enrolled before the tax authority under Taxpayer ID (CNPJ) No. 15.227.994/0001-50.

"Fiduciary Agent" shall have the meaning assigned in the recitals.

"ANBIMA" shall mean ANBIMA – Brazilian Association of the Financial and Capital Market Entities.

"Independent Auditor" shall mean a CVM-accredited Independent Auditor, including Deloitte Touche Tohmatsu Auditores Independentes, Ernst & Young Auditores

Independentes, KPMG Auditores Independentes, and PricewaterhouseCoopers Auditores Independentes.

"B3" shall mean B3 S.A. – Brasil, Bolsa, Balcão or B3 S.A. – Brasil, Bolsa, Balcão – CETIP UTVM Segment, as applicable.

"Controlling Bloc" shall have the meaning provided in Clause 7.25.2 below, item VII, letter (c).

"CETIP21" shall mean CETIP21 – Títulos e Valores Mobiliários, managed and operated by B3.

"CNPJ" shall mean the National Legal Entities Registry of the Ministry of Finance.

"Brazilian Civil Procedure Code" shall mean Law No. 13,105, of March 16, 2015, as amended.

"Affiliate" shall mean, in connection with any subject, any entity affiliated with such a subject pursuant to the contents of Article 243, par. 1, of the Corporations Law.

"Company" shall have the meaning provided in the recitals.

"Optional Early Redemption Offering Announcement" shall have the meaning provided in Clause 7.17 below, item I.

"Distribution Agreement" shall mean the "Public Distribution Agreement for Simple, Unsecured, Non-Convertible Debentures, Second Issue, of Duratex S.A.", entered into by and between the Company and the Lead Manager.

"Controlled Entity" shall mean, in connection with any subject, any entity directly or indirectly controlled thereby (see the definition for "Control").

"Material Controlled Entity" shall mean any entity in which the Company has Control and whose Annual sales pro-rated to the Company's equity stake correspond to an amount equal to or in excess of 15 (fifteen) percent of the annual sales of the Company's conglomerate.

"Controlling Entity" shall mean, in connection with any subject, any directly or indirectly controlling entity thereof (see the definition for "Control").

"Control" shall mean direct or indirect control over any entity as defined in Article 116 of the Corporations Law.

"Lead Manager" shall mean the securities distribution system's member institution retained to coordinate and mediate the Offering as lead manager of the distribution.

"CVM" shall mean the "Comissão de Valores Mobiliários", or Brazilian Securities and Exchange Commission.

"Date of Issue" shall have the meaning provided in Clause 7.9 below.

"Payment Date" shall have the meaning provided in Clause 6.3 below.

"Maturity Date" shall have the meaning provided in Clause 7.10 below.

"Final Date for Placement" shall have the meaning provided in the Distribution Agreement.

"Debentures" shall mean the Debentures subject to the present Issue Indenture.

"Outstanding Debentures" shall mean all subscribed and paid-in Debentures that remain unredeemed, with the exception of any treasury Debentures and, for quorum-

determination purposes, with the exception of any Debentures held directly or indirectly by (i) the Company; (ii) any Controlling Entity, any Controlled Entity and/or any Affiliate of any of the persons named in the foregoing items; or (iii) any manager, spouse, companion or relative, up to the third (3rd) degree, of any of the persons named in the foregoing items.

"Debenture Holders" shall mean the holders of the Debentures.

"Consolidated Audited Financial Statements of the Company" shall have the meaning provided in Clause 8.1 below, item I, letter (a).

"Consolidated Financial Statements of the Company" shall have the meaning provided in Clause 8.1 below, item I, letter (b).

"Consolidated Revised Financial Statements of the Company" shall have the meaning provided in Clause 8.1 below, item I, letter (b).

A "Business Day" shall mean (i) in connection with any monetary obligation, any day that is not a Saturday, Sunday, or official national holiday; and (ii) in connection with any non-monetary obligation hereunder, any day on which banks are open for business in the City and State of São Paulo and that is not a Saturday, Sunday, or official national holiday.

"Financial Debt" shall mean, in connection with any person, in consolidated terms, the sum-total of all loans, financings, and debt-incurring transactions conducted on the capital markets by such a person, with the exception of changes ensuing from CPC06 (R2) and IFRS16, in addition to obligations ensuing from the acquisition of assets, leases, financial leases, and tax-bill payment plans by or of such a person.

"Net Financial Debt" shall mean, in connection with any person, in consolidated terms, such a person's Financial Debt minus cash and cash equivalents (that is, the sum-total of cash and financial investments) held by such a person.

"DOESP" shall mean the São Paulo State Official Print, Diário Oficial do Estado de São Paulo.

"EBITDA" shall mean, based on the Consolidated Financial Statements of the Company for the immediately preceding twelve (12) months, the net income for said period, plus taxes on income, net financial expenses, financial revenues, and depreciation, amortization and depletion, calculate pursuant to CVM Instruction No. 527, of October 4, 2012.

"Material Adverse Effect" shall mean any event preventing the business of the Company and/or its Material Controlled Entities, as initially planned, or that may reach a material amount without proper provisioning, capable of affecting (i) the business and financial situation of the Company and its Material Controlled Entities in an adverse and material way; and/or (ii) the Company's capacity to honor the obligations ensuing from the Debentures in an adverse way.

"Issue" shall mean the Debentures Issue, pursuant to the Corporations Law.

"Late-Payment Charges" shall have the meaning provided in Clause 7.22 below.

"Issue Indenture" shall have the meaning provided in the recitals.

"Default Event" shall have the meaning provided in Clause 7.25 below.

"Reference Form" shall mean the Company's reference form as prepared thereby pursuant to CVM Instruction 480, available on the Webpages of the CVM and the Company, the latest version of which is dated January 11, 2019.

"IGPM" shall mean the General Price Index – Market (Índice Geral de Preços – Mercado) as published by Fundação Getúlio Vargas.

"Financial Indices" shall have the meaning provided in Clause 7.25.2 below, item XVII.

"CVM Instruction 358" shall mean CVM Instruction No. 358, of January 3, 2002, as amended.

"CVM Instruction 476" shall mean CVM Instruction No. 476, of January 16, 2009, as amended.

"CVM Instruction 480" shall mean CVM Instruction No. 480, of December 7, 2009, as amended.

"CVM Instruction 539" shall mean CVM Instruction No. 539, of November 13, 2013, as amended.

"CVM Instruction 583" shall mean CVM Instruction No. 583, of December 20, 2016, as amended.

"Professional Investors" shall have the meaning provided in Article 9 - A of CVM Instruction 539.

"IPCA" shall mean the Consumer Prices Index – Comprehensive (Índice de Preços ao Consumidor – Amplo).

"Itaúsa" shall mean Itaúsa – Investimentos Itaú S.A., a corporation with registered offices in the City and State of São Paulo, at Praça Alfredo Egydio de Souza Aranha 100, Torre Olavo Setubal, enrolled before the tax authority under corporate taxpayer ID CNPJ No. 61.532.644/0001-15.

"JUCESP" shall mean the São Paulo State Board of Trade (Junta Comercial do Estado de São Paulo).

"Anti-Corruption Laws" shall mean the laws and regulations on corrupt practices and acts harmful to public administration and the public good, including Law No. 12.846, of August 1, 2013, as amended, Decree No. 8.420, of March 18, 2015, as amended, and, as applicable, the *U.S. Foreign Corrupt Practices Act of 1977* and the *U.K. Bribery Act*.

"Corporations Law" shall mean Law No. 6.404, of December 15, 1976, as amended.

"Securities Market Law" shall mean Law No. 6.385, of December 7, 1976, as amended.

"MDA" shall mean the Assets Distribution Module (MDA – Módulo de Distribuição de Ativos), managed and operated by B3.

"Offering" shall mean the public offering for distribution with restricted distribution efforts associated with the Debentures, pursuant to the Securities Market Law, CVM Instruction 476 and other applicable laws and regulations.

"Optional Early Redemption Offering" shall have the meaning provided in Clause 7.17 below.

"Party" shall have the meaning provided in the recitals.

"Payment Price" shall have the meaning provided in Clause 6.3 below.

"First Payment Date" shall have the meaning provided in Clause 6.3 below.

"RCA" shall mean the meeting of the Board of Directors of the Company held on May 6, 2019.

"Remuneration" shall have the meaning provided in Clause 7.12 below, item II.

"Entity under Shared Control" shall mean, in connection with any person, any entity under shared Control with such a person.

"DI Rate" shall mean the average daily rates of one-day Interbank Deposits (DI – Depósitos Interfinanceiros) "over extra-grupo", as expressed in percentage points per year, base 252 (two hundred and fifty-two) Business Days, as calculated and published daily by B3 in the daily bulleting available from its Webpage (<http://www.b3.com.br>).

"SELIC Rate" shall mean volume-weighted interest rate on one-day financing operations backed by short-term government bonds, as ascertained by the Special Settlement and Custody System (Sistema Especial de Liquidação e Custódia – SELIC), traded in the thirty (30) days preceding the relevant date, maturing in three hundred and sixty (360) days.

"Nominal Unit Value" shall have the meaning provided in Clause 7.4 below.

## 2. AUTHORIZATIONS

- 2.1 The Issue, the Offering, and the execution of the present Issue Indenture and of the Distribution Agreement shall take place pursuant to the decisions of the RCA.

## 3. REQUIREMENTS

- 3.1 The Issue, the Offering and execution of the present Issue Indenture and of the Distribution Agreement shall abide by the following:
- I. *Filing and publication of the minutes of the minutes of the RCA.* Pursuant to Article 62, item I, of the Corporations Law, the minutes of the RCA shall be filed with the JUCESP ad published in the DOESP and the "O Estado de S. Paulo" newspaper;
  - II. *Registration of the present Issue Indenture and amendments hereto.* Pursuant to Article 62, item II and paragraph 3, of the Corporations Law, the present Issue Indenture and any amendments hereto shall be registered with the JUCESP;
  - III. *Distribution deposit.* The Debentures shall be deposited for the purposes of primary distribution by means of the MDA, and the financial settlement of the distribution shall take place by means of B3;
  - IV. *Trading deposit.* Pursuant to the contents of Clause 6.4 below, the Debentures shall be deposited for secondary trading through CETIP21, with financial settlement through B3 and electronic custody of the Debentures at B3;

- V. *CVM registration of the Offering.* The Offering is automatically exempted from CVM registration pursuant to Article 6º of CVM Instruction 476, because it is a restricted efforts public distribution offering; and
- VI. *ANBIMA registration of the Offering.* The Offering shall be registered with ANBIMA pursuant to Article 1º, paragraph 2º, of the "ANBIMA Code of Regulations and Best Practices for Public Securities Distribution and Acquisition Offerings", exclusively for the purposes of the submission of information to the ANBIMA Database, as long as ANBIMA issues the registration procedure before the end of the Offering.

#### 4. CORPORATE PURPOSE OF THE COMPANY

- 4.1 The purpose of the Company is (a) to manufacture, sell, import, export, store and distributed: (i) wood-based products in any form and for any purpose, and related or connected ancillary products and byproducts; (ii) chemicals, alcoholic chemicals, petrochemicals and derivatives thereof; (iii) natural and synthetic metal, ceramic and plastic goods, and other goods intended for construction in general, as well as related or connected products and byproducts; (iv) electronic products, solar and electric water heaters, showers and showerheads; (b) forestry, reforestation, and extraction of the respective production, on own or third-parties' land, as inputs for its manufacturing needs; (c) electric energy generation and trading; (d) technical and administrative services associated with the Company's corporate purpose; and (e) the Company holding equity stakes in other companies as a quotaholder or a shareholder.

#### 5. ALLOCATION OF RESOURCES

- 5.1 The net resources raised by the Company shall be utilized in full to (i) reprofile the Company's financial liabilities; and (ii) reinforcing the Company's cash and working capital.

#### 6. CHARACTERISTICS OF THE OFFERING

- 6.1 *Placement.* The Debentures shall be subject to a public offering with restricted distribution efforts pursuant to the Securities Market Law, CVM Instruction 476 and other legal provisions and applicable regulations, and the Distribution Agreement, with the intermediation of the Lead Manager, under the best-efforts regime for placement with relation to the total number of Debentures, having professional investors as their target public.
  - 6.1.1 No partial subscription of the offering shall be admitted. If the entirety of the Debentures is not placed, the Offering shall be cancelled, and all investment intents shall be automatically cancelled. If the Offering is cancelled and a Professional Investor has already paid the Payment Price, said Payment Price shall be returned, and consequently cancelled, without interest or monetary restatement, without reimbursement, and with the deduction of applicable taxes, if any, and applicable charges, if any, within a period of three (3) Business Days from the date of the cancellation of the Offering pursuant to B3's procedures for Debentures under electronic custody with B3.
- 6.2 *Subscription Term.* Pursuant to the requirements in Foregoing Clause 3 above, the Debentures shall be subscribed at any time as from the date of distribution of the Offering, in accordance with Articles 7-A, 8, paragraph 2, and 8-A of CVM

Instruction 476, limited to the Final Date for Placement as set forth in the Distribution Agreement.

- 6.3 *Form of Subscription and Payment and Payment Price.* The Debentures shall be subscribed and paid in through the MDA, with financial settlement through B3, for a maximum of fifty (50) Professional Investors, in cash, upon subscription ("Payment Date"), and in Brazilian currency, at the Nominal Unit Value, on the first (1st) Payment Date ("First Payment Date"), or at the Nominal Unit Value, plus Remuneration calculated *pro rata temporis* from the First Payment Date until the respective Payment Date, in the event of payments occurring after the First Payment Date ("Payment Price").
- 6.4 *Trading.* The Debentures shall be deposited for trading in the secondary market through CETIP21, with the trading being financial settled through B3 and the Debentures electronically held in custody at B3. The Debentures shall only be traded in the regulated securities markets after ninety (90) days from each subscription or acquisition by the investor, pursuant to Article 13 of CVM Instruction 476, the Company also to comply with the requirements pursuant to Article 17 of CVM Instruction 476.
7. CHARACTERISTICS OF THE ISSUE AND THE DEBENTURES
- 7.1 *Number of the Issue.* The Debentures represent the Company's second debentures issue.
- 7.2 *Total Value of the Issue.* The total value of the Issue shall be One billion, two hundred million (1,200,000,000) Brazilian Reais on the Date of Issue.
- 7.3 *Number of Debentures.* A total of one hundred and twenty thousand (120,000) Debentures shall be issued.
- 7.4 *Nominal Unit Value.* The Debentures shall bear nominal unit value of ten thousand (10,000) Brazilian Reais on the Date of Issue ("Nominal Unit Value").
- 7.5 *Series.* The Issue shall be made in a single series.
- 7.6 *Form and Proof of Ownership.* The Debentures shall be issued in nominative book entry form without the issue of certificates, being that, for all legal purposes, the ownership of the Debentures shall be substantiated by the statement issued by the Settlement and Bookkeeping Agent, and, additionally in relation to the Debentures which have been electronically deposited at B3, through the statement issued by B3 in the name of each Debenture Holder.
- 7.7 *Convertibility.* The Debentures shall not be convertible into shares of the Company.
- 7.8 *Type.* The Debentures shall be of the unsecured type pursuant to Article 58 of the Corporations Law, with no guarantee and no preemptive rights.
- 7.9 *Date of Issue.* For all legal purposes, the Date of Issue of the Debentures shall be May 17, 2019 ("Date of Issue").
- 7.10 *Term and Maturity Date.* With the exception of the early redemption of the Debentures or early maturity of the obligations related to the Debentures, the term of the debentures shall be seven (7) years as from the Date of Issue, therefore maturing on May 17, 2026 ("Maturity Date").

7.11 *Payment of Nominal Unit Value.* Without limiting payments due to early redemption of the Debentures, extraordinary amortization of the Debentures, or early maturity of the obligations related to the Debentures, as provided in the present Issue Indenture, the Nominal Unit Value of the Debentures shall be amortized in two (2) tranches, as follows:

- I. the first tranche, in an amount corresponding to fifty (50) percent of the Nominal Unit Value of the Debentures, due on May 17, 2024; and
- II. the second tranche, in an amount corresponding to fifty (50) percent of the Nominal Unit Value of the Debentures, due on the Maturity Date.

7.12 *Remuneration.* Remuneration of the Debentures shall be as follows:

- I. *monetary restatement:* the Nominal Unit Value of the Debentures shall not be restated for inflation; and
- II. *remuneratory interest:* remuneratory interest shall be paid on the Nominal Unit Value of the Debentures corresponding to one hundred and eight (108) percent of the accumulated variation of the DI Rate ("Remuneration"), calculated exponentially and cumulatively *pro rata temporis*, for each Business Day since the First Payment Date or immediately preceding remuneration payment date as the case may be, until date of the effective payment. Without limiting payments due to early redemption of the Debentures, extraordinary redemption of the Debentures or early maturity of the obligations related to the Debentures, pursuant to the terms set forth in the present Issue Indenture, the Remuneration shall be paid semi-annually from the Date of Issue, on the 17<sup>th</sup> day of the months of May and November of each year, the first payment to take place on November 17, 2019 and the last on the Maturity Date. Remuneration shall be calculated according to the following formula:

$$J = VNe \times (FatorDI - 1)$$

Where:

J = unit value of the Remuneration due, calculated with eight (8) decimal places, without rounding;

VNe = balance of the Nominal Unit Value of the Debentures, reported/calculated with eight (8) decimal places, without rounding;

FatorDI = the product of the DI Rates according to the percentage applied, from the First Payment Date or from the immediately preceding Remuneration date, as the case may be, until the date of calculation, not included, calculated with eight (8) decimal places, with rounding, as follows:

$$FatorDI = \prod_{k=1}^n \left[ 1 + \left( TDI_k \times \frac{S}{100} \right) \right]$$

Where:

k = TDI<sub>k</sub> order number, from one (1) to n<sub>DI</sub>;

n<sub>DI</sub> = total number of DI Rates, where "n<sub>DI</sub>" is an integer;

S = one hundred and eight (108.00);



$TDI_k$  = DI Rate factor, expressed daily, calculated with eight (8) decimal places, with rounding, as follows:

$$TDI_k = \left( \frac{DI_k}{100} + 1 \right)^{\frac{1}{252}} - 1$$

Where:

$DI_k$  = DI Rate, as published by B3, with two (2) decimal places.

Notes:

The factor resulting from the expression  $\left[ 1 + \left( TDI_k \times \frac{S}{100} \right) \right]$  shall be taken with sixteen (16) decimal places, without rounding.

The product of daily factors  $\left[ 1 + \left( TDI_k \times \frac{S}{100} \right) \right]$  shall apply and, for every accumulated daily factor, the result shall be truncated at sixteen (16) decimal places, applying the next daily factor and so on successively, until the last one in consideration.

Once the factors have been accumulated, the resulting “FactorDI” factor shall be taken with eight (8) decimal places, with rounding.

The DI Rate shall be used considering an identical number of decimal places as published by the entity responsible for its calculation, except as expressly provided otherwise.

- 7.13 *Temporary Unavailability, Extinction, Limitation, and/or Non-Publication of the DI Rate.* The provisions next shall apply in the event of the temporary unavailability, extinction, limitation and/or non-publication of the DI Rate.
- 7.13.1 Pursuant to the contents of Clauses 7.13.2 and 7.13.3 below, if, at the time of the calculation of any monetary obligations related to the Debentures as provided in the present Issue Indenture, the DI Rate is unavailable, calculations shall use instead the percentage corresponding to the latest officially disclosed DI Rate up until the date of calculation. No financial compensation, fine or penalty shall be due between the Company and/or the Debenture Holders upon the subsequent publication of the DI Rate.
- 7.13.2 In the event of the extinction, limitation and/or non-publication of the DI Rate for a period in excess of ten (10) Business Days from the expected date of ascertainment and/or publication, or if the DI Rate cannot be applied to the Debentures by force of a legal or judiciary prohibition, the legally determined substitute rate shall apply. If the foregoing cannot be applied, the Fiduciary Agent shall, within a period of five (5) days from the end of the ten (10) Business-Day period, or the date of extinction, or the date of legal or judiciary prohibition, as the case may be, call a general meeting of Debenture Holders for the Debenture Holders to decide, in mutual agreement with the Company and pursuant to the applicable regulations, on a new remuneration parameter for the Debentures, such a parameter to be that which best reflects the market's conditions at the time. Until a decision has been reached on such a new Debentures remuneration parameter, calculation of any monetary obligations related to the Debentures as provided in the present Issue Indenture shall use the percentage corresponding to the latest officially disclosed DI Rate up until the date of

calculation. No financial compensation, fine or penalty shall be due between the Company and/or the Debenture Holders upon the subsequent publication of the DI Rate or decision regarding the new Debentures remuneration parameter. If publication of the DI Rate resumes before the foregoing general meeting of Debenture Holders takes place, said general meeting of Debenture Holders shall not convene and the DI Rate, as from the date of publication, shall again be used to calculate any monetary obligations related to the Debentures pursuant to the present Issue Indenture. If the foregoing general meeting of Debenture Holders is not convened at first and second call or, where convened, it lacks the quorum to decide on the new Debentures remuneration between the Company and Debenture Holders representing, at least, the majority of the Outstanding Debentures, the SELIC Rate shall apply as new Debentures remuneration parameter.

- 7.13.3 In the presence of the events covered by foregoing Clause 7.13.2 and the extinction, limitation, and/or non-publication of the SELIC Rate for a period in excess of ten (10) Business Days from the expected date of ascertainment and/or publication, or if the SELIC Rate cannot be applied to the Debentures due to a legal or judiciary prohibition, the Fiduciary Agent shall, within a period of five (5) days from the end of the ten (10) Business-Day period, or the date of extinction, or the date of legal or judiciary prohibition, as the case may be, call a general meeting of Debenture Holders for the Debenture Holders to decide, in mutual agreement with the Company and pursuant to the applicable regulations, on a new remuneration parameter for the Debentures, such a parameter to be that which best reflects the market's conditions at the time. Until a decision has been reached on such a new Debentures remuneration parameter, calculation of any monetary obligations related to the Debentures as provided in the present Issue Indenture shall use the percentage corresponding to the latest officially disclosed SELIC Rate up until the date of calculation. No financial compensation, fine or penalty shall be due between the Company and/or the Debenture Holders upon the subsequent publication of the SELIC Rate or decision regarding the new Debentures remuneration parameter. If publication of the SELIC Rate resumes before the foregoing general meeting of Debenture Holders takes place, said general meeting of Debenture Holders shall not convene and the SELIC Rate, as from the date of publication, shall again be used to calculate any monetary obligations related to the Debentures pursuant to the present Issue Indenture. If the foregoing general meeting of Debenture Holders is not convened at first and second call or, where convened, it lacks the quorum to decide on the new Debentures remuneration between the Company and Debenture Holders representing, at least, the two-thirds (2/3) of the Outstanding Debentures, the Company shall redeem the entirety of the Debentures, such a redemption not to be deemed early maturity of the obligations ensuing from the Debentures, and their consequent cancellation within a period of sixty (60) days from the convening of the general meeting of Debenture Holders as provided above (or the date on which it would have convened, where it has not) or on the Maturity Date, whichever comes first, at the balance of the Nominal Unit Value of the Debentures, plus Remuneration, calculated *pro rata temporis*, from the First Payment Date or the immediately preceding Remuneration payment date, as the case may be, until the effective date of payment, with no premium or penalty. In this event, calculation of any monetary obligations ensuing from the Debentures pursuant to the present Issue Indenture shall use, for the purposes of determination of the SELIC Rate, the percentage corresponding to the latest officially published SELIC Rate.

- 7.14 *Scheduled Renegotiation.* There shall be no scheduled renegotiation of the Debentures.
- 7.15 *Optional Early Redemption.* The Company, at its sole discretion, may realize at any time, and prior notice to the Debenture Holders (by means of the publication of an announcement pursuant to Clause 7.26 below or individual communication provided to every Debenture Holder, with copies to the Fiduciary Agent), to the Fiduciary Agent, to the Settlement and Bookkeeping Agent, and to B3, given at least three (3) Business Days before the date of the event, the early redemption of the total (partial redemption not being permitted) of the Debentures, with the consequent cancelation of these Debentures, through the payment of the balance of the Nominal Unit Value, plus the Remuneration, calculated *pro rata temporis*, from the First Payment Date or the immediately prior payment date of Remuneration, as the case may be, until the effective date of payment, plus premium, calculated on the value of the early redemption, as described above (observing that, in the event of optional early redemption occurring on any payment date of Remuneration or Nominal Unit Value, the amount paid on these dates shall not be considered), corresponding to three-tenths (0.30) percent per annum, for the remaining term between the effective date of early redemption of the Debentures and the Maturity Date, calculated according to the following formula:

$$\text{Premium} = d/252 * 0.30\% * \text{VN}$$

Where:

VN = balance of the Nominal Unit Value of the Debentures, plus Remuneration calculated *pro rata temporis* from the First Payment Date or immediately preceding date of payment of the Remuneration, as the case may be, until the date of effective payment; and

d = number of business days between the date of effective early redemption and the Maturity Date.

- 7.15.1 The announcement of the optional early redemption shall include, at least, the following information: (i) the effective date of optional early redemption and payment to the Debenture Holders; (ii) information on the amount of the optional early redemption (or calculations thereof); and (iii) any other information that the Company may deem needed to carry out the optional early redemption.
- 7.16 *Optional Extraordinary Amortization.* The Company, at its sole discretion, may realize at any time, and prior notice to the Debenture Holders (by means of the publication of an announcement pursuant to Clause 7.26 below or individual communication provided to every Debenture Holder, with copies to the Fiduciary Agent), to the Fiduciary Agent, to the Settlement and Bookkeeping Agent, and to B3, given at least three (3) Business Days before the date of the event, extraordinary amortizations of the balance of the Nominal Unit Value of the entirety of the Debentures, limited to ninety-eight (98) percent of the balance of the Nominal Unit Value of the Debentures, corresponding to the tranche to be amortized of the Nominal Unit Value, plus Remuneration proportional to the value of the tranche to be amortized of the Nominal Unit Value, calculated *pro rata temporis*, from the First Payment Date, or the immediately preceding date of payment of the Remuneration, as the case may be, until the date of the effective payment plus premium on the amount of the extraordinary amortization described above (observing that, in the event of optional extraordinary amortization occurring on any payment date of Remuneration or Nominal Unit Value, the amount paid on these dates shall not be considered),

corresponding to three-tenths (0.30) percent per annum, for the remaining term between the effective date of optional early amortization and the Maturity Date, calculated according to the following formula:

$$\text{Premium} = d/252 * 0.30\% * \text{VPA}$$

Where:

VPA = amount of the tranche of the Nominal Unit Value of the Debentures to be amortized, plus Remuneration proportional to the amount of the tranche to be amortized of the Nominal Unit Value, calculated *pro rata temporis*, from the a First Payment Date or the immediately preceding date of payment of the Remuneration, as the case may be, until effective date of payment; and

d = number of business days from the effective date of optional early amortization of the Debentures and the Maturity Date.

- 7.16.1 The announcement of the optional extraordinary amortization shall include, at least, the following information: (i) the effective date of optional extraordinary amortization and payment to the Debenture Holders; (ii) information on the amount of the optional extraordinary amortization (or calculations thereof); and (iii) any other information that the Company may deem needed to carry out the optional extraordinary amortization.
- 7.16.2 Amounts paid as optional extraordinary amortization of the Nominal Unit Value pursuant to foregoing Clause 7.16 above shall be proportionally debited from the amount of upcoming Nominal Unit Value amortization tranches as in foregoing Cause 7.11 above, automatically and regardless of any additional formalities (including regardless of any amendment to the present Issue Indenture), keeping the dates of payment of amortization of the Nominal Unit Value unchanged.
- 7.17 *Optional Early Redemption Offering.* The Company, at its sole discretion, may realize at any time, an optional early redemption offering (a partial optional early redemption offering not being permitted) of the Debentures, with the consequent cancelation of these Debentures, the said offering to be addressed to all the Debenture Holders, without distinction, ensuring equality of conditions to all Debenture Holders for acceptance of the early redemption of the Debentures of which they are holders pursuant to the terms and conditions next ("Optional Early Redemption Offering"):
- I. the Company shall hold the Optional Early Redemption Offering my means of notice to the Fiduciary Agent and, on the same date, of an announcement to the Debenture Holders (by means of a published announcement as provided in Clause 7.26 below or individual communication sent to every Debenture Holder, with copies to the Fiduciary Agent) ("Optional Early Redemption Offering Announcement"), said announcement to describe the terms and conditions of the Optional Early Redemption Offering, including (a) whether the Optional Early Redemption Offering is contingent upon acceptance thereof by Debenture Holders representing a certain minimum number of Debentures; (b) the early redemption premium, if any, such a premium not to be negative; (c) the form and period for response to the Company, with copy to the Fiduciary Agent, from Debenture Holders choosing to accept the Optional Early Redemption Offering; (d) the effective date of early redemption and payment of the Debentures as indicated by the respective holders in acceptance of the Optional Early Redemption Offering, such a date to be the same for all Debentures indicated by their holders in acceptance of the

Optional Early Redemption Offering and to take place within a minimum of ten (10) days from the date of the Optional Early Redemption Offering Announcement; and (e) other information needed for Debenture Holders to decide and for the execution of the early redemption of the Debentures indicated by the respective holders in acceptance of the Optional Early Redemption Offering;

- II. the Company shall (a) on the final date for acceptance of the Optional Early Redemption Offering, confirm before the Fiduciary Agent whether or not early redemption will take place, according to the criteria set forth in the Optional Early Redemption Offering Announcement, and the number of Debentures to be redeemed; and (b) at least three (3) Business Days before the respective date of early redemption, announce to the Settlement and Bookkeeping Agent and to B3 the respective date of early redemption;
- III. the amount to be paid in connection with each Debenture indicated by its respective holder in acceptance of the Optional Early Redemption Offering shall correspond to the balance of the Nominal Unit Value of the redeemed Debentures, plus (a) Remuneration, calculated *pro rata temporis* from the First Payment Date or the date of payment of the immediately preceding Remuneration, as the case may be, until the date of effective payment; and (b) as the case may be, an early-redemption premium to be offered to Debenture Holders at the sole discretion of the Company, such a premium not to be negative;
- IV. payment of the Debentures subject to early redemption under an Optional Early Redemption Offering shall take place as provided in Clause 7.20 below; e
- V. early redemption of Debentures (a) under electronic custody with B3 shall take place in accordance with B3's operational procedures; and (b) not under electronic custody with B3 shall take place in accordance with the operational procedures of the Settlement and Bookkeeping Agent.

7.18 *Optional Buyback.* The Company may, at any time, buy back Debentures contingent on acceptance of the selling Debenture Holder, as long as it complies with the contents of Article 55, paragraph 3, of the Corporations Law, article 13 and, as applicable, Article 15 of CVM Instruction 476, and the applicable CVM regulations. The Debentures bought back by the Company may, at the discretion of the Company, be cancelled, be held in treasury, or be placed back on the market. The Debentures acquired by the Company to be held in treasury pursuant to the present clause, if and when placed back on the market, shall be entitled to the same Remuneration as all other Debentures.

7.19 *Right to Payments.* All those who are Debenture Holders at the close of the Business Day preceding a date of payment shall be entitled to receive any amounts due to Debenture Holders under the present Issue Indenture.

7.20 *Place of Payment.* Payments associated with the Debentures and any other amounts that may be due by the Company under the present Issue Indenture shall be made by the Company (i) as concerns payments of the Nominal Unit Value, Remuneration, early payment premium, and Late-Payment Charges, and payments associated with debentures under electronic custody with B3, through B3; or (ii) in other cases, by means of the Settlement and Bookkeeping Agent or at the Company's registered offices, as the case may be.

- 7.21 *Extended Periods.* The due dates of payment of any obligation under the present Issue Indenture shall be deemed extended to the first (1st) subsequent Business Day, if the due date is not a Business Day, and no charges shall accrue on the amounts due.
- 7.22 *Late-Payment Charges.* In the event of the late payment of any amounts that may be due from the Company to Debenture Holders under the present Issue Indenture, in addition to payment of the Remuneration, calculated *pro rata temporis* from the date of default until the date of effective payment, and all late amounts shall accrue, regardless of notice, notification or in- or out-of-court claim, (i) late interest at one (1) percent per month or fraction of a month, calculated *pro rata temporis* from the date of default until the date of effective payment; and (ii) non-compensatory late-payment penalty of two (2) percent ("Late-Payment Charges").
- 7.23 *Expiration of Right to Accruals.* A Debenture Holder's failure to appear to receive the amount corresponding to any monetary obligations on the dates set forth in the present Issue Indenture or in any communication sent or notice published under the present Issue Indenture shall not entitle such a Debenture Holder to any accrual for the period associated with the late receipt. However, Debenture Holders shall be assured vested rights until the due date or the date of payment, in the event of late payment.
- 7.24 *Tax Immunity.* If a Debenture Holder has the benefit of tax immunity or exemption, such a Debenture Holder shall submit to the Settlement and Bookkeeping Agent, as the case may be, at least ten (10) days prior to the scheduled date of receipt of amounts related to the Debentures, documents providing proof of such immunity or exemption, and failure to submit such proof shall cause the payments to be deducted of amounts pursuant to the tax laws in force. If any Debenture Holder's benefit of tax immunity or exemption changed, such a Debenture Holder shall inform the Settlement and Bookkeeping Agent, as the case may be, of such a change within two (2) Business Days from formalization of such a change.
- 7.25 *Early Maturity.* Subject to the contents of Clauses 7.25.1 to 7.25.8 below, the Fiduciary Agent shall deem due obligations associated with the Debentures, and demand immediate payment, by the Company, of amounts owed under Clause 7.25.5 below, in the event of any of the facts listed in Clauses 7.25.1 below and 7.25.2 below (each one a "Default Event").
- 7.25.1 Default Events leading to the automatic early maturity of the obligations associated with the Debentures, regardless of notice, notification or in- or out-of-court claim, subject to the contents of Clause 7.25.3 below shall include:
- I. the Company defaulting on any monetary obligation associated with the Debentures, on the respective date of payment, and failing to remedy the default within two (2) Business Days from the date of the default (without prejudice of Late-Payment Charges applicable);
  - II. the present Issue Indenture being declared invalid, null or unenforceable by the courts;
  - III. liquidation, dissolution or extinction of the Company and/or any of its Material Controlled Entities, except as a consequence of a corporate operation that is not a Default Event, as permitted pursuant to Clause 7.25.2 below, item VIII;

- IV. (a) bankruptcy of the Company and/or any of its Controlled Entities; (b) the Company and/or any of its Controlled Entities filing for bankruptcy; (c) a third party filing for bankruptcy of the Company and/or any of its Controlled Entities and such a claim not being voided in the legally prescribed period; or (d) request for in- or out-of-court recovery of the Company and/or any of its Controlled Entities, regardless of the court's acceptance of said a request;
- V. corporate type change of the Company from a corporation to any other type, pursuant to Articles 220-222 of the Corporations Law; or
- VI. early maturity of any financial obligation of the Company and/or any of its Controlled Entities (even if as guarantor) in the domestic or international financial and/or capital markets, in an individual or aggregate amount equal to or exceeding one hundred million (100,000,000) Brazilian Reais, restated annually from the Date of Issue at the positive change in the IPCA or the equivalent thereof in other currencies, except if (a) within the period provided in the respective agreement, or absent this, within seven (7) Business Days from the event, valid proof is provided to the Fiduciary Agent that the obligation has been settled in full or renegotiated in such a way that it is no longer past due, as agreed with the relevant creditor; or (b) within seven (7) Business Days from the event, a court decision suspends the obligation.

7.25.2 Default Events that may cause the early maturity of the obligations associated with the Debentures, subject to the contents of Clause 7.25.4 below, shall include any of the events provided under the Law and/or any of the following Default Events:

- I. the Company defaulting on any monetary obligation under the present Issue Indenture and not covered by foregoing Clause 7.25.1 above, on the respective date of payment, not remedied within a term of ten (10) Business Days as from the date of notification in this context (without prejudice of Late-Payment Charges applicable);
- II. the Company defaulting on any non-monetary obligation under the present Issue Indenture, not remedied within a term of twenty (20) days from the respective date of default, the term set forth in this item not applying to obligations for which a term as been stipulated for a specific remedy or for any other of the Default Events;
- III. the Company failing to allocate the net resources raised with the Issue as provided in foregoing Clause 5 above;
- IV. inaccuracy or falsehood of any of the declarations made by the Company in the present Issue Indenture, on the date on which this declaration was proffered;
- V. assignment or any other form of transfer to third parties, wholly or partially by the Company, of any of its obligations pursuant to the terms to be enshrined in the Issue Indenture, except:
  - (a) when previously authorized by (i.a) Debenture Holders representing, at least, two-thirds (2/3) of the Outstanding Debentures, on first call; or (i.b) Debenture Holders representing, at least, the majority of the Outstanding Debentures, on second call; or

- (b) if due to a corporate act which does not constitute a Default Event under the terms permitted under item VIII below;
- VI. reduction in the Company's capital stock, except:
  - (a) when previously authorized by (i.a) Debenture Holders representing, at least, two-thirds (2/3) of the Outstanding Debentures, on first call; or (i.b) Debenture Holders representing, at least, the majority of the Outstanding Debentures, on second call; or
  - (b) for the purposes of absorbing losses;
- VII. alteration or transfer of control, direct or indirect, of the Company, except:
  - (a) when previously authorized by (i.a) Debenture Holders representing, at least, two-thirds (2/3) of the Outstanding Debentures, on first call; or (i.b) Debenture Holders representing, at least, the majority of the Outstanding Debentures, on second call;
  - (b) when Itaúsa remains individually, holder of the majority of the shares representing the voting and total stock of the Company;
  - (c) when Itaúsa remains, cumulatively, (i.a) part of a group of shareholders, bound by a shareholders' and/or a voting agreement, in which it is holder at least of the majority of the shares representing the voting and total capital stock of the Company ("Controlling Bloc"); and (i.b) holder of at least the majority of shares representing the voting and total capital stock of the Company pertaining to the Controlling Bloc; or
  - (d) if Debenture Holders have been guaranteed during a minimum term of six (6) months from the date of disclosure of notice of a material act or fact on the conclusion of an agreement which will result in the alteration or transfer of control, whether direct or indirect, of the Company, should they so wish, the redemption of the Debentures of which they are holders, without any premium or penalty fee, through the payment of the balance of the Nominal Unit Value plus Remuneration, calculated *pro rata temporis* from the First Payment Date or the immediately previous payment date of Remuneration, as the case may be, until the date of effective payment, which shall occur within a term of up to ten (10) Business Days from the respective date of request of the Debenture Holder in this context, also conditional on the Company obligatorily sending an announcement to the Fiduciary Agent, to the settlement bank and bookkeeping agent and to B3 on this early redemption pursuant to this item, at least three (3) Business Days prior to the early redemption payment date;
- VIII. spin off, merger, incorporation (in which the Company is the incorporator) or incorporation of shares of the Company, except when:
  - (a) previously authorized by (i.a) Debenture Holders representing, at least, two-thirds (2/3) of the Outstanding Debentures, on first call; or (i.b) Debenture Holders representing, at least, the majority of the Outstanding Debentures, on second call; or
  - (b) if Debenture Holders have been guaranteed during a minimum term of six (6) months from the date of disclosure of publication of the material



corporate acts or facts relative to any operation of this nature, should they so wish, the redemption of the Debentures of which they are holders, through the payment of the balance of the Nominal Unit Value plus Remuneration, without any premium or penalty fee, calculated *pro rata temporis* from the First Payment Date or the immediately previous payment date of Remuneration, as the case may be, until the date of effective payment, which shall occur within a term of up to ten (10) Business Days from the respective date of request of the Debenture Holder in this context, also conditional on the Company obligatorily sending an announcement to the Fiduciary Agent, to the settlement Bank and Bookkeeping Agent and to B3 on this early redemption pursuant to this item, at least three (3) Business Days prior to the early redemption payment date;

with the proviso that, for the purposes of clarification, the following shall not be deemed an event of default (i) corporate operations conducted exclusively among Controlled Entities of the Company, as long as the Company retains direct or indirect Control of the relevant Controlled Entity(ies); (ii) incorporation, by the Company (where the Company is the acquiring entity), of any of its Controlled Entities; or (iii) incorporation, by the Company (where the Company is the incorporating entity), of shares issued by any of its Controlled Entities;

- IX. material alteration in the corporate purpose of the Company, pursuant to its existing corporate bylaws on the Date of Issue, which results in an alteration to its principal activities or which add new businesses to these activities which represent significant changes in relation to the activities currently being conducted;
- X. default of any financial obligation by the Company and/or by any of its Controlled Entities (also when in the condition of guarantor) in the local or international financial and/or capital markets in an individual or aggregate amount, equal or higher than to one hundred million (100,000,000.00) Brazilian Reais, restated annually, as from the Date of Issue, according to the positive variation of the IPCA, or its equivalent in other currencies unless, (i) in the term set forth in the respective agreement or, in its absence, in the term of up to seven (7) Business Days as from the date of its occurrence, it can be substantiated to the Fiduciary Agent that such a financial obligation has been settled in full, renewed or renegotiated such as to avoid its enforceability pursuant to the terms agreed with the creditor; or (ii) or within a term of up to seven (7) Business Days from the date of its occurrence, payment of such a financial obligation is suspended pursuant to a court ruling;
- XI. protest of bills against the Company and/or any of its Controlled Entities (also when in the condition of guarantor), in the amount, individual or in aggregate, equal or higher than to one hundred million (100,000,000.00) Brazilian Reais, restated annually, as from Date of Issue, at the positive variation of the IPCA, or its equivalent in other currencies, unless, within the legal term, it can be substantiated to the Fiduciary Agent that the protest(s) has/have been cancelled or suspended; (b) made in error or in bad faith by third parties; or (c) guaranteed by collateral acceptable to the courts;

- XII. default, by the Company and/or by any of its Controlled Entities, of any legal decision for which there is no further right of appeal and/or of any arbitration decision not subject to appeal in an amount individual or in aggregate, equal or higher than one hundred million (100,000,000.00) Brazilian Reais, restated annually, as from Date of Issue, at the positive variation of the IPCA, or its equivalent in other currencies, not remedied within the term stipulated in the respective decision or in its absence, within the term of (seven) 7 Business Days as from the date of the respective default;
- XIII. assignment, sale, disposal and/or any form of transfer, by the Company and/or by any of its key Controlled Entities, by any means, either unencumbered or encumbered, of long term operating assets, except:
- (a) unless previously authorized by (i.a) Debenture Holders representing, at least, two-thirds (2/3) of the Outstanding Debentures, on first call; or (i.b) Debenture Holders representing, at least, the majority of the Outstanding Debentures, on second call;
  - (b) through sale of inventory during the normal course of its business;
  - (c) by assignment, sale, disposal and/or transfer of assets realized between the Company and any of its key Controlled Entities conditional on the said key subsidiary(ies) remaining under the permanent Control of the Company;
  - (d) by the assignment, sale, disposal and/or transfer of asset(s) the individual or aggregate value of which, adding the book value of the assignment, sale, disposal and/or transfer of the assignments, sales, disposals and/or transfers realized since the Date of Issue, are equal or less than twenty percent (20%) of the total asset value of the Company, this total asset calculated based on the then most recent Consolidated Financial Statements of the Company; or
  - (e) by the assignment, sale, disposal and/or transfer by the Company, of forestry assets for the purposes of a capital injection in a corporation resulting from a joint venture between the Company and Lenzing AG for the building of a plant for the production and sale of dissolving wood pulp, pursuant to the material fact published on June 21, 2018;
- XIV. expropriation, confiscation or any other act of any governmental entity of any jurisdiction that results in the loss by the Company, and/or any of its key Controlled Entities of the ownership and/or of the direct or indirect possession of an asset(s), the book value of which (calculated on the basis of the most recent Consolidated Financial Statements of the Company), individually or in aggregate, plus the book value (calculated on the basis of the most recent Consolidated Financial Statements of the Company) of the expropriations, confiscations or other acts of any governmental entity occurred since the Date of Issue, is equal or higher than twenty percent (20%) of the total assets of the Company, this total asset value being calculated on the basis of the then most recent Consolidated Financial Statements of the Company;
- XV. filing for cancellation or cancellation of the registration of the Company as a company authorized by the CVM to issue securities;

- XVI. distribution and/or payment by the Company, of dividends, interest on shareholders' equity or any other distribution of earnings, except for mandatory dividends pursuant to Article 202 of the Corporate Law, the Company's corporate bylaws effective on the Date of Issue, should (i) the Company be in default with any of its obligations to be set forth in the Issue Indenture; or (ii) any Default Event have occurred and be current; or
- XVII. should the quarterly verification by the Fiduciary Agent reveal, within a term of up to five (5) Business Days from date of receipt by the Fiduciary Agent of the information mentioned in Clause 8.1 below, item II, letter (a), that the ratio between the Net Financial Debt of the Company and its EBITDA ("Financial Ratio"), based on the Consolidated Financial Statements of the Company, starting from the Consolidated Financial Statements of the Company for March 31, 2019, was in excess of 4.0 times.

7.25.3 Should any of the Default Events listed in foregoing Clause 7.25.1 above occur, the obligations ensuing from the Debentures shall become automatically due, regardless of in- or out-of-court announcement or notification.

7.25.4 Should any of the Default Events listed in foregoing Clause 7.25.2 above occur, the Fiduciary Agent shall, for purposes including those of Clause 9.6 below, within five (5) Business Days from the date on which it becomes aware of such an event, call a general meeting of Debenture Holders, to be held at the shortest notice allowed by the Law. If such a general meeting of Debenture Holders:

- I. has convened and (a) Debenture Holders representing a minimum of two-thirds (2/3) of the Outstanding Debentures on first call, or (b) Debenture Holders representing a minimum of the majority of Outstanding Debentures, on second call, choose not to declare the early maturity of the obligations ensuing from the Debentures, then the Fiduciary Agent shall not declare the early maturity of the obligations ensuing from the Debentures; or
- II. has been convened on first call or second call, but the quorum for decision provided in foregoing item I above, is not reached, then the Fiduciary Agent shall immediately declare the early maturity of the obligations ensuing from the Debentures; or
- III. has not convened on first and second call, then the Company may, within five (5) Business Days from the date on which the general meeting of Debenture Holders would have been held on second call, carry out a voluntary early redemption of all Debentures (which shall be deemed typical of a voluntary early redemption of debt by the Company and may therefore be conducted without any effects associated with default or early maturity) by means of the payment of the balance of the Nominal Unit Value of the Debentures, plus Remuneration calculated *pro rata temporis*, from the First Payment Date or the immediately preceding payment date of Remuneration, as the case may be, until the effective date of payment, without prejudice of Late-Payment Charges, as applicable, and any other amounts that the Company may owe under the present Issue Indenture. Should the Company not carry out the voluntary early redemption of all Debentures within the period provided in the present item III, early maturity of the obligations ensuing from the Debentures shall be immediately declared and the procedures set forth in Clause 7.25.5 below shall apply.

- 7.25.5 In the event of the early maturity of the obligations ensuing from the Debentures, the Company shall redeem the entirety of the Debentures, with the consequent cancellation thereof, by means of the payment of the balance of the Nominal Unit Value, plus Remuneration calculated *pro rata temporis*, from the First Payment Date or the immediately preceding payment date of Remuneration, as the case may be, until the effective date of payment, without prejudice to Late-Payment Charges, as applicable and any other amounts that the Company may owe under the present Issue Indenture, within a period of five (5) Business Days from the date of declaration of early maturity. Failure to do so shall render the Company subject to payment of Late-Payment Charges in addition to the foregoing.
- 7.25.6 The payment mentioned in foregoing Cause 7.25.5 above shall be made as provided in foregoing Clause 7.20 above, item (ii).
- 7.25.7 In the event of the early maturity of the obligations ensuing from the Debentures, the Fiduciary Agent shall notify the Settlement and Bookkeeping Agent and B3 of such an event on the date of occurrence thereof.
- 7.25.8 In the event of the early maturity of the obligations ensuing from the Debentures, funds received as payment for the obligations ensuing from the Debentures, shall, as they are received, be immediately applied to the amortization or, where possible, settlement of the balance of the obligations ensuing from the Debentures. If amounts received as payment for the obligations ensuing from the Debentures are not sufficient to simultaneously settle all obligations ensuing from the Debentures, such amounts shall be allocated in the order provided next, so that, once the amounts associated with the first item have been settled, funds shall be allocated to the subsequent item, and so on successively: (i) any amounts owed by the Company under the present Issue Indenture (including the Fiduciary Agent's fees and expenses incurred thereby), other than those covered by items (ii) and (iii), next; (ii) Remuneration, Late-Payment Charges and other charges owed as obligations ensuing from the Debentures; and (iii) balance of the Nominal Unit Value das Debentures. The Company shall remain liable for the balance of the obligations ensuing from the Debentures that have remained unpaid, without prejudice of the accrual of Remuneration, Late-Payment Charges and other charges on the balance of the obligations ensuing from the Debentures for as long as they remain unpaid, all of which shall be deemed enforceable and executable debt, subject to in- or out-of-court collection.
- 7.26 *Disclosure.* All acts and decisions related to the Debentures shall be communicated as announcements on DOESP and newspaper "O Estado de S. Paulo", in any case immediately after the realization or occurrence of the disclosed act. The Company may change the newspaper named above for another major national newspaper adopted for its corporate publications, pursuant to notice in writing to the Fiduciary Agent and publication as an announcement on the newspaper to be replaced.

8. ADDITIONAL OBLIGATIONS OF THE COMPANY

- 8.1 The Company shall be additionally obliged to:
- I. make available on its own Webpage and that of the CVM, and provide to the Fiduciary Agent:
    - (a) within five (5) Business Days from the earliest of three (3) months from the end of each fiscal year or the date of effective disclosure, a copy of

the Consolidated Financial Statements of the Company audited by the Independent Auditor for the respective fiscal year, drawn in accordance with the Corporations Law and the rules provided by the CVM ("Consolidated Audited Financial Statements of the Company");

- (b) within five (5) Business Days from the earliest of forty-five (45) days from the end of each fiscal quarter (except for the final quarter of each fiscal year) or the date of effective disclosure, a copy of the Consolidated Financial Statements of the Company with limited review by the Independent Auditor for the respective quarter, drawn in accordance with the Corporations Law and the rules provided by the CVM ("Consolidated Revised Financial Statements of the Company"; the Consolidated Audited Financial Statements of the Company and the Consolidated Revised Financial Statements of the Company, when referred to indistinctively, shall be the "Consolidated Financial Statements of the Company"); e
- (c) within the same periods provided for the submission of such information to the CVM, a copy of the periodical and eventual information as provided in CVM Instruction 480;

II. provide to the Fiduciary Agent:

- (a) within ten (10) Business Days from the dates mentioned in foregoing item I above, letters (a) and (b), a specific report on the ascertainment of the Financial Ratio, drafted by the Company and containing the calculations with all required annotations to demonstrate calculation of the Financial Ratio, and the Fiduciary Agent may request from the Company any additional clarifications needed;
- (b) within ten (10) Business Days from the dates mentioned in foregoing item I above, letters (a) and (b), a statement signed by the Company's legal representatives, pursuant to its Bylaws, stating (i) the truth and accuracy of the calculations of the Financial Ratio; (ii) that the contents of the present Issue Indenture remain in force; (iii) that no Default Events have occurred and that there has been no noncompliance with any obligations under the present Issue Indenture; (iv) compliance with the obligation to maintain the registration as a securities issuer before CVM; and (v) that no acts have been committed in breach of the Bylaws;
- (c) within two (2) Business Days from such an occurrence, information on the occurrence of (i) any default on the part of the Company on any obligation under the present Issue Indenture; and/or (ii) any Default Event;
- (d) within ten (10) Business Days from receipt of such a request, information and/or documents as requested by the Fiduciary Agent;
- (e) within ten (10) Business Days from execution of the present Issue Indenture and amendments hereto, an electronic (PDF) copy of the proof of submission for registration of the present Issue Indenture or respective amendments before the JUCESP;
- (f) within ten (10) Business Days from the respective registration before the JUCESP, (i) an original counterpart of the present Issue Indenture

or amendment hereto as registered before the JUCESP; or (ii) where applicable, an original counterpart of the present Issue Indenture or amendment hereto, together with an electronic (PDF) copy of the present Issue Indenture or amendment hereto, containing the JUCESP digital registration stamp; and

(g) within ten (10) Business Days from filing with the JUCESP, (i) an original counterpart of the respective minutes of the general meeting of Debenture Holders as filed with the JUCESP; or (ii) where applicable, an electronic (PDF) copy of the respective minutes of the general meeting of Debenture Holders containing the JUCESP digital registration stamp;

- III. keep current the Company's registration as an issuer of securities before CVM;
- IV. comply with all CVM requirements, including those associated with the submission of documents;
- V. comply with, and cause its Controlled Entities to comply with, laws, regulations, administrative standards and determinations of government bodies, autarchies or judiciary authorities applicable to the activities thereof, except for those challenged in good faith in administrative and/or judicial venues, or where noncompliance cannot cause a Material Adverse Effect;
- VI. comply with, and cause its Controlled Entities to comply with, including the respective employees acting on behalf and for the benefit of the Company, and instruct any subcontractors to comply with, the contents of Anti-Corruption Laws, as well as to (a) maintain internal policies and procedures intended to disseminate and ensure full compliance with the Anti-Corruption Laws; (b) provide full awareness of the Anti-Corruption Laws to all professionals who may have a relationship with the Company, before they begin their activities; (c) abstain from corrupt practices and from acting in a manner harmful to the domestic and foreign public administration, in its own interest or for its own benefit, whether or not exclusive; and (d) where it becomes aware of any act or fact in breach of the Anti-Corruption Laws, to immediately inform the Fiduciary Agent, which shall take all steps it deems needed;
- VII. stay current, and cause its Controlled Entities to stay current, with the payment of all tax (local, state and federal), occupational, social-security, environmental and any other obligations under the law, except for those challenged in good faith in administrative and/or judicial venues or where noncompliance cannot cause a Material Adverse Effect;
- VIII. maintain, and cause its Controlled Entities to maintain, valid, effective, in perfect order and in full force all licenses, concessions, authorizations, permissions and permits, including of an environmental nature required for the performance of its activities, except for those lawfully undergoing renewal or whose absence cannot cause a Material Adverse Effect;
- IX. keep, and cause its Controlled Entities to keep, insurance coverage over its material goods and assets, according to the practices that the Company may determine in line with its operational needs;

- X. keep valid, effective, in perfect order and in full force all authorizations required for the execution of the present Issue Indenture and for compliance with all obligations hereunder;
- XI. to retain, and keep under retainer, at its expense, providers of services inherent to the obligations under the present Issue Indenture, including the Fiduciary Agent, the Settlement and Bookkeeping Agent, the Independent Auditor, the primary market distribution environment (MDA) and the secondary market trading environment (CETIP21);
- XII. to pay all taxes applicable or that may apply to the Debentures and for which the Company is or may be liable;
- XIII. to (a) pay the Fiduciary Agent's fee pursuant to Clause 9.4 below, item I; and (b) as long as so requested by the Fiduciary Agent and provided the contents of the present Issue Indenture, pay expenses effectively and provenly incurred by the Fiduciary Agent, pursuant to Clause 9.4 below. item II;
- XIV. notify, on the same date, the Fiduciary Agent of the calling, by the Company, of any general meeting of Debenture Holders;
- XV. to call a general meeting of Debenture Holders to decide on any matter relevant to the Debenture Holders' interests within two (2) Business Days from the date on which such a meeting should have been called, where the Fiduciary Agent should have called such a meeting pursuant to the Law and/or under the Issue Indenture, but failed to call within the applicable period;
- XVI. attend, by means of its representatives, the general meetings of Debenture Holders whenever so requested; and
- XVII. without prejudice of any foregoing obligations or any obligations expressly provided in the applicable regulations and under the present Issue Indenture, pursuant to Article 17 of CVM Instruction 476, to:
  - (a) prepare yearend financial statements and, as the case may be, Consolidated Financial Statements pursuant to the Corporations Law and the rules provided by the CVM;
  - (b) submit its financial statements to audit proceedings conducted by CVM-registered auditors;
  - (c) disclose, until the day before the Debentures begin trading, financial statements, together with footnotes and the independent audit report, for the last three (3) fiscal years, (i) on its own Webpage, keeping them available for a period of three (3) years; and (ii) on the system provided by B3;
  - (d) disclose subsequent financial statements, together with footnotes and the independent audit report, within three (3) months from the end of each fiscal year, (i) on its own Webpage, keeping them available for a period of three (3) years; and (ii) on the system provided by B3;
  - (e) abide by the contents of CVM Instruction 358 as concerns confidentiality obligations and trading prohibitions;

- (f) disclose any material facts as defined in Article 2 of CVM Instruction 358 (i) on its own Webpage, keeping them available for a period of three (3) years; and (ii) on the system provided by B3;
- (g) provide the information requested by CVM; and
- (h) disclose on its own Webpage the annual report and other communications send by the Fiduciary Agent on the date of receipt thereof, keeping them available for a period of three (3) years.

9. FIDUCIARY AGENT

9.1 The Company hereby appoints as fiduciary agent the Fiduciary Agent described in the recitals hereof, who signs as such and hereby, and for all legal purposes, accepts the appointment to, pursuant to the Law and under the present Issue Indenture, represent the community of Debenture Holders, declaring that:

- I. it is a financial institution duly organized, constituted and in existence as a limited liability society in accordance with the laws of Brazil;
- II. it is duly authorized to operate, and has secure all authorizations, including, as applicable, legal, corporate, regulatory and third parties' authorizations, required to execute the present Issue Indenture and to abide by every obligation hereunder, having fully met every legal, corporate, regulatory and third-party requirement for such a purpose;
- III. the Fiduciary Agent's legal representative(s) signing the present Issue Indenture has/have corporate and/or proxy powers to accept the obligations hereunder on behalf of the Fiduciary Agent and, where proxies, have been duly appointed, their powers-of-attorney having full force;
- IV. the present Issue Indenture and the obligations hereunder constitute lawful, valid, binding and enforceable obligations of the Fiduciary Agent, executable according to the herein terms and conditions;
- V. entry into, the terms and conditions of, and compliance of the obligations provided in the present Issue Indenture (a) are not in breach of the Fiduciary Agent's statutes; (b) are not in breach of any instrument to which the Fiduciary Agent is a party and/or to which any of its assets may be subject; (c) are not in breach of any legal or regulatory provision to which the Fiduciary Agent and/or any of its assets may be subject; and (d) are not in breach of any administrative, judicial or arbitration order, decision or sentence affecting the Fiduciary Agent and/or any of its assets;
- VI. it accepts the purpose for which it has been appointed, fully accepting the duties and attributes under the applicable law and the present Issue Indenture;
- VII. it is aware of and fully accepts the present Issue Indenture and all of its terms and conditions;
- VIII. it has verified the truth of the information provided in the present Issue Indenture, based on information provided by the Company; the Fiduciary Agent has not carried out any independent or additional verification procedures;



- IX. it is aware of the applicable regulations as issued by the Central Bank of Brazil and CVM;
  - X. it is not, under the penalties of the law, in any way legally barred, pursuant to Article 66, paragraph 3º, of the Corporations Law, CVM Instruction 583, and other applicable rules, from performing according to the appointment;
  - XI. it is not in any conflict of interests situation as provided in Article 6º of CVM Instruction 583;
  - XII. on the date of execution of the present Issue Indenture, according to the organization chart provided by the Company, the Fiduciary Agent has indicated that it provides notes agency services for the first issue of commercial papers of the Company, in the amount of five hundred million (500,000,000) Brazilian Reais, including one hundred (100) commercial papers without any collateral or preemptive rights, issued on October 20, 2017, maturing on October 19, 2020, and remunerated at 104.50% of the DI Rate per annum, and that no defaults have been noted until the date of execution of the present Issue Indenture; and
  - XIII. it will guarantee equitable treatment to all Debenture Holders and all holders of securities where it acts or may act as Fiduciary Agent, notes agent, or guarantees agent, pursuant to the guarantees, obligations, and rights specifically assigned to the holders of securities of each issue or series.
- 9.2 The Fiduciary Agent shall perform from the date of execution of the present Issue Indenture or any amendment concerning its replacement, and shall remain in full performance until full discharge of every obligation under the present Issue Indenture, or until replaced.
- 9.3 In the event of the impediment, resignation, removal, intervention, in- or out-of-court liquidation, or situation where the position of Fiduciary Agent is made vacant, the following rules shall apply:
- I. the Debenture Holders may replace the Fiduciary Agent and appoint its replacement at any time from the closing of the Offering, at a general meeting of Debenture Holders specifically convened for the purpose;
  - II. where the Fiduciary Agent cannot continue to perform due to circumstances subsequent to the present Issue Indenture, it shall immediately give notice of this fact to the Company and the Debenture Holders, calling a general meeting of Debenture Holders and requesting its replacement;
  - III. where Fiduciary Agent resigns the position, it shall continue to perform until a replacement institution is appointed by the Company and approved by the general meeting of Debenture Holders and effectively accepts the charges;
  - IV. within thirty (30) days from the event causing it, a general meeting of Debenture Holders shall be called by the outgoing Fiduciary Agent to appoint a new Fiduciary Agent; such a meeting may be called by Debenture Holders representing a minimum of ten (10) percent of the Outstanding Debentures; if such a meeting has not been called fifteen (15) days from the end of the period provided in this item, the Company shall call such a meeting; in exceptional cases, the CVM may call the general

- meeting of Debenture Holders for the appointment of a new Fiduciary Agent , or appoint a replacement pro-tem;
- V. replacement of the Fiduciary Agent shall be announced to the CVM within seven (7) Business Days from the date of the filing of the amendment hereto pursuant to foregoing Clause 3.1 above, item II, together with the declaration and other information required in Article 5<sup>o</sup>, heading and paragraph 1<sup>o</sup>, of CVM Instruction 583;
  - VI. payments to outgoing Fiduciary Agent shall be made proportionally to the period of effective performance;
  - VII. the incoming Fiduciary Agent shall receive the same remuneration as its predecessor if (a) the Company has not agreed to the amount of the Fiduciary Agent remuneration as proposed by the general meeting of Debenture Holders mentioned in foregoing item IV above; or (b) the general meeting of Debenture Holders mentioned in foregoing item IV above does not decide on the matter;
  - VIII. the incoming Fiduciary Agent shall, immediately after being appointed, give notice of said appointment to the Company and the Debenture Holders as provided in foregoing Clauses 7.26 above 13 below; and
  - IX. CVM standards and prescriptions shall apply to all cases of Fiduciary Agent replacement.
- 9.4 For the performance of the duties and charges under the law and the present Issue Indenture, the Fiduciary Agent or the institution that may replace it as such:
- I. shall receive:
    - (a) remuneration in the amount of ten thousand (10,000) Brazilian Reais per year, to be paid by the Company, the first installment being due on the fifth (5th) Business Day from execution of the present Issue Indenture and the others on the same calendar day of each subsequent year until the Issue matures, or for as long as the Fiduciary Agent represents the interests of the Debenture Holders;
    - (b) additional remuneration, in the event of monetary or non-monetary default and/or early maturity of the obligations ensuing from the Debentures, equal to five hundred (500.00) Brazilian Reais per man-hour of work devoted to activities associated with the Issue and the Debentures, to be paid within five (5) days from date of substantiated delivery by the Fiduciary Agent and approval by the Company of the hours report associated with the following activities (i) advice to Debenture Holders in renegotiation processes requested by the Company; (ii) attendance at formal meetings with the Company and/or Debenture Holders and/or general meetings of Debenture Holders; (iii) implementation of the decisions made by the Debenture Holders; and (iv) in the event of execution of amendments to the Issue documents and/or holding of general meetings of Debenture Holders, as well as hours spent outside the Fiduciary Agent's offices;
    - (c) annually restated remuneration from the date of payment of the first installment at the accumulated positive change of the IPCA or the index that may replace it, calculated *pro rata temporis*, as needed;

- (d) remuneration accrued of Tax on Services (Imposto Sobre Serviços de Qualquer Natureza – ISSQN), Contribution to the Social Integration Program (Programa de Integração Social – PIS), Contribution to Social Security Financing (Contribuição para o Financiamento da Seguridade Social – COFINS) and any other taxes and charges that may apply against the remuneration owed to the Fiduciary Agent, at the tax rates in force on the date of each payment, except for Tax in Income and all Proceeds (Imposto Sobre a Renda e Proventos de Qualquer Natureza – IR) and Social Contribution on Net Income (Contribuição Social Sobre o Lucro Líquido – CSLL); on the date of the present Issue Indenture, the accrual (gross-up) mentioned in the present letter corresponds to nine point sixty-five (9.65) percent;
  - (e) remuneration owed until the maturity, redemption or cancellation of the Debentures and even after their maturity, redemption or cancellation if the Fiduciary Agent continues to perform as such, in which case the remuneration owed to the Fiduciary Agent shall be calculated proportionally with the number of months performing as Fiduciary Agent, based on the amount of foregoing letter (a) above, restated according to foregoing letter (c) above;
  - (f) remuneration, in the event of late payment, irrespective of notice, notification or in- or out-of-court claim, for all late amounts accrued of (i) late interest at one (1) percent per month calculated *pro rata temporis* from the date of default until the date of effective payment; (ii) late payment penalty, irreducible and non-compensatory, of two (2) percent; and (iii) monetary restatement according to the IPCA, calculated *pro rata temporis* from the date of default until the date of effective payment; and
  - (g) remuneration paid as deposits to a checking account to be named in writing by the Fiduciary Agent to the Company, with the deposit slip serving as proof of payment;
- II. shall be reimbursed by the Company of all duly substantiated expenses incurred to protect the rights and interests of the Debenture Holders or to realize their credits, within ten (10) days from the delivery of a copy of the relevant substantiating documents, as long as such expenses have been, wherever possible, approved in advance by the Company, and to be deemed approved where the Company has failed to respond within five (5) Business Days from receipt of the respective request from the Fiduciary Agent, including expenses incurred with:
- (a) publication of reports, convening notices, announcements, notices and other as per the present Issue Indenture, and any others that may be required under the applicable laws and regulations;
  - (b) official statements and certifications secured;
  - (c) notarial expenses;
  - (d) transport, travel, room and board, where necessary to perform under the present Issue Indenture;
  - (e) document photocopying, digitizing and mailing expenses;

- (f) telephone call- and teleconference-related expenses;
- (g) expenses with experts such as auditors and inspectors; and
- (h) retainer of legal advisors to the Debenture Holders;

III. may request from the Debenture Holders advances for expenses with legal, judiciary or administrative procedures that the Fiduciary Agent may incur to protect the interests of the Debenture Holders; such expenses shall, wherever possible, be approved and advanced in advance by the Debenture Holders, and later refunded by the Company, as long as duly substantiated; the expenses to be advanced by Debenture Holders shall include expenses with third party legal bills escrows, court fees and expenses in lawsuits filed by the Fiduciary Agent or arising from lawsuits against the Fiduciary Agent in the performance as such, or that may cause the Fiduciary Agent damage or financial hazard as representative of the community of Debenture Holders; any court expenses, deposits and costs arising from lawsuits lost shall equally run at the expense of the Debenture Holders, as shall the remuneration and expenses mentioned in foregoing items I and II above, in the event that the Company defaults on payment thereof for a period in excess of thirty (30) days; the Fiduciary Agent may request guarantees from the Debenture Holders to cover the risk of loss in lawsuits; and

IV. credits to the Fiduciary Agent for expenses incurred protecting the rights and interests of the Debenture Holders, or realizing credits of the Debenture Holders that have not been settled as per foregoing item III above shall be added to the debt of the Company, and shall have preemptive rights over it in the order of payments.

9.4.1 The Fiduciary Agent hereby represents awareness of and agreement with the risk of not having such expenses refunded where incurred in breach of (i) generally accepted criteria of common sense and reasonability in commercial relationships of the relevant type; and (ii) the fiduciary role inherent thereto.

9.5 In addition to others pursuant to the law, CVM regulations and the contents of the present Issue Indenture, the following shall be the Fiduciary Agent's duties and attributes:

- I. to perform in good faith, transparently, and loyally before the Debenture Holders;
- II. to protect the rights and interests of Debenture Holders, using, in the performance of its duties, the caution and diligence typical of an active and righteous person in the management of such a person's own assets;
- III. to resign from the position in the event of a subsequent conflict of interests or any other form of inaptitude, and to immediately call the general meeting of Debenture Holders as provided in Article 7<sup>o</sup> of CVM Instruction 583 to decide on its replacement;
- IV. to properly care for all the documents associated with performance hereunder;
- V. to verify, upon acceptance of the role, the consistency of the information in the present Issue Indenture, taking steps to remedy any omissions, failures or defects of which they may become aware;

- VI. to take steps before the Company to make sure that the present Issue Indenture and its amendments are filed as provided in foregoing Clause 3.1 above, taking any steps provided in the law if the Company fails in this respect;
- VII. to monitor the Company's periodical disclosure and inform the Debenture Holders, in the report mentioned in item XVII below, of any inconsistencies or omissions of which it may become aware;
- VIII. to issue opinion on the sufficiency of the information provided in proposed changes to the Debentures' conditions;
- IX. to request, as it may deem necessary for faithful performance hereunder, current certifications from the Company, from civil court filing offices, from the Tax Courts, from protest registries, from Labor courts and from the Public Revenue Attorney's Office of the venue with jurisdiction over the Company's domicile or registered offices;
- X. to request, as it may deem necessary, external audit of the Company;
- XI. to call, as it may deem necessary, the general assembly of Debenture Holders as provided in Clause 10.3 below;
- XII. to attend the general meetings of Debenture Holders to provide information requested of it;
- XIII. to keep the list of Debenture Holders and respective addresses updated, to include diligence before the Company, the Settlement and Bookkeeping Agent and B3; for the purposes of compliance with the contents of the present item, the Company and the Debenture Holders, upon subscribing and paying in, or acquiring, Debentures, hereby expressly authorize the Settlement and Bookkeeping Agent and B3 to comply with any requests from the Fiduciary Agent, including in connection with the disclosure at any time, of the Debentures position and the respective Debenture Holders;
- XIV. to oversee compliance with the clauses of the present Issue Indenture, including (a) those that impose obligations to commit or not commit actions; and (b) that governing compliance with the Financial Ratio;
- XV. to inform the Debenture Holders of the publication of a material act or fact concerned with entry into an agreement resulting in a change or transfer of direct or indirect Control over the Company as per foregoing Clause 7.25.2, item VII, letter (d) above;
- XVI. to inform the Debenture Holders of any default on the part of the Company on financial obligations under the present Issue Indenture, including any obligations associated with clauses intended to protect the interests of the Debenture Holders and establishing conditions that the Company must not breach, indicating the consequences to Debenture Holders and the measures it intends to take in respect therewith, within a period of seven (7) Business Days from the date on which it becomes aware of the default as notified by the Fiduciary Agent;
- XVII. to within a period of four (4) months from the end of the Company's fiscal year, to announce on its Webpage, and send to the Company for disclosure as provided in the applicable regulations, an annual report intended for the Debenture Holders, pursuant to Article 68, paragraph 1, letter (b), of the

Corporations Law, describing material facts taking place during the fiscal year as concerns the Debentures, abiding by the minimum contents provided in Attachment 15 to CVM Instruction 583;

- XVIII. to keep the annual report mentioned in foregoing item XVII above available for public viewing on its Webpage for a period of three (3) years;
  - XIX. to keep available on its Webpage a current list of issues for which it serves as Fiduciary Agent, notes agent, or guarantees agent;
  - XX. to disclose on its Webpage the information provided in Article 16 of CVM Instruction 583 and to keep this information available for public viewing for a period of three (3) years; and
  - XXI. to disclose to the Debenture Holders and other market participants, on its Webpage and/or its hotline, on each Business Day, the unit balance of the Debentures as calculated by the Company in cooperation with the Fiduciary Agent.
- 9.6 Should the Company default on any of its obligations under the present Issue Indenture, the Fiduciary Agent shall use any and all steps provided in the Law or in the present Issue Indenture to protect the rights or defend the interests of the Debenture Holders, pursuant to the contents of Article 68, paragraph 3, of the Corporations Law and Article 12 of CVM Instruction 583, including:
- I. to declare, as provided in the present Issue Indenture, the early maturity of the obligations ensuing from the Debentures, and to collect on the principal and accessory amounts thereof;
  - II. to file for the Company's bankruptcy in the absence of collateral;
  - III. to take any other steps needed for the Debenture Holders to realize their credits; and
  - IV. to represent the Debenture Holders in bankruptcy, in-court recovery, out-of-court recovery proceedings or, as applicable, intervention in or out-of-court liquidation of the Company.
- 9.7 The Fiduciary Agent shall not be obliged to verify the truth of any document or entry that it deems authentic and that it has been provided with by the Company or third parties at its request, on which to substantiate its decisions; and shall not be held liable for the drafting of such documents, which shall remain the Company's legal and regulatory obligation to prepare, pursuant to the applicable law.
- 9.8 The Fiduciary Agent shall not issue any opinion, or make any judgment, concerning any fact associated with the Issue that it is the Debenture Holders' purview to define pursuant to Clause 10 below; the duties of the Fiduciary Agent shall be limited to acting in compliance with the instructions given by the Debenture Holders pursuant to Clause 10 below, and in accordance with the duties conferred upon it by the law, by foregoing Clause 9.5 above and by the other provisions under the present Issue Indenture. In this sense, the Fiduciary Agent shall not be responsible for the results or legal effects of strict compliance with the Debenture Holders' instructions given to it as defined by the Debenture Holders, pursuant to Clause 10 below, and reproduced before the Company.
- 9.9 The actions of the Fiduciary Agent shall be limited to the scope of CVM Instruction 583, the applicable articles of the Corporations Law, and of the present

Issue Indenture, and the Fiduciary Agent shall be exempted, under all forms and pretexts, from any additional responsibility not ensuing from the applicable laws and regulations and from the present Issue Indenture.

10. GENERAL MEETING OF DEBENTURE HOLDERS

- 10.1 The Debenture Holders may, at any time, convene in a general meeting, pursuant to the contents of Article 71 of the Corporations Law, to decide on matters relevant to the community of Debenture Holders.
- 10.2 The general meetings of Debenture Holders may be called by the Fiduciary Agent, by the Company, by Debenture Holders representing a minimum of ten (10) percent of the Outstanding Debentures, or by the CVM.
- 10.3 The general meetings of Debenture Holders shall be called by means of a notice to be published at least three (3) times as per foregoing Clause 7.26 above, in compliance with other rules governing the publication of convening notices of general meetings as provided in the Corporations Law, the applicable regulations, and the present Issue Indenture; and a convening notice shall be waived where all of the Debenture Holders are in attendance.
- 10.4 The general meetings of Debenture Holders shall convene, on first call, with the attendance of the holders of at least one-half of the Outstanding Debentures, and, on second call, with any quorum attending.
- 10.5 The chair of the general meetings of Debenture Holders shall be the Debenture Holder elected by those Debenture Holders in attendance or by appointment of the CVM.
- 10.6 For the purposes of the decisions taken in general meetings of Debenture Holders, each Outstanding Debentures will be entitled to one vote, and proxies may serve, whether they may be Debenture Holders or not. Except for the contents of Clause 10.6.1 below, all decisions to be take in a general meeting of Debenture Holders (including those related with the waiver or temporary forgiveness of a Default Event) shall require the approval of (i) Debenture Holders representing a minimum of two-thirds (2/3) of the Outstanding Debentures, on first call; or (ii) Debenture Holders representing at least the majority of the Outstanding Debentures, on second call.
- 10.6.1 The quorum mentioned in foregoing Clause 10.6 above shall not include:
- I. quorums expressly provided in other Clauses of the present Issue Indenture; and
  - II. amendments, which shall require the approval of Debenture Holders representing a minimum of ninety (90) percent Outstanding Debentures, and shall only be proposed by the Company (a) of the contents of the present Clause; (b) of any of the quorums provided in the present Issue Indenture; (c) of the Remuneration, except for the contents of foregoing Clauses 7.13.2 and 7.13.3 above; (d) of any dates of payment of any amounts provided in the present Issue Indenture; (e) of the duration of the Debentures; (f) of the type of the Debentures; (g) of the creation of a renegotiation event; (h) of provisions governing optional early redemption; (i) of the provisions governing optional early amortizations; (j) of the provisions governing the Optional Early Redemption Offering; or (k) of the drafting of any Default Event.

- 10.7 The decisions taken by the Debenture Holders, within their legal jurisdiction, given the quorums provided in the present Issue Indenture, shall be valid and enforceable before the Company and shall be binding upon all Debenture Holders, regardless of their attendance or votes at the general meeting of Debenture Holders.
- 10.8 A general meeting of Debenture Holders is hereby waived to decide on (i) the correction of gross, typography, or arithmetical errors; (ii) amendments to the present Issue Indenture that are already expressly permitted under the present Issue Indenture; (iii) amendments to the present Issue Indenture due to requirements of the CVM, B3, or ANBIMA; or (iv) amendments to the present Issue Indenture due to changes in the Parties descriptive information, such as changes in corporate names, addresses and telephone numbers, among others, as long as the changes or corrections mentioned in foregoing items (i), (ii), (iii) and (iv) cannot cause damage to the Debenture Holders and/or the Company, or any change in the flow of the Debentures, and as long as they cause no additional cost or expense to the Debenture Holders.
- 10.9 The Fiduciary Agent shall attend the general meetings of Debenture Holders and provide to the Debenture Holders the information requested of it.
- 10.10 The contents of the Corporations Law governing general shareholders' meetings shall apply, as the case may be, to the general meetings of Debenture Holders.

11. REPRESENTATIONS OF THE COMPANY

- 11.1 The Company hereby, on the Date of Issue and on every Payment Date, declares and represents:
- I. that it is a duly organized, executed and existing society operating as a corporation under the laws of Brazil, and registered as a class "A" securities issuer before the CVM;
  - II. that it is duly authorized and has secured every authorization, including, as applicable, legal, corporate, and third party authorizations, required to execute the present Issue Indenture and perform every obligation provided hereunder, and to realize the Issue and the Offering, having fully met every legal, corporate, regulatory and third-party requirement to do so;
  - III. the Company's legal representatives signing the present Issue Indenture have, as the case may be, corporate and/or delegate powers to accept the herein obligations on behalf of the Company and, if proxies, have legitimately granted powers, with their powers of attorney in full force;
  - IV. that the present Issue Indenture and the obligations hereunder constitute legal, valid, binding and enforceable obligations of the Company, executable according to their terms and conditions;
  - V. that, except for the contents of foregoing Clause 3 above, no approval, authorization, consent, order, registration or accreditation from, of, or before any judiciary venue, government body or agency, or regulatory entity is required to execute and perform under the present Issue Indenture and to realize the Issue and the Offering;
  - VI. that execution and the terms and conditions of the present Issue Indenture, and performance hereunder, and the realization of the Issue and the Offering (a) are not in breach of the Company's Bylaws; (b) are not in



breach of any agreement or instrument to which the Company is a party and/or to which any of its assets is subject; (c) shall not result in (i) early maturity of any obligation under an agreement or instrument to which the Company is a party and/or to which any of its assets is subject; or (ii) the rescission of any such agreement or instrument; (d) shall not create any lien, in- or out-of-court on any of the Company's assets; (e) are not in breach of any legal or regulatory provision to which the Company and/or any of its assets is subject; and (f) are not in breach of any administrative, judiciary or arbitration order, decision or sentence affecting the Company and/or any of its assets;

- VII. that it is current with performance of the obligations provided in the present Issue Indenture, and up until the present date, no Default Event has occurred or exists;
- VIII. that it is fully aware of and in full agreement with the form of disclosure and determination of the DI Rate, and the manner of calculation of the Remuneration has been fully agreed to by the company according to the principle of good faith;
- IX. that the information provided upon the Offering and found in the Reference Form and in the material act or fact announcements disclosed by the Company since the date of submission of the Reference Form are true, consistent, correct and sufficient, enabling investors to make substantiated decisions regarding the Offering;
- X. that the Reference Form (a) contains all the material information needed for investors to become aware of the Company and its Controlled Entities, and of their activities and economic and financial situation, the risks inherent to their activities, and any other material information; (b) do not contain false, inconsistent, incorrect or insufficient information; (c) do not omit material facts; and (d) has been drafted in accordance with all applicable standards, including those of the CVM;
- XI. that the Consolidated Financial Statements of the Company for the fiscal years ending December 31, 2016, 2017 and 2018 accurately represent the consolidated equity and financial position of the Company on the respective dates and for the respective periods, and have been duly prepared in accordance with the Corporations Law and the rules issued by the CVM;
- XII. that, since the as-of date of the latest Consolidated Financial Statements of the Company there has been no (a) Material Adverse Effect; (b) material operation conducted by the Company and/or any of its Controlled Entities; (c) material, obligation, whether directly or contingently incurred by the Company and/or any of its Controlled Entities; or (d) changes to the equity capital or increases in the indebtedness of the Company and/or any of its Controlled Entities;
- XIII. that it and its Controlled Entities, are in compliance with the laws, regulations, administrative standards and determinations of the government bodies, autarchies, or judiciary venues applicable to the performance of its activities, except for those challenged in good faith in administrative and/or judiciary venues or where noncompliance cannot cause any event preventing the Company and/or its Material Controlled Entities from doing business as initially planned, or that may reach material amounts with no

- appropriate provisioning, capable of affecting (i) in an adverse and material way the business, reputation and financial situation of the Company and its Material Controlled Entities; and/or (ii) in an adverse manner the Company's capacity to honor the obligations ensuing from the Debentures;
- XIV. that it and its Controlled Entities are current with all tax (local, state and federal), labor, social security, environmental and all other obligations under the law, except for those challenged in good faith in administrative and/or judiciary venues, or where noncompliance cannot cause a Material Adverse Effect;
- XV. that it and its Controlled Entities have valid, effective, in perfect order and full force all license, concessions, authorizations, permissions and permits, including those of an environmental nature, necessary for the exercise of their activities, except for those undergoing legal renewal or whose absence cannot cause a Material Adverse Effect;
- XVI. that it complies with and causes its Controlled Entities to comply with, including the respective employees acting on behalf of the Company and for its benefit, and instructs any subcontractors to comply with, the Anti-Corruption Laws, insofar as it (a) has internal policies and procedures in place to disseminate and foster full compliance with the Anti-Corruption Laws; (b) provides full awareness of the Anti-Corruption Laws to all professionals that may have a relationship with the Company, prior to the commencement of their activities; (c) refrains from corrupt practices and from actions harmful to the domestic or international public administration, in its own interests or for its own benefits, whether or not exclusive; and (d) upon becoming aware of any act or fact in breach of the Anti-Corruption Laws, shall immediately inform the Fiduciary Agent;
- XVII. that, including as concerns its Controlled Entities, there is no (a) noncompliance with any contractual or legal provision, nor with any judicial, administrative or arbitration order; or (b) judicial, administrative or arbitration proceeding, and to the best of its knowledge, no inquest or any governmental investigation, in connection with any of the cases under the present item that (i) may cause a Material Adverse Effect; or (ii) aims to void, alter, invalidate, challenge or in any way affect the present Issue Indenture;
- XVIII. that the Company's registration as a securities issue before the CVM is current; and
- XIX. that no conflict of interests exists that prevents the Fiduciary Agent from fully performing hereunder.
- 11.2 The Company shall irrevocably and irretrievably oblige to indemnify and hold harmless the Debenture Holders and the Fiduciary Agent against any and all losses, damages, costs and/or expenses (including legal expenses and attorney's fees) incurred and substantiated by the Debenture Holders and/or the Fiduciary Agent due to falsehood and/or inaccuracy of any of its declarations and representations made pursuant to foregoing Clause 11.1 above.
- 11.3 Without prejudice to the contents of foregoing Clause 11.2 above, the Company shall notify the Debenture Holders (by means of a published announcement pursuant to foregoing Clause 7.26 above, or individual communication sent to every Debenture

Holder, with copies to the Fiduciary Agent) and the Fiduciary Agent, within two (2) Business Days from the date on which it gains awareness of such a fact, that any of the declarations and representations made pursuant to foregoing Clause 11.1 above is false and/or inaccurate on any of the dates on which it may have been made.

12. EXPENSES

12.1 All costs incurred with the Issue and the Offering and with the structuring, issuance, booking, deposit and execution of the Debentures shall run at the expense of the Company, including publications, entries, deposits, retainer of the Fiduciary Agent, of the Settlement and Bookkeeping Agent, of the Independent Auditor and of all other services providers, as well as any other costs associated with the Debentures.

13. COMMUNICATIONS

13.1 All communications held under the present Issue Indenture shall take place in writing, to the addresses below, and shall be deemed received (i) for communications in general, on the date of delivery against receipt or "return receipt" issued by the Empresa Brasileira de Correios e Telégrafos; and (ii) for communications held electronically, on the date of the transfer thereof, as long as receipt is confirmed by means of an indication (receipt issued by the sender's machine). Changes to any of the addresses shall be notified to the other Parties by the Party whose address has changed.

I. if to the Company:

Duratex S.A.  
 Avenida Paulista 1938, 5<sup>th</sup> floor  
 01310-200 São Paulo, SP  
 Care of: Mr. Carlos Henrique Pinto Haddad  
 Ms. Marina Garbi Amaral Mello  
 Sr. André Araújo Canavarros  
 Telephone No. (11) 3179-7136  
 (11) 3179-7259  
 (11) 3179-7745  
 E-mail address: henrique.haddad@duratex.com.br  
 marina.garbi@duratex.com.br  
 andre.canavarros@duratex.com.br

II. if to the Fiduciary Agent:

Simplific Pavarini Distribuidora de Títulos e Valores Mobiliários Ltda.  
 Rua Joaquim Floriano 466, bloc B, suite1401  
 04534-002 São Paulo, SP  
 Care of: Mr. Carlos Alberto Bacha  
 Mr. Matheus Gomes Faria  
 Mr. Rinaldo Rabello Ferreira  
 Telephone No. (11) 3090-0447  
 (21) 2507-1949  
 E-mail address: fiduciario@simplificpavarini.com.br  
 Webpage: www.simplificpavarini.com.br

14. MISCELLANEOUS

- 14.1 The obligations taken under the present Issue Indenture shall be irrevocable and irretrievable, and shall be binding upon the parties and all of their successors.
- 14.2 Any amendment to the present Issue Indenture shall only be deemed valid if rendered in writing, in an appropriate instrument signed by every Party.
- 14.3 If any of the herein clauses is declared fully or partly null or void, it shall not affect the other clauses, which shall remain valid and in force until the Parties have complied with all of their obligations hereunder.
- 14.4 Any waiver, partial exercise, or concession between the Parties shall be deemed of grace, and shall not imply a waiver or loss of any right, faculty, privilege, prerogative or powers conferred (including powers of attorney), nor shall it imply a renewal, amendment, waiver, remission, modification or reduction of the herein rights and obligations.
- 14.5 The Parties recognize the present Issue Indenture and the Debentures as executable out-of-court securities pursuant to article 784, items I and III, of the Brazilian Civil Procedure Code.
- 14.6 For the purposes of the present Issue Indenture, the Parties may, at their sole discretion, request specific enforcement of the obligations hereunder pursuant to the contents of Articles 497 and subsequent, 538, and the Articles governing the various forms of foreclosure and execution (Article 797 and subsequent) of the Brazilian Civil Procedure Code, at no prejudice to the right to declare the early maturity of the obligations ensuing from the Debentures as herein provided.

15. GOVERNING LAW

- 15.1 The present Issue Indenture shall be governed by the Laws of the Federative Republic of Brazil.

16. VENUE

- 16.1 The parties elect the courts of the City and State of São Paulo, waiving any others, however privileged, to rule on any disputes that may arise from the present Issue Indenture.

In witness whereof the Parties have caused the present Issue Indenture to be signed in three (3) identical counterparts to bind themselves and their successors, in the presence of the two (2) undersigned witnesses described ahead. São Paulo, May 6, 2019. DURATEX S.A. (SS) Antonio Joaquim de Oliveira – Chief Executive Officer and Carlos Henrique Pinto Haddad – Chief Administrative, Financial and IR Officer; SIMPLIFIC PAVARINI DISTRIBUIDORA DE TÍTULOS E VALORES MOBILIÁRIOS LTDA. (S) Matheus Gomes Faria – Manager; and Witnesses: André Araújo Canavarros – CPF 124.105.697-81 and Pedro Paulo F.A.F. de Oliveira – CPF 060.883.727-02.

*CARLOS HENRIQUE PINTO HADDAD*  
Investor Relations Officer