BRAZILIAN DISTRIBUTION CO COMPANHIA BRASILEIRA DE DISTR CBD

Form 6-K October 03, 2012

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16 of the Securities Exchange Act of 1934

For the month of October, 2012

Brazilian Distribution Company
(Translation of Registrant's Name Into English)

Av. Brigadeiro Luiz Antonio, 3142 São Paulo, SP 01402-901 Brazil

(Address of Principal Executive Offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F)

Form 20-F X Form 40-F

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101 (b) (1)):

Yes ___ No _X_

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101 (b) (7)):

Yes ___ No <u>X</u>

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes ___ No <u>X</u>

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

CNPJ/MF 47.508.411/0001-56

NIRE 35.300.089.901

MANAGEMENT PROPOSAL FOR THE GENERAL SHAREHOLDERS MEETING TO BE HELD ON THE 18THOF OCTOBER, 2012

Dear shareholders,

The management of CompanhiaBrasileira de Distribuição ("**Company**") hereby present, for discussion on the general shareholders meeting to be held on the 18thof October, 2012, at 5:00pm, at the Company's registered offices, at AvenidaBrigadeiro Luís Antonio, No. 3.142, sala 1, at the city and state of São Paulo, a proposal for the amendment of the Company's Bylaws, as well as the election of the Vice-Chairman of the Company's Board of Directors.

In compliance with the provisions of Section 11 of the Securities Commission (*Comissão de ValoresMobiliários – CVM*)Instruction No. 481/2009, the following documents are attached to this proposal: (a) a copy of the Bylaws highlighting the proposed changes (<u>Annex I</u>), (b) a detailed report on the source and justification of the proposed amendments, and (c) a comparative chart of (a) the current and (b) the proposed versions of the Bylaws, analyzing their legal and economic effects (<u>Annex III</u>).

Moreover, in compliance with the provisions of Section 10 of CVMInstruction No. 481/2009, information required in items 12.6 to 12.10 of the Company's Reference Form (*Formulário de Referência*) is attached to this proposal in connection with the candidate indicated by the controlling shareholder of the Company, and recommended by the Board of Directors to be elected as the Vice-Chairman of the Company's Board of Directors (<u>Annex IV</u>).

We request that the shareholders that intend to appoint attorneys-in-fact to act on their behalf at the general meeting send the proper documents evidencing they are shareholders of the Company and the powers of attorney granted at least seventy two (72) hours before the meeting is held. Such documents shall be sent to the Company's Corporate Legal Department, at AvenidaBrigadeiro Luís Antonio, No. 3.142, at the city and state of São Paulo,

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Copies of this proposal, as well as the Call Notice for the general meeting in reference, are available to the shareholders at the Company's registered offices, at the Company's investors relations website (www.grupopaodeacucar.com.br/ri) and at the Securities Commission (Comissão de ValoresMobiliários – CVM) website (www.cvm.gov.br), pursuant to CVM Instruction No. 481/09.

São Paulo, October 2nd, 2012

BOARD OF DIRECTORS

ANNEX I

Copy of the Bylaws indicating the proposed changes

Bylawsof

COMPANHIA BRASILEIRADE DISTRIBUIÇÃO

Corporate Taxpayers'ID(CNPJ/MF):47.508.411/0001-56

Company Registry(NIRE):35.300.089.901

Authorized-Capital Publicly-Held Corporation

CHAPTER I

NAME, HEAD OFFICE, PURPOSEAND DURATION

ARTICLE 1- COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO is a stock corporation with head officesandjurisdictionat Av.BrigadeiroLuísAntonio,No.3142,inthe CityofSãoPaulo, Federative Republic ofBrazil,hereinaftergoverned bytheseBy-laws,by Law 6,404 dated December 15,1976, as amended, and other applicable legal provisions.

SoleParagraph–Upon theCompany'sadmissiontothespeciallisting segmentcalled Corporate Governance Level 1 for the BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros("BM&FBOVESPA"),theCompany,itsshareholders,Administratorsandmembersof theFiscal Council, wheninstalled,subjectthemselvesto the provisionsof the Regulamentode Listagem doNível 1 de GovernançaCorporativa da BM&FBOVESPA ("Level 1Regulation").

ARTICLE2-Thecorporatepurpose

oftheCompanyisthesaleofmanufactured, semimanufactured semi-manufactured orrawproducts, bothBrazilianandforeign, of anytypeorspecies, nature or quality, provided that the sale of such products is not prohibited by law.

First	Paragraph-	TheCompany	may also	engage	inthe fol	llowingactiv	ities:

- a) manufacture, processing, handling, transformation, exportation, importation and representation of food or non-food productseither onits own or through third parties;
- **b)** international trade, including that involving coffee;
- c) importation, distribution and sale ofcosmetic products for hygienic or make-up purposes, toiletries, sanitary and related products and food supplements;

chemical Company	saleofdrugsandmedicines,pharmaceutical andhomeopathicspecialties,chemical, accessories, dentalcare equipment, tools and equipment for surgery, production of lproducts and pharmaceutical specialties, with the possibility that such activities of the yarespecialized as Drugstore, Allopathic Drugstore, Homeopathic Drugstore or ation Drugstore of each specialty;
e) services, vehicles;	saleofoilproducts, fillingupoffuelsofanykind, rendering of technical assistance garage, repair, washing, lubrication, sale of accessories and other similar services, of any
f) and hosp	saleofproducts,drugsandgeneralveterinarymedicines;veterinaryconsultation,clinic bitaland pet shopwith bath andshearingservice;
g)	rental of any recorded media;
h)	provision of photo, film and similarstudioservices;
	i) executionandadministration of real estate transactions, purchasing, promoting onsandincorporations, leasingandsellingrealestatepropertiesontheCompany's own well as for third parties;
retaining	acting asdistributor, agentand representativeofmerchantsand industrial concerns ledinBrazilor abroadand, insuchcapacity, for consignors or its own behalf acquiring, possessing and carrying out any operations and transactions in its own interests or f of such consignors;
k)	provision of data processing services;
I)	buildingandconstructionservicesofallkinds, eitheronits own behalf or for third parties,

purchase and saleof construction materials and installation and maintenance of air

conditioningsystems, cargo loaders and freight elevators;

utilization of sanitary products and related products;

m)

n) general municipal, stateandinterstategroundfreighttransportationforits own productsand thoseofthirdparties,includingwarehousing,depositing,loading,unloading, packagingand guarding any such products, and subcontracting the services contemplated in this item;

o) communicationservices,generaladvertisingandmarketing,includingforbars,cafes andrestaurants,whichmayextendto othercompatibleorconnectedareas,subjecttoanylegal restrictions;

p) products	purchase,sale anddistributionofbooks,magazines, newspapers,periodicals and similar;
q)	performanceof studies, analysis, planning and markets research;
r)	performanceof market test for thelaunching of new products, packing and labels;
s) promotio	creationof strategiesand analysisof"comportamentosetorialde vendas",of special ns and advertising;
t) vouchers and	provisionofmanagementservicesof food,meal,drugstore,fuelandtransportation /cards and othercardsresulting from the activities relatedto its corporate purpose;
u)	leasing andsubleasing of its own or third-party furnishings;
v)	provision of management services; and
partnero	representationofothercompanies,bothBrazilianandforeign,andparticipationasa rshareholderin the capital stockofother companiesirrespectiveoftheirform orobject of din commercial enterprisesof any nature.
	Paragraph -TheCompany mayprovideguaranteesorcollateralforbusiness onsof its interest, although itmust not do so merely as a favor.

ARTICLE 3 -The Company's term of duration shall be indefinite.

CHAPTER II

CAPITAL STOCK AND SHARES

ARTICLE4 -The CompanyCapitalis R\$6,689,239,643.41 <u>6,701,818,241.81</u> (sixbillion, sixseven hundredeighty-nineand one million,twoeight hundred thirty-nineand eighteenthousand,sixtwo hundred and forty-three one Brazilian Reaisand forty-eighty one cents),fully paidinanddividedintotwohundredand sixty-two <u>three</u>million, one hundred and fiftysix thousand, nine and one hundred and sixty-one (262,150,961 seven (263,056,167) shares with no par value,of which ninety-ninemillion,sixhundred and seventy-ninethousandandeighthundredand fifty-one(99,679,851) are common sharesandonehundredand sixty-two <u>three</u>million,fourthree hundred <u>and</u> seventy-one <u>six</u> thousand, one <u>and three</u> hundred and ten (162,471,110 sixteen (163,376,316) are preferred shares.

FirstParagraph-ThesharesofcapitalstockareindivisibleinrelationtotheCompanyand each common entitles its owner to one vote at the General Shareholders' Meetings.

SecondParagraph-Thesharesshallberecordedinbook-entrysystemsandbekeptin depositaccountsonbehalfoftheirholderswiththeauthorizedfinancialinstitutiondesignated by the Company, without issuance of sharecertificates.

ThirdParagraph– Shareholders can, at any time, convert common shares into preferred shares, since they are paid-up and observing the limit of article 5 below. Conversion requests should be sent in writing to the Executive Officers Committee ("Diretoria"). Conversion requests received by the Executive Officers Committee ("Diretoria") should be ratified on the first Board of Directors' meeting, since the conditions above are complied with.

Fourth Paragraph — The costoftheserviceoftransferringtheownershipof thebook-entry shares chargedbythe depositaryfinancialinstitutionmaybepassed ontothe shareholder, pursuanttothethirdparagraphofArticle35ofLawNo.6,404 dated12/15/76,subjecttothe maximumlimitsestablishedbytheBrazilianSecuritiesExchange Commission ("Comissão de ValoresMobiliários").

ARTICLE5-The Companyisentitledtoissuenew shareswithoutmaintainingproportion betweentypesand/orclassesof theexistingshares,providedthatthenumberofpreferred shares shall not exceed the limit of 2/3(two thirds (2/3) of the total issued shares.

FirstParagraph-The preferredsharesshallbeentitledto thefollowingprivileges and preferences:

- a) priority in the reimbursement of capital, in an amount calculated by dividing the Capital Stock bythenumberofoutstanding shares, without premium, in the event of liquidation of the Company;
- b) priorityinthereceiptofaminimumannualdividendintheamountofR\$0.08(eightcentsof Real) per one (1) preferredshare, on a non-cumulative basis;

- c) participationunder equal conditions the the common shares in the distribution of bonus shares resulting from capitalization of reserves or retained earnings; and
- d) participationinthe receiptofdividendas setforthinArticle 35,36,IV,item"c" of theseBy-Laws,

whichshallbedistributedforthecommonandpreferredsharessoastoforeachpreferred share shall beascribed a dividend ten percent (10%)higherthanthedividendassignedtoeach common share, pursuanttothe provisions of Article 17, first paragraph, of Law No. 6,404/76, as amended by Law No. 10,303/01, including, for purposes of such calculation, in the sum of the total amount of dividend spaid to the preferred shares, the amount paid as minimum dividend set for thin item "b" of this First Paragraph.

Second Paragraph- The preferred sharesshall have no voting rights.

ThirdParagraph-Thepreferredsharesshallacquirevoting rightsintheeventthatthe Companyfailstopaytheminimumorfixeddividendstowhichtheyareentitledaccordingto theseBy-lawsforaperiodofthree (3)consecutivefiscalyears,accordingtotheprovisionsof firstparagraphofArticle 111ofLaw No.6,404/76.Thesevotingrightswill cease uponthe payment of such minimumor fixed dividends.

ARTICLE6-TheCompanyisauthorizedtoincreaseitsCapitalStockbyresolutionofthe BoardofDirectorswithouttheneedtoamendmenttheCompanyby-laws,uptothelimitof 400,000,000 (four hundredmillion <u>(400,000,000)</u>shares,throughissuance ofnewcommonorpreferred shares, with due regard to the limit established in article 5 above.

FirstParagraph -Thelimitofthe Company's authorized capital shallonly bemodified by decision of a General Shareholders Meeting.

SecondParagraph -Withinthelimitoftheauthorizedcapitaland inaccordancewiththeplan approvedbytheGeneral ShareholdersMeeting,theCompanymaygrantstockoptionstothe members ofitsmanagementbodiesor employees, ortoindividualsproviding servicestothe Company.

ARTICLE7 -Theissuanceofshares, subscription bonuses or debentures convertible into shares, may be approved by the Board of Directors, with the exclusion or reduction of the the exercise of preemptive rights, as provided in Article 172 of Law No. 6,404/76.

SoleParagraph-Exceptfortheprovisionsetoutintheheadingofthisarticle,theshareholders shall be entitledtopreemptiverights,inproportion totheir respective equity interests, in the subscription of any Company's capital increases, with the exercise of such right being governed by the legislation applicable thereto.

CHAPTER III

GENERAL SHAREHOLDERS MEETING

ARTICLE8 -TheGeneralShareholders'Meeting isthemeetingoftheshareholders. The shareholders mayparticipateattheGeneral Shareholders' Meetingseitherin personorthrough attorneys-in-factappointedasprovidedbylaw, inordertoresolveuponthemattersofinterest of the Company.

ARTICLE9–The General Shareholders! Meeting shall be instated and chaired by the Board of Directors Chairman, in his absence, by the Chief Executive Officer and, in his absence, by an Officer appointed by the Board of Directors Chairman. The General Meetingshall be called by the Board of Directors Chairman and shall have the following attributions:

- I the amendment to the Company's Bylaws;
- II the appointment and removal of members of the Company's Board of Directors at any time;
- III –the appointment and removal of the Chairmanand the Vice-Chairman of the Company's Board of Directors:
- IV-theapproval, annually, of the accounts and financial statements of the Company's management, prepared by them;
- V the approval of any issuance of common or preferred shares up to the limit of the authorized capital, as provided in Article 6 above and/or any bonuses, debentures convertible into its shares or with secured guarantee or securities or other rights or interests which are convertible or exchangeable into or exercisable for its shares, or any other options, warrants, rights, contracts or commitments of any character pursuant to which the Company is or may be bound to issue, transfer, sell, repurchase or otherwise acquire any shares and the terms and conditions of subscription and payment;
- VI the approval of any appraisals of assets, which the shareholders may contribute for the formation of the Company's capital;
- VII the approval of any proposal for change the corporate form, amalgamation, merger (including merger of shares incorporação de ações), spin-off or split of the Company, or any other form of restructuring of the Company;
- VIII the approval of any proposal for dissolution or liquidation of the Company, appointing or replacement of its liquidator(s);
- IX the approval of the accounts of the liquidator(s);
- X the establishment of the global annual compensation of the members of any management body of the Company, including fringe benefits;
- XI the approval or the amendment of the annual operating plan;
- XII the approval of any agreement or the amendment in any agreement, directly or indirectly, between the Company and/or its affiliates and any of its controlling shareholders or their relatives, members of its management bodies or any of its controlled companies and affiliates

thereto, exception made to those executed in the ordinary course of business, which should be contracted at arms length (market conditions);

XIII – the purchase, sale, disposal of or creation of lien on any asset of the Company or any other investment by the Company in an individual amount or cumulated over a fiscal year in excess of the amount in Reais equivalent to US\$ 100,000,000.00 (one hundred million U.S. Dollars) or in excess of an amount equal to 6% (six per cent) of the net worth ("patrimôniolíquido") of the Company as determined in its latest annual balance sheet, whichever is the higher;

XIV - the approval of request by the Company of self-bankruptcy or of protection under any bankruptcy or reorganization law;

XV – the approval of any delisting of shares of the Company for trading on stock exchanges or filing for new listings;

XVI -the approval of any change in the Company's dividend policy;

XVII - the approval of any financial arrangement, including the lending or borrowing by the Company of funds and the issuance of non-convertible debentures, in excess of an individual amount equal to two (2) times EBITDA of the preceding twelve (12) months; and XVIII - the approval of any joint venture of the Company with a third parties involving an individual investment or cumulated over a fiscal year in excess of the amount in Reais equivalent to US\$ 100,000,000.00 (one hundred million U.S. Dollars) or in excess of an amount equal to six (6) percent of the net worth ("patrimôniolíquido") of the Company as determined in its latest annual balance sheet, whichever is the higher.

ARTICLE10 –Anyresolutionofthe GeneralShareholders'Meeting shall betakenby the approval of shareholders representing at least the absolute majority of the present shareholders entitled to vote, except if qualified quorum is required by law.

ARTICLE11–TheAnnualShareholders'Meetingshallhavetheattributionsset forthinthelaw and shall take place during the first four months following the endof each fiscalyear.

SoleParagraph-Whenevernecessary,theGeneralShareholders' Meeting maybeinstalled extraordinarily, and may be carried out subsequently with the Annual Shareholders' Meeting.

CHAPTER IV

MANAGEMENT

ARTICLE12-TheCompanyshallbemanagedbyaBoardofDirectorsandanExecutive Officers Committee.

First Paragraph - The term of officeof the membersoftheBoardofDirectorsandthe Executive Officers Committee shall be up to three (3)years, reelection being permitted.

SecondParagraph-The Directorsand theExecutiveOfficersshalltakeoffice bysigningtheir oathsintheBookofMinutesoftheBoardofDirectorsoroftheExecutiveOfficersCommittee, asthe case maybe. The investiture ofthemembers oftheBoard ofDirectors and the Executive OfficersCommitteeshallbeconditioned on prior execution of the Statement of Consent of the Administrators under the terms of the provision in the Level 1 Regulation, as well as compliance with the applicable legal requirements.

ThirdParagraph-Thetermofoffice of the Directors and Executive Officers shall be extended until their respective successors takeoffice.

FourthParagraph-Theminutesofthemeetingsof theBoardofDirectorsand oftheExecutive OfficersCommitteeshallberecordintheproperbook,whichshallbesignedbythepresent Directors andExecutive Officers, as thecase may be.

Section I

Board of Directors

ARTICLE13-TheBoardofDirectorsshall consistofatleastthree (3) and no more than eighteen (18) members, all of whom must be shareholders of the Company, elected and removed by the General Shareholders' Meeting.

SoleParagraph- Consideringtheprovisions of article 14, in the eventof absence or temporary absence of any Director, that Director shall appoint, inwriting, him/herreplacement among the other Board members. In this case, besideshis/herownvote, the Board Member who is to replace the temporarily absentor impeded Board Member, shall also cast the vote of the member replaced. In the event of permanent vacancy of a Director's office, the Chairman shall call a General Shareholders' Meeting within fifteen (15) days from the date of the occurrence of vacancy to fulfill such position permanently, until the end of the relevant term in office.

ARTICLE14-TheBoardofDirectorsshallhaveaChairman, <u>and a Vice-Chairman</u>, <u>both</u> appointedbytheGeneral Shareholders'Meeting.

SoleParagraph-Inthe eventofabsenceofthe Chairmanof theBoardof Directors,he shall appoint, in writing, other Director to replace him, who will be replaced by another Director to be appointed by him, in writing, and in the absence of the latter or lack of appointment, he shall be replaced by the Vice-Chairman of the Board of Directors, being that the one in replacement shall performtheChairman's duties. In the event of permanent vacancy of the Chairman, any of the Directors Vice-Chairman shall automatically take his position and calla General Shareholders' Meeting within fifteen (15) days from the date of vacancy, for the appointment of the new Chairman of the Board of Directors in permanent

Edgar Filing: BRAZILIAN DISTRIBUTION CO COMPANHIA BRASILEIRA DE DISTR CBD - Form 6-K manner, until the endofthe relevant term in office.

ARTICLE15 -TheBoard ofDirectors shall ordinarily meetatleastfivetimeseveryyear, to reviewthefinancialandother results of theCompany andto reviewandfollow-upofthe annual operating plan, and shall extraordinarilymeet whenever necessary.

FirstParagraph-The ChairmanshallcallthemeetingsoftheBoardofDirectors,byhisorher initiativeorat thewrittenrequestofanyDirector.FailurebytheChairmantocallanymeeting withinseven<u>five</u> (75) calendardaysfromthe dateofreceiptoftherequestbyany Directorshallallow such Director to call the meeting.

SecondParagraph –ThecallsforthemeetingsoftheBoard ofDirectors shall bemadein writing, either by telex, facsimileor letter, with at least seven (7) days prior to the date of each meeting, shall specify time and place and comprise in advance, including adetailed agenda of themeeting and specifying the place and date to be held on first call, in the event it is held on second call, a three (3) business days term between such dates must be observed. Any proposal of resolutions and all necessary documentation related thereto shall be at the Board of Directors disposal at the

Company'sheadoffice. Themeetings shall be held regardless the respective call notice in case of attendance of all Directors in office at such time, or by the prior written consent of the absents Directors.

ThirdParagraph–The presence ofatleastten(10)membersoftheBoardofDirectorsjncluding those represented according to the sole paragraph of articles 13 and 14 above, shall be required for the installation of a meeting of the Board of Directors on first call, and the presence of at least eight (8) membersoftheBoardofDirectors shall be required for the installation of a meeting on second call. For purposes of the quorum required in this Paragraph, it shall include the members represented in accordance withthesoleparagraphofarticles13and14above.

Fourth Paragraph – The Chairman of the Board of Directors, in each meeting of the Board of Directors, may invite members of the Advisory Board of the Company as guests, who may express their opinions and participate in the discussions, without the right to vote.

ARTICLE16 -TheBoard ofDirectorsmeetingsshall bepresidedbyitsChairman,orin its latter'shisabsence, by other Director indicated by himhe shall be replaced by another Director to be appointed by him, and in the absence of the latter or lack of appointment, he shall be replaced by the Vice-Chairman of the Board of Directors.

Sole Paragraph –TheresolutionsoftheBoardofDirectorsshallbetakenbymajorityofvotes castbyits members, and in case of a draw, the Chairman of the Board shall cast the tie braking vote, except as regards to the matters in which there is a conflict of interests, in which case the Chairman shall abstain from voting.BoardmembersmaypartakeofthemeetingsoftheBoard ofDirectorsthroughe-conferencing,throughvideo-conferencingorthroughany othermeansof electroniccommunications, being construed as attending the meeting and being required to confirm their vote through a written representation forwarded to the Chairman of the Board

by letter, by facsimile or by e-mail right after the end of the meeting. Once said representation has been received, the Chairman of the Board shall have been fully empowered to sign the minutes of the allowing the identification of the director and simultaneous communication with all the other ones attending the meeting. In this case, directors will be considered as present to the meeting and shall execute the corresponding minutes of such meeting in the name of said board member.

ARTICLE17-TheBoard ofDirectorsshall <u>follow its Rules of Procedure</u>, to be approved by the <u>majority of its members</u>, and havean Executive Secretary, appointed by majority of the Directors, whose <u>who shall perform the</u> duties shall be defined in the meeting at which he is appointed defined in the Rules of Procedure, as well as issue certificates and confirm, to third parties, the authenticity of resolutions taken by the Board of Directors.

ARTICLE18- In addition to the powers provided for in the applicable law, the Board of Directors shall have the powers to:

- a) set forth the general guidelines of the Company's business;
- b) appoint and remove the Executive Officers of the Company, establishing their duties and titles;
- c) supervise action of the Executive Officers of the Company, examine, at any time, the records and books of the Company, request information on agreements executed or to be executed and on any other acts or matters;
- d) call the General Shareholders' Meeting;
- e) issue an opinion on the report of the management, the accounts of the Executive Officers Committee and the financial statements of the Company;
- f) approve the issuance of shares of any type or class up to the limit of the authorized capital and establish the respective price and payment conditions;
- g) appoint and remove the independent public accountants;
- h) issue an opinion on any and all proposals of the Executive Officers Committee to be submitted to the General Shareholders' Meetings;
- i) authorize the acquisition of shares of the Company for purposes of cancellation or maintenance in treasury;
- j) develop, jointly with the Executive Officers Committee, and approve a profit sharing and additional benefits program for the members of the management bodies and for the employees of the Company (Profit Sharing Program);
- k) define the share of Company's profits to be allocated to the Profit Sharing Program in due compliance with the applicable legal provisions, these By-laws and the Profit Sharing Program in effect at such time. The amounts expensed or accrued in each fiscal year by way of profit sharing in addition to granting option to purchase Company's stock shall be limited up to 15%

Edgar Filing: BRAZILIAN DISTRIBUTION CO COMPANHIA BRASILEIRA DE DISTR CBD - Form 6-K (fifteen per cent) of the profit recorded in each fiscal year after the pertinent deductions have been effected in accordance with Article 189 of Law No. 6404/76;

- I) set forth the number of shares to be issued under the stock option plan previously approved by the General Shareholders Meeting, provided that the limit established in item "I" above is duly observed;
- m) set up Committees, that shall be responsible for making proposals or recommendations and giving their opinions to the Board of Directors and set forth its respective attributions, in accordance with the provisions of these Bylaws;
- n) approve the acquisition, sale, disposal or creation of any lien on any asset, including any real estate, of the Company or any other investments made by the Company in an individual amount or cumulated over a fiscal year in excess of the amount in Reais equivalent to US\$20,000,000.00 (twenty million U.S. Dollars) and up to the amount in Reais equivalent to US\$100,000,000.00 (one hundred million U.S. Dollars) or in excess of an amount equal to 1% (one percent) and up to 6% (six percent) of the net worth (patrimôniolíquido) of the Company as determined in its latest annual balance sheet, whichever is the higher;
- o) approve any financial arrangement involving the Company, including the lending or borrowing of funds and the issuance of non-convertible and unsecured debentures, in excess of an individual amount equivalent to one half (0.5) and up to two (2) times EBITDA of the preceding twelve (12) months;
- p) approve the joint venture of the Company with third parties involving an individual investment or cumulated over a fiscal year up to the amount in Reais equivalent to US\$100,000,000.00 (one hundred million U.S. Dollars) or up to an amount equal to 6% (six percent) of the net worth (patrimôniolíquido) of the Company as determined in its latest annual balance sheet, whichever is the higher to be submitted to the General Shareholders' Meetings; and
- q) approve any and all agreement or amendment in any agreement, directly or indirectly, between the Company and/or its affiliates and any of its controlling shareholders or their relatives, members of its management bodies and their affiliates, except from those matters under regular course of business, which shall be executed under market conditions (armslength) to be submitted to the General Shareholders' Meetings.

Section II

Committees

ARTICLE 19 – The Company shall have (3as support committee to the Board of Directors an Audit Committee composed of three (3) members, at least two (2) of which shall be external and independent members ("External Members"), observed the provisions of Article 21 and the Chapter V of theseBy-Laws.

FirstParagraph-The members of the Audit Committee shall be elected by the Board of Directors and meet all the applicable independency requirements as set forth in the rules of the Securities and Exchange Commission.

SecondParagraph	-The	External	Members (of the Audit	Committee	shall:

a)	not be a	<u>ı member</u>	of the	Board	of [<u> Directors</u>	of the	Company	<u>/ or of</u>	<u>its</u>	controlled
companies	: and										

b) have knowledge or experience in auditing, controls, accounting, taxation or rules applicable to publicly-held companies, in so far as they refer to the adequate preparation of their financial statements.

ARTICLE 20 – The members of the Audit Committee shall be elected by the Board of Directors for a term of office of one (1) year, with reelection being permitted for successive terms.

FirstParagraph-During their term of office, the members of the Audit Committee may not be replaced except for the following reasons:

- **a)** <u>death or resignation;</u>
- **b)** unjustified absence from three (3) consecutive meetings or six (6) alternate meetings per year; or
- a substantiated decision of the Board of Directors.

SecondParagraph - In the event of a vacancy in the Audit Committee, the Board of Directors shall elect a person to complete the term of office of the replaced member.

ThirdParagraph -The Audit Committee shall:

- a) propose to the Board of Directors the nomination of the independent auditors as well as their replacement;
- **b)**review the management report and the financial statements of the Company and of its controlled companies, and provide the recommendations it deems necessary to the Board of Directors;
- review the quarterly financial information and the periodic financial statements prepared by the Company;
- assess the effectiveness and sufficiency of the internal control structure and of the internal and independent audit processes of the Company and of its controlled companies, including in relation to the provisions set forth in the Sarbanes-Oxley Act, submitting the recommendations it deems necessary for the improvement of policies, practices and procedures;

- e) provide its opinion, upon request of the Board of Directors, with respect to the proposals of the management bodies, to be submitted to the Shareholders' Meetings, relating to changes to the capital stock, issuance of debentures or warrants, capital budgets, dividend distribution, transformation, merger, amalgamation or spin-off; and
- **f)** provide its opinion on the matters submitted to it by the Board of Directors, as well as on those matters it determines to be relevant.

ARTICLE 21 – In the event the Fiscal Council is established as set forth in Law 6,404/76 and in Chapter V below, the Board of Directors shall resolve on the duties and activities to be performed by the Audit Committee during the period that the Fiscal Council is operating. The Board of Directors, based on its own discretion, is also entitled to opt for the suspension of the operation of the Audit Committee during the period that the Fiscal Council is operating, assigning to the later, all or part of the duties and functions of the Audit Committee, and with respect to its members, subject to all the requirements and limitations provided for by law.

ARTICLE 22 – In addition to the Audit Committee the Company shall have four (4) Special Committees, namely: (i) Human Resources and Compensation Committee; (ii) Financial Committee; and (iii) Development Sustainable Development Committee; and (iv) Corporate Governance Committee, which will be responsible for elaborating proposals or making recommendations to the Board of Directors, in their respective business areas. The Board of Directors may constitute other Committees in addition to those aforementioned.

FirstParagraph-EachSpecialCommitteeshallbecomposedofnolessthanthree (3) and up to five (5) members, for a term of office of three (3) years, reelection permitted. The members of each Special Committeeshall be appointed by the Board of Directors, exclusively from a mong its members provided that one (1) External Member may be elected to each Special Committee. The Board of Directors shall also appoint the Chairman of each Special Committee.

SecondParagraph -Intheeventofabsence ortemporaryimpedimentofany memberofany Special Committee, the absent members hall appoint, from a mongthe other members of the Board of Directors, his or her replacement. In the event of vacancy, the Chairman of the Board of Directors hall calla General Meeting up to seven (7) days after the position has been confirmed verified vacant for the election of the new member of the Special Committee, until the end of the term of office. There is no prohibition against appointment of a member to more than one Special Committee during the same term of office.

ThirdParagraph- The_ Each Specia Committees Committees hall holdmeetings whenever called by its respective Chairman or by the Chairman of the Board of Directors, on his own initiative or per written request of any other member of the such Special Committees Committee. Meetings of the Special Committees may be called by any member of the respective Committee whenever the corresponding Chairman of the Board of Directors does not respond to the request for call presented by said member within 7 three (seven 3) consecutive days counting from the day of receipt of the request. Such request. A copy of the call notices of the Special Committees meetings shall be forwarded to the Chairman of the Board of Directors.

FourthParagraph-ThedutiesofeachSpecialCommitteeshallbeestablishedbytheBoardof Directors.

Section IIIII

Executive OfficersCommittee("Diretoria")

ARTICLE2023-TheExecutiveOfficers Committee("Diretoria") shall be composedofatleasttwo (2) and no more than fourteen (14) members, shareholders ornot, resident in Brazil, appointed andremoved bytheBoardofDirectors,one(1)being theChiefExecutiveOfficerandtheothers Executive Officers.

ARTICLE2124–TheExecutiveOfficers shallbeinchargeofthegeneralduties setforthinthese by-lawsand thoseestablishbythe Boardof Directorsand shall keepmutual corporationamong themselves and assist each other in the performanceof their duties and functions.

FirstParagraph–ThedutiesandtitlesofeachExecutiveOfficer,shallbeestablishedbythe Board of Directors.

SecondParagraph-Intheeventofabsences,occasionalimpairmentsandvacancy,the Executive Officers shall bereplaced in the following manner:

- a) in theeventofabsences and occasionalimpairments of the CEO, he shall bereplaced by other Executive Officer indicated by him and in the eventof permanent vacancy, the Board of Directors shall appoint the CEO's substitute within thirty (30) days, who shall complete the term of office of the CEO;
- intheeventofabsencesandoccasionalimpairmentsoftheremainingExecutiveOfficers, theyshallbereplacedbytheCEOand,intheeventofpermanentvacancy,theBoardof DirectorsshallappointtheExecutiveOfficer's substitutewithinfifteen (15)days,whoshall complete the term of office of the substituted Executive Officer.

ARTICLE2225-TheExecutiveOfficersCommitteeshallmeetuponcallofitsCEOorofhalfofits ExecutiveOfficers inoffice.

SoleParagraph-The minimum quorum required for the installation of a meeting of the Executive Officers Committee is the presence of at least one third (1/3) of the Executive Officers in office at such time. The resolutions of the Executive Officers Committee shall be approved by the majority of the votes. In the event of a tie inconnection of any matter subject to the Executive Officers approval, such matter shall be submitted to the Board of Directors.

ARTICLE23 26-Inadditiontothedutiesthatmay beattributedtotheExecutiveOfficers Committee
by the General Shareholders' Meeting and by the Board of Directors, and without prejudice to the
other legalduties, the Executive OfficersCommittee shall have the power to:

I - manage the Company's business and ensure compliance with these bylaws;

II – ensure that the Company's purposeis carried out;

III-approveallplans, programs and general rules of operation, management and control for the development of the Company, in accordance with the guidelines determined by the Board of Directors;

IV - prepare and submit to the Annual Shareholders' Meeting a report on the corporate business activities, including the balancesheet and financial statements required by law for each fiscal year, as well as the respective opinions of the Audit Committee, as the case may be;

V–guideall Company'sactivitiesundertheguidelinessetforthbytheBoardofDirectorsand appropriate to the fulfillment of its purposes;

VI – suggest investment and operating plansor programs to the Board of Directors;

VII-authorize the opening and closing of branches, agencies or depots and or institute delegations, offices and representations in any location of the national territory or abroad;

VIII – renderan opinion on any matter to be submitted to the Board of Directors approval; and

IX-developandcarryout, jointly with the Board of Directors, the Employee Profit Sharing Program.

ARTICLE 2427–The Chief Executive Officer, in particular, is entitledto:

- a) plan,coordinate,conductandmanageall Company's activities,aswellasperform all executive and decision-making functions;
- b) b) carryouttheoverallsupervisionofallCompany'sactivities,coordinatingandguidingthe other Executive Officers' activities;
- c) call, installand preside the meetings of the Executive Officers Committee;

- **d)** d) coordinateandconduct theprocessofapprovaloftheannual/pluriannualmultiannual budgetandofthe investment and expansionplans together with the Board of Directors; and
- e) suggestfunctionsandrespectivecandidates fortheExecutiveOfficerspositionsofthe Company and submitsuch suggestiontothe Boardof Directors approval.

ARTICLE2528-ItisincumbentupontheExecutiveOfficerstoassist and support the CEO in the administration of the Company, in accordance with duties determined by the Board of Directors and perform all acts necessary for the regular Company's activities, as long as these acts have been duly authorized by the Board of Directors.

ARTICLE2629- The Executive Officers shall represent the Company actively and passively, in courtandoutside courts and before third parties, performing and signing all acts that result in obligations to the Company.

FirstParagraph –Forthe grantingofpowers-of-attorney,theCompanyshall berepresentedby two (2)ExecutiveOfficers,actingjointly,ofwhom onemustalwaysbetheCEOorothers Executive Officers to be appointed by the Board of Directors, and all powers-of-attorney shall a validityterm,exceptforpowers-of-attorneygrantedforjudicial purposes,inadditionto the description ofthepowers granted whichmay cover anyandall acts,including those related to banking operations;

SecondParagraph-Incaseofactsthatentailanykindofacquisition,sale,disposalor creation ofanylienon anyCompany'sasset,including anyrealestate, aswell as,for the grantingofpowers-of-attorneyforthe practice ofsuchacts,theCompanyisrequiredtobe representedjointlybythree(3)ExecutiveOfficersofwhomonemustalwaysbetheCEOand the others Executive Officers to be appointed by the Board of Directors.

Third Paragraph - TheCompany shall be considered duly represented:

a) jointlybytwoExecutiveOfficersofwhomonemustalwaysbetheCEOorotherExecutive Officer to beappointed by the Board ofDirectors;

- **b)** jointlybyoneExecutive Officertobe appointedby theBoard of Directors, andan attorney-in- fact,whensodeterminedbytherespectivepower-of-attorneyandinaccordancewiththe powers contained therein;
- c) jointlybytwoattorneys-in-fact,whensodeterminedbytherespectivepowerofattorneyand in accordance with the powers contained therein;

d) d)

solelybyanattorney-in-factorExecutiveOfficer,inspecificcases,whensodeterminedby the respective power of attorney and in accordancewith the powerscontained therein.

CHAPTER V

ADVISORY BOARD

ARTICLE 27 - The Company may have an Advisory Board, on a non-permanent basis, with up to thirteen (13) members, shareholders or not, appointed by the General Shareholders' Meeting.

First Paragraph - The members of the Advisory Board shall have a term of office of three (3) years, reelection being permitted, and may receive the compensation set forth by the General Shareholders' Meeting.

Second Paragraph – The Advisory Board, when installed, shall meet ordinarily once every six months and extraordinarily whenever called by the Chairman of the Board of Directors.

Third Paragraph - The call notices for the meetings of the Advisory Board shall appoint the agenda to be discussed, as well as the place, date and time of the meetings, and shall be sent by mail or facsimile, at least five (5) days prior to the meeting.

Fourth Paragraph - The resolutions of the Advisory Board shall be record in the proper book, which shall be signed by the present members.

ARTICLE 28 - It is incumbent upon the Advisory Board to:

- a) recommend to the Board of Directors measures to be taken to ensure the preservation and development of Company business and activities; and
- b) render opinion on any matters submitted to them by the Board of Directors.

CHAPTER VI

FISCALCOUNCIL

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ARTICLE 2930—The Company shall have a Fiscal Council that shall operate permanently and its members shall be annually appointed on a non-permanent basis, being installed by the General Meeting, as provided for by law.

First Paragraph - The members of the Fiscal Council and their alternatesshall occupy their positions up to the first Annual Shareholders' Meeting held after their respective appointments, reelection permitted, and they shall remain in their positions until their successors take office.

SecondParagraph-Attheirfirstmeeting,themembersoftheFiscalCouncilshallelectits Chairman, who shall be responsible forenforcing thecommittee's resolutions.

ThirdParagraph -TheFiscal CouncilmayrequesttheCompanytoappoint qualifiedpersonnel to provide administrative and technical support.

ARTICLE3031 -TheFiscalCouncil shall becomposed ofnolessthanthree (3) and upto five (5) effective members and the same number of alternates, residents in the country, shareholders or not, all of them qualified in accordance with the legal provisions.

First Paragraph –Inthecaseofabsenceofimpediment, the members of the Fiscal Council shall be replaced by theirrespective alternates.

SecondParagraph -In additionto casesofdeath,resignation,dismissal andother cases providedforbylaw,thepositionofthe membershallbeconsideredvacantwhenthemember of the Fiscal Councilisabsent, without just cause, at two (2) consecutive meetings or three (3) non-consecutive meetings in the course of the year.

ThirdParagraph-IntheeventofvacancyofthepositionofFiscalCouncilmember,ifthereis noalternatemember,aGeneralMeetingwillbecalledtoelectamemberforthevacant position.

ARTICLE3132-TheFiscalCouncilshallhavethepowersanddutiesconferreduponitbylaw and the Internal Regulation of the Fiscal Council.

FirstParagraph-The FiscalCouncilholdsquarterlygeneral meetingsandextraordinary meetings whenever necessary.

Second Paragraph - Meetings are called by the Chairman of the Fiscal Council on his own initiative or per written request of any of its members.

ThirdParagraph-TheresolutionsoftheFiscalCouncilshallbemadebyabsolutemajority voteofthose inattendance.Inorderfor ameetingto beinstituted, themajorityofthemembers must be present.

FourthParagraph -Themembersof the Fiscal Council shall participate in the committee's meetings by telephone or video conference call, or any other electronic means of communication, and shall be considered present at the meeting. Immediately after the meeting is over, the members must confirm their votes through a written declaration sent to the Chairman of the Fiscal Council by conventional mail, fax, or electronic mail. Upon receipt, the Chairman of the Fiscal Council shall be empowered to sign the minutes of the meeting on behalf of its members.

ARTICLE3233-The compensationofthemembers of the Fiscal Council shall be fixed by the General Shareholders' Meeting in which they are appointed, with due observance of the legal limit.

CHAPTER VIIVI

CORPORATE YEAR AND FINANCIAL STATEMENTS

ARTICLE3334-Thefiscal year ends on December31 ofeach year, when the balance sheet and financial statements required by applicable law shall be prepared.

ARTICLE3435-TheCompanymay,atthediscretionoftheExecutiveOfficersCommittee, prepare quarterly or semi-annual balance sheets.

CHAPTER VIIIVII

PROFITDESTINATION

ARTICLE35<u>36</u>–Uponthe preparationofthebalance sheet, the following rules shall be observed with respect to the distribution of the profits:

I-fromtheprofits ofthefiscalyearshallbe deducted, before any allocation of netincome, the accumulated losses and the provision of the income tax;

II-Afterdeductingtheportionsdescribedinitemlabove, the portion to be distributed in the form of employee profit sharing shall be deducted, as determined by the Board of Directors, in compliance with the Profit Sharing Program and under the terms and according to the limits provided in items "j" and "k" of Article 18 herein;

III-indue compliance with thetermsandlimitsestablishedin paragraphsofArticle152 ofLaw No.6,4046404/76 and thelimit establishedinitem"k" of Article18herein, theamountcorresponding to themanagersinthe Company's profitsshallbe deducted, as determined by the Board of Directors, in compliance with the Profit Sharing Program; IV - the remaining net profits shall have the following destination:

- a) 5%(fivepercent) shall be allocated to the legal reserve fund until such reservereaches the limit of 20% (twenty percent) of the Capital Stock;
- b) amountstotheformationofthereserveforcontingenciesreserve,ifsodecidedbythe General Shareholders' Meeting;
- c) 25%(twentyfiveper cent)shallbeallocated to the payment of the mandatory dividends pursuant to First Paragraph below, in accordance with the provisions contained in first and second paragraphs of Article 5 herein;

d)	d) theprofitnotprovisionedinthereserve describedinSecondParagraphbelowand not
allocated	n accordance withthe provisions of Article 196 of Law No.6404/76shallbe distributed
asaddition	al dividends.

FirstParagraph–Themandatorydividendsshallbe calculatecandpaidinaccordance with the following rules:

- a) the basisfor calculation ofthedividends payable shall bethe netprofitofthefiscalyear, less the amounts allocated to the legal reserve and the contingency reserves and plus the amount obtained from the reversion of the reserves of contingencies formed in the previous fiscal year;
- b) the payment of the dividend calculated in accordance with the provisions of the previous item may be limited to the amount of the net profit effectively realized of the fiscally earfort hat has ended pursuant to the law, provided that the difference is registered as reserve for profit to be realized;
- c) the profits registeredinthe reserve forprofitstobe realized, whenaccrued andif such profits havenotbeenabsorbedbythelossesinthesubsequentfiscalyears, shallbeincreasedtothe first declareddividends after suchrealization.

SecondParagraph –Itishereby created, the Reserve for Expansion, which purpose shall ensure resources for financing additional investments in fixed assets and working capital and to which shall be allocated up to 100% of the remaining profits after the deductions and destinations established in items "a", "b" and "c" of item IV above. The total amount provisioned in such reserve shall no rexceed the total amount of the Company's Capital Stock.

ThirdParagraph-IfdulyauthorizedbytheBoard ofDirectors, theCompanymayelectto distribute interim dividends, ad referendum by the General Shareholders' Meeting.

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Fourth Paragraph -The Companymayelectto payor creditinterestsasremuneration ofits own capitalcalculatedontheaccounts ofthenet worth,indueobservanceoftherateandlimits determined bylaw.

ARTICLE3637–Theamountofdividendsshallbeplacedattheshareholdersdispositionwithina maximum term of sixty (60) days as from the date of their allotment, and may be monetarily adjusted, if so determined by the Board of Directors, subject to the applicable legal provisions.

ARTICLE3738-Thefinancialstatementsandaccounts of the Company shall be audited on an annual basis by internationally recognized independent accountants.

CHAPTER IXVIII

LIQUIDATION

ARTICLE3839 -TheCompanyshallbeliquidatedinthecasesprovidedbylaw,andtheGeneral Shareholders'Meetingshalldetermine theformofliquidation,appointtheliquidatorandthe members oftheFiscal Council, which shalloperate duringtheliquidation,andestablishtheir compensation.

CHAPTER XIX

FINAL PROVISIONS

ARTICLE3940 –Thevaluesin U.S.Dollarsmentionedhereinshallbe exclusivelyused as referenceformonetaryupdateandshallbeconvertedinReaisusingtheaverageexchange rate for the U.S. Dollar published by the Central Bank of Brazil.

ARTICLE 40 - **ARTICLE41** - The casesnotregulated in these by-laws shall be solved in conformity with current applicable legislation.

ARTICLE 41

-ARTICLE42-Thepresentby-lawsshallcomeintoeffectasofthedateofitsapprovalbythe General Shareholders Meeting.

ANNEX II

Detailed report on the source and justification of the proposed amendments

In general terms, the proposed amendments have as purpose:

(a) Change on the Company's Capital Stock: amendment to the Article 4 in order to reflect the current numbers of the capital stock and of shares of the Company, having regard to the recent increases in the Company's capital stock, as approved by the Board of Directors, in view of the exercise of stock options within the Stock Option Plan, within the limits of the Company's authorized capital;

(b)<u>Creation of the Committee of Corporate Governance</u>: amendment to the Article 19, as renumbered, in order to provide for the establishment of the Committee of Corporate Governance, which shall analyze the Company's current structure and practices and make recommendations and suggestions with the purpose to improve the Company's corporate governance practices;

(c) Creation of the Company's Audit Committee: amendment to the Articles 19, 20 e 21 in order to provide for the establishment of the Audit Committee, as well as to provide certain rules applicable to it, with the purpose to improve the Company's corporate governance practices. The establishment of the Audit Committee should be incentivised by shareholders and management, and is aligned with the most recent regulations issued by CVM, the authority responsible for the supervision of the Company's practices and conduct, who has expressed the following opinion on this matter: "within the efforts to improve the quality of financial statements of Brazilian publicly-held companies, CVM recognises that the existence of an audit committee can substantially improve the supervision and monitoring of the services rendered by independent auditors. Such body, which already exists in several Brazilian publicly-held companies, is responsible for, among other things, supervising the activities of external independent auditors, mitigating possible independence problems or conflicts in such activities*:

 $^{^1}$ Passage from CVM's Public Hearing Report SNC No. 10/11, dated 14th of July, 2011, which gave rise to the CVM Instruction No. 509/11.

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(d)Rules regarding the Fiscal Council: amendment to the caput and first paragraph of Article 29, which becomes Article 30 by renumbering due to the inclusion of new articles, in order to provide that the Fiscal Council will operate on a non-permanent basis, being installed in the legal hypotheses, as well as to eliminate the provision for members of the Fiscal Council to remain in office until the investiture of their successors(since the Fiscal Council shall be non-permanent), with the purpose to make the Company's management more efficient, especially in view of the new Audit Committee;

(e)Change on Certain Rules Regarding the Composition and Operation of the Company's Special Committees:

- **(e.1)**amendment to the first paragraph of Article 19, as renumbered, in order to provide that the Special Committees may have in their composition an external member, as defined in the proposed Bylaws, with the purpose to improve the performance of such Committees in light of the contribution that specialized professionals can bring them; and
- **(e.2)**amendment to the third paragraph of Article 19, as renumbered, in order to provide that the meetings of the Special Committees may be called by their respective Chairman, without prejudice to the prerogative of the Chairman of the Board of Directors to call it, with the purpose to improve the performance of such Committees and to solidify the Company's corporate governance practices;
- **(f)**Removal of the Advisory Board: removal of the Articles 27 and 28 and of the fourth paragraph of the Article 15 in order to remove from the Bylaws the provisions that established the existence of the Advisory Board, with the purpose to make the Company's management more efficient, aligned with the proposal for the improvement of the Company's corporate governance structure, given that the amendments comprise the establishment of two other Committees, one of which is the Corporate Governance Committee, which shall be responsible for the functions currently performed by the Advisory Board;

(g)Change on Certain Rules of Composition and Operation of the CBD Board of Directors:

- **(g.1)**amendment to the Article 13 in order to remove the requirement of being a Company shareholder to be able to be elected as member of the CBD Board of Directors, in order to reflect the new provisions of Law No. 6,404/76;
- **(g.2)**amendment to the first paragraph of Article 15 to reduce from seven (7) to five (5) days the period within the Chairman shall comply with requests to call a Board of Directors meeting presented by other Director, with the purpose to make the decision-making process of the Board of Directors more efficient and speedy;
- (g.3)amendment to the third paragraph of Article 15 in order to establish that the minimum quorum required for the installation of the meetings of the Board of Directors shall be, on first call, ten (10) Board members and, on second call, eight (8) Board members, with the purpose to make the performance of the Board of Directors more efficient. The current wording of the Bylaws only establishes a quorum of ten (10) Board members for the installation of meetings of the Board of Directors without differentiating whether the relevant meeting was called for the first or second time. The purpose is then to establish different quorums, depending on whether the meeting was called for the first or second time, so as to make the decision-making process of the Board of Directors more speedy and efficient;
- **(g.4)**amendment to the sole paragraph of Article 16 in order to facilitate the remote participation by Directors in meetings of the Board of Directors of the Company, with the purpose to make the performance of the Board of Directors more efficient; and
- (g.5) amendment to the Article 17 in order to provide that the Board of Directors of the Company will have a Rules of Procedures, to be approved by the majority of its members, as well as that the functions of the Executive Secretary of the Board shall be defined in such Rules, with the purpose to make the performance of the Board of Directors more efficient and improve its corporate governance practices. The adoption of the Rules of Procedure for the Board of Directors, as widely known, is a highly incentivized practice and is frequently adopted by publicly-held companies' boards of directors, with the purpose to make performance of the board's activities clearer and improve its functioning, which will obviously meet the Company's interests. In fact, the companies whose Bylaws establish the possibility of adopting Rules of Procedure, and those which adopt such Rules without Bylaws' provision, amount to a significant proportion of 55% of the companies included in the IBOVESPA index and 46% of companies listed in BM&FBOVESPA's *Novo Mercado*;

- (h) <u>Creation of the Position of Vice-Chairman of the Board of Directors of the Company</u>: The amendment intends to assure the good performance of the Company's Board of Directors, given its relevance for the conduction of the Company's affairs, avoiding any possible deadlock on the Company's activities, already establishing the functions to be performed by the Vice-Chairman. Note that such position is widely utilized as a good corporate governance practice within Brazilian companies. The position of Vice-Chairman of the Board of Directors is established in the Bylaws of 72.6% of companies listed in BM&FBOVESPA's *Novo Mercado*, and in the Bylaws of 67.1% of companies included in the IBOVESPA index.
- **(h.1)** amendment to the Article 9, III, in order to establish as a power of the Shareholders General Meeting the election and destitution of the Chairman and also of the Vice-Chairman of the Board of Directors, with the purpose to adjust the Bylaws provisions to this new position;
- **(h.2)** amendment to the Article 14 in order to reflect that the Board of Directors of the Company will have a Chairman and a Vice-Chairman, with the purpose to adjust the Bylaws provisions to this new position;
- **(h.3)** amendment to the sole paragraph of Article 14 in order to establish that in case of absence or inability of the Chairman of the Board of Directors he may indicate another Director as his substitute, and that the Vice-Chairman shall replace the Chairman in case such substitute is absent or has not been indicated, with the purpose to make the performance of the Board of Directors more efficient; and
- **(h.4)** amendment to the Article 16 in order to provide that the Board of Directors meetings shall be chaired by its Chairman, or in his absence by another Director indicated by the Chairman as his substitute, and that the Vice-Chairman shall replace the Chairman in case such substitute is absent or has not been indicated, with the purpose to make the performance of the Board of Directors more efficient.

ANNEX III

Report on the legal and economic effects of the proposed amendments to the Bylaws

In compliance with Section 11, item II of CVM Instruction No. 481/2009, this report details and analyses the legal and economic effects of the proposed amendments to the Company's Bylaws (<u>"Bylaws"</u>), as approved by its Board of Directors in a meeting held on the <u>2</u>7 of September, 2012, at 5:00pm (<u>"Proposals"</u>), and that shall be decided on by the General Shareholders Meeting to be held on the 18th of October, 2012.

As indicated above, the Proposals have the effect of: (a) changing the Company's capital stockin order to reflect the current numbers of the capital stock and of shares of the Company; (b) creating the Committee of Corporate Governance; (c) creating the Company's Audit Committee, as well as providing for certain rules applicable to it; (d) changing certain rules regarding the Fiscal Council; (e) changingcertain rules regarding the composition and operation of the Company's Special Committees; (f)removing the Advisory Board; (g) changingcertain rules regarding the Company's Board of Directors; and (h) creating the position of Vice-Chairman of the Board of Directors of the Company.

With the purpose to make identification and comprehension of the Proposals, each of the changes and their effects are presented in detail in the comparative chart below, which shows, from the left to the right, (i) the version of the Bylaws currently in force (without the proposed changes), (ii) the new versionproposed by the Board of Directors (without comparing it with the version currently in force), (iii) the compared version (highlighting all differences between the current wording and the proposed wording), and (iv) the comments and justifications in relation to each one of the proposed changes, analysing the possible legal and economic effects.

Bylawsof			
COMPANHIA	Bylawsof	Bylawsof	
BRASILEIRA DE DISTRIBUIÇÃO	COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO	COMPANHIA BRASILEIRA DE Adjust in the	
CNPJ/MF n. 47.508.411/0001-56	CNPJ/MF n. 47.508.411/0001-56	CNPJ/MF n. 47.508.411/0001-56 Portug	n. No
NIRE 35.300.089.901		NIRE 35.300.089.901 econo or lega	al
Authorized-Capital Publicly-Held Corporation	Authorized-Capital Publicly-Held Corporation	Authorized-Capital Publicly-Held effect. Corporation	

CHAPTER I-NAME, HEAD OFFICE, **PURPOSE** AND **DURATION**

ARTICLE 1 -

BRASILEIRA DE OFFICE, PURPOSE AND DURATION DISTRIBUIÇÃO

is a stock corporation with head

offices and jurisdiction at Av. Brigadeiro Luís Antonio. No. 3142, in

Paulo. Federative Republic of Brazil, hereinafter governed by

these By-laws, by Law 6,404 dated

December 15, 1976, as amended, and other

applicable legal provisions. **CHAPTER I - NAME, HEAD**

OFFICE, PURPOSE AND **DURATION**

ARTICLE 1 - COMPANHIA

BRASILEIRA DE DISTRIBUIÇÃO is a stock and jurisdiction at Av. Brigadeiro Luís Antonio, No. the City of São 3142, in the City of São by these By-laws, by Law 6,404 dated December 15,

1976, as amended, and other provisions. applicable legal provisions.

ARTICLE 1 - COMPANHIA

CHAPTER I -NAME, HEAD

BRASILEIRA DE DISTRIBUIÇÃO is a corporation with head offices stock corporation with head offices unchanged. and jurisdiction at Av. Brigadeiro Luís Antonio, No. 3142, in the City of São Paulo, Federative Republic Paulo, Federative Republic of of Brazil, hereinafter governed by Brazil, hereinafter governed these By-laws, by Law 6,404 dated December 15, 1976, as amended, and other applicable legal

Wording

Sole Paragraph - Upon

the Company's Sole Paragraph - Upon admission to the special the Company's admission Sole Paragraph - Upon the listing segment called to the special listing Company's admission to the Corporate Governance segment called Corporate special listing segment called Level 1 for the Governance Level 1 for the Corporate Governance Level BM&FBOVESPA S.A. - Bolsa 1 for the BM&FBOVESPA S.A. -BM&FBOVESPA S.A. -Bolsa de Valores. de Valores. Mercadorias e Bolsa de Valores. Mercadorias Mercadorias e Futuros Futuros ("BM&FBOVESPA"), e Futuros ("BM&FBOVESPA"), ("BM&FBOVESPA"), the the Company, its the Company, its Company, its shareholders, shareholders, Administrators Wording shareholders. Administrators and and members of the Fiscal unchanged. Administrators and members of the Fiscal Council, when installed, members of the Fiscal Council, when installed, subject themselves to the Council, when installed, subject themselves to the provisions of the Regulamento de Listagem do subject themselves to provisions of the the provisions of the Regulamento de Listagem Nível 1 de Regulamento de do Nível 1 de GovernançaCorporativa da Listagem do Nível 1 de GovernançaCorporativa da BM&FBOVESPA ("Level 1 GovernançaCorporativa BM&FBOVESPA ("Level 1 Regulation"). da BM&FBOVESPA Regulation"). ("Level 1 Regulation").

ARTICLE 2 - The corporate purpose of the Company is the sale of manufactured. semimanufactured or raw products, both Brazilian and or species, nature that the sale of such products is not prohibited by law.

ARTICLE 2 - The corporate purpose of the Company is the sale of manufactured, semi- manufactured or raw products, both Brazilian and manufactured foreign, of any type or species, nature or quality, or quality, provided provided that the sale of such products is not prohibited by law.

Wording unchanged in the ARTICLE2-Thecorporatepurpose Portuguese oftheCompanyisthesaleofmanufactumeibsemimanufac Wording orrawproducts, both Brazilian and forædigurs trfærryttype orsp or quality, provided that the sale in the of such products is not prohibited English by law. version with no

First Paragraph also engage in the following activities: in the following activities:

First Paragraph - The

First Paragraph - The Company Wording The Company may Company may also engage may also engage in the following activities:

unchanged.

economic or

legal effect.

- a) manufacture, processing, handling,
- transformation, **a)** manufacture, processing, exportation, handling, transformation, importation and exportation, importation and representation representation of food or non-food products either on its own or through third products either parties;
- a) manufacture, processing, handling, transformation, exportation, importation and representation of food or non-food unchanged. products either on its own or through third parties;

- on its own or through third parties;
- **b)** international trade, including that involving coffee;
- coffee;
 c) importation,
 distribution and
 sale of cosmetic

sale of cosme products for hygienic or make-up purposes, toiletries, sanitary and related products and food supplements;

- **b)** international trade, including that involving coffee;
- c) importation, distribution and sale of cosmetic products for hygienic or make-up purposes, toiletries, sanitary and related products and

food supplements;

c) importation, distribution and sale of cosmetic products for hygienic or make-up purposes, toiletries, sanitary and related products and food supplements;

b) international trade, including

that involving coffee;

Wording unchanged.

Wording

unchanged.

d) sale of drugs and medicines, pharmaceutical and homeopathic specialties, chemical products, accessories, dental care equipment, tools and equipment for surgery, production of chemical products and pharmaceutical the possibility that such activities of the Company are specialized as Drugstore, Allopathic Drugstore, Homeopathic Drugstore or Manipulation Drugstore of

each specialty;

- d) sale of drugs and medicines, pharmaceutical chemical products, accessories, dental care equipment, tools and equipment for surgery, production of chemical specialties, with the of the Company are specialized as Drugstore, Allopathic Drugstore, Homeopathic Drugstore or Manipulation Drugstore of each specialty;
- and homeopathic specialties, d) sale of drugs and medicines, pharmaceutical and homeopathic specialties, chemical products, accessories, dental care equipment, tools and equipment for surgery, production of chemical Wording products and pharmaceutical products and pharmaceutical unchanged. specialties, with the possibility that specialties, with a file Company are specialized as Drugstore, Allopathic Drugstore, Homeopathic Drugstore or Manipulation Drugstore of each specialty;

- e) sale of oil products, filling up of fuels of any kind, rendering of
- technical assistance services, garage, repair, washing, lubrication, sale of accessories and other similar
 - e) sale of oil products, filling up of fuels of any kind, rendering of technical assistance services, garage, repair, washing, lubrication, sale of accessories and other similar services, of any vehicles:
- e) sale of oil products, filling up of fuels of any kind, rendering of technical assistance services, Wording garage, repair, washing, lubrication, unchanged. sale of accessories and other similar services, of any vehicles;

- services, of any vehicles; f) sale of products, drugs and general
- veterinary medicines; veterinary clinic and pet shop with bath and
- f) sale of products, drugs and general veterinary medicines; veterinary consultation, consultation, clinic and hospital and pet shop with hospital and bath and shearing service;
- f) sale of products, drugs and general veterinary medicines; veterinary consultation, clinic and hospital and pet shop with bath and shearing service;
- Wording unchanged.

g) rental of media:

shearing service;

- any recorded g) rental of any recorded media:
- Wording g) rental of any recorded media; unchanged.

h) provision of photo, film and similar studio services;

h) provision of photo, film and similar studio services:

h) provision of photo, film and Wording similar studio services: unchanged.

i) execution and administration of real estate transactions, purchasing,

promoting subdivisions and

leasing and selling real estate properties on the Company's own behalf as well as for third parties;

i) i) execution and administration of real estate transactions, purchasing, promoting subdivisions and incorporations, incorporations, leasing and selling real estate properties on the Company's own behalf as well as for third parties;

i) execution and administration of real estate transactions, purchasing, promoting subdivisions Wording and incorporations, leasing and selling real estate properties on the unchanged. Company's own behalf as well as for third parties;

i) acting as distributor, agent and representative of merchants and industrial concerns established in Brazil or abroad and, in such capacity, for consignors or on its own behalf acquiring, carrying out any operations and transactions in its own interests or on behalf of such

j) acting as distributor, agent and representative of merchants and industrial concerns established in Brazil or abroad and, in such on its own behalf acquiring, retaining, possessing and carrying possessing and transactions in its own interests or on behalf of such consignors;

i) acting as distributor, agent and representative of merchants and industrial concerns established in Brazil or abroad and, in such capacity, for consignors or capacity, for consignors or on its own behalf acquiring, retaining, possessing and carrying out any operations and transactions in its own interests or on behalf of such consignors:

Wording unchanged.

consignors; k) provision of

data processing services;

k) provision of data processing services; k) provision of data processing Wording services; unchanged.

I) building

and

construction

services of all

kinds, either

on its own

behalf or for I) building and construction

third parties, services of all kinds, either on I) building and construction services purchase and its own behalf or for third

sale of parties, purchase and sale of construction construction materials and materials and installation and maintenance

installation of air conditioning systems, cargo loaders and freight and

maintenance elevators;

of air

conditioning

systems,

cargo loaders

and freight

elevators;

m) utilization

of sanitary

related

products;

products and m) utilization of sanitary

m) utilization of sanitary products products and related products; and related products;

of all kinds, either on its own behalf or for third parties, purchase and

sale of construction materials and

installation and maintenance of air

and freight elevators;

conditioning systems, cargo loaders

Wording unchanged.

Wording

unchanged.

n) general municipal, state and interstate ground freight transportation for its own

products and those of third parties, including warehousing, depositing, loading, unloading,

guarding any such products, and subcontracting the services contemplated

in this item;

n) general municipal, state

transportation for its own products and those of third parties, including warehousing, depositing,

loading, unloading, packaging unloading, packaging and guarding and quarding any such

packaging and the services contemplated in contemplated in this item; this item;

and interstate ground freight n) general municipal, state and interstate ground freight

transportation for its own products

and those of third parties, including Wording warehousing, depositing, loading, unchanged.

any such products, and products, and subcontracting subcontracting the services

o)

communication services, general

marketing, including for restaurants, which may compatible or restrictions;

advertising and o) communication services,

general advertising and marketing, including for bars, bars, cafes and cafes and restaurants, which may extend to other compatible or connected extend to other areas, subject to any legal

o) communication services, general advertising and marketing, including for bars, cafes and restaurants, which may extend to other compatible or connected areas, subject to any legal restrictions;

Wording unchanged.

connected areas, subject to any legal restrictions;

p) purchase, sale and

distribution of books. magazines, newspapers,

p) purchase, sale and distribution of books, magazines, newspapers, periodicals and similar

periodicals and products;

similar products; q) performance

research;

of studies, analysis, planning and markets

q) performance of studies, analysis, planning and markets research:

p) purchase, sale and distribution of books, magazines, newspapers, periodicals and similar products;

Wording unchanged.

q) performance of studies, analysis, planning and markets research:

Wording unchanged.

- **r)** performance of market test for the launching of new products, packing and labels;
- and analysis of de vendas", of special promotions and advertising;
- t) provision of management services of **t)** provision of food, meal, drugstore, fuel and transportation vouchers/cards and other cards resulting from the activities related to its corporate purpose; and

- r) performance of market test for the launching of new products, packing and labels:
- s) creation of strategies s) creation of strategies and analysis of vendas", of special promotions and advertising;
 - management services of food, meal, drugstore, fuel and transportation vouchers/cards and other cards resulting from the activities related to its corporate purpose; and

- r) performance of market Wording test for the launching of new unchanged. products, packing and labels;
- s) creation of strategies and "comportamentosetorial "comportamentosetorial de "comportamentosetoria Wording unchanged. vendas", of special promotions and advertising;
 - t) provisionofmanagementservicesof food,meal,drugstore,fuelandtransportation Wording vouchers/cards and unchanged. othercardsresulting from the activities relatedto its corporate purpose; and

- u) leasing and
- its own or
- subleasing of **u)** leasing and subleasing of its own or third-party

furnishings;

third-party furnishings;

- management services; and
- v) provision of v) provision of management services; and
- u) leasing and subleasing of its own Wording or third-party furnishings; unchanged.
- v) provision of management Wording services: and unchanged.

w)

representation of other companies, both Brazilian and foreign, and participation as a partner or shareholder in the capital stock of other companies irrespective of their form or object of same, and in

commercial enterprises of any nature.

- w) representation of other companies, both Brazilian and foreign, and participation as a partner or shareholder in the capital stock of other companies irrespective of their form or object of same, and in commercial enterprises of same, and in commercial of any nature.
 - w) representation of other companies, both Brazilian and foreign, and participation as a partner or shareholder in the capital Wording stock of other companies unchanged. irrespective of their form or object enterprises of any nature.

Second Paragraph

- The Company guarantees or collateral for business transactions of its interest, although it must not do so merely as a favor.

may provide **Second Paragraph -** The Company may provide guarantees or collateral for business transactions of its interest, although it must not do so merely as a favor.

Second Paragraph - The Company may provide guarantees or collateral Wording for business transactions of its unchanged. interest, although it must not do so merely as a favor.

ARTICLE 3-

The term of duration shall be indefinite.

Company's ARTICLE 3 - The Company's term of duration shall be indefinite...

ARTICLE 3 - The Company's term of Wording duration shall be indefinite. unchanged.

CHAPTER II

CAPITAL STOCK AND SHARES

CHAPTER II

CAPITAL STOCK AND SHARES

ARTICLE 4 - The Company Capital is R\$6,689,239,643.41 (six billion, six million, two hundred Capital is R\$ six hundred hundred sixty-two and fifty thousand, nine hundred sixty-one (262,150,961)shares with no par value, of which ninety-nine million, six hundred seventy-nine hundred fifty-one (99,679,851) are one hundred sixty-two million, four hundred seventy-one thousand, one hundred and ten (162,471,110) are preferred shares.

hundred eighty-nine **ARTICLE 4 -** The Company thirty-nine thousand, 6,701,818,241.81 (six billion, seven hundred and forty-three Brazilian one million, eight hundred cents), fully paid in hundred and forty one and divided into two Brazilian Reais and eighty one cents), fully paid in and million, one hundred divided into two hundred and sixty three million, fifty six thousand and one hundred and sixty seven (263,056,167) shares with no par value, of which ninety nine million, six hundred and seventy nine thousand and eight hundred and fifty one thousand and eight (99,679,851) are common shares and one hundred and sixty three million, common shares and three hundred and seventy six thousand and three hundred and sixteen (163,376,316) are preferred shares.

CHAPTER II

CAPITAL STOCK AND SHARES amended

ARTICLE4 -The CompanyCapitalis R\$6,689,239,643.41 6,701,818,241.81 (sixbillion, sixseven hundredeighty-nineand one million, two eight hundred thirty-nineand <u>eighteen</u>thousand, sixtwo Reais and forty-one and eighteen thousand, two Brazilian Reaisand forty-eighty hundred and forty-three one one cents), fully paidinanddividedintotwohundredand capital, as sixty-two threemillion, one hundred and fiftysix thousand, nine and one hundred and sixty-one (262,150,961_seven (263,056,167) shares with no par value, of which ninetyninemillion, sixhundred and seventyninethousandandeighthundredand options fifty-one(99,679,851) are common sharesandonehundredand sixty-two threemillion, fourthree hundred and seventy-one six thousand, one and three hundred and ten (162,471,110<u>sixteen</u> (163,376,316) are preferred shares.

Wording the current numbers of the capital stock and of shares of the Company, having regard to the recent increases in the Company's approved by the Board of Directors, in view of the exercise of within the Stock Option Plan, within the limits of the Company's authorized

capital;

First

Paragraph -

The shares of capital stock and each common entitles its

vote at the General

Shareholders' Meetings.

are indivisible First Paragraph - The shares First Paragraph - The shares of in relation to of capital stock are indivisible the Company in relation to the Company and each common entitles its owner to one vote at the General Shareholders' owner to one Meetings.

capital stock are indivisible in relation to the Company and each common entitles its owner to one vote at the General Shareholders' Meetings.

Wording unchanged.

Second Paragraph

- The shares shall be recorded in book-entry systems in deposit accounts on behalf of their holders with the authorized financial institution designated by the Company, without issuance of share

certificates.

and be kept in deposit accounts on behalf of their holders with the authorized financial with the certificates.

Second Paragraph - The shares shall be recorded in book-entry systems and be kept in deposit accounts on behalf of their holders with the authorized financial institution designated by the Company, without issuance of share certificates.

Second Paragraph - The shares shall be recorded in book-entry systems and be kept in deposit accounts on behalf of their holders with the authorized financial institution designated by the Company, without issuance of share certificates.

Wording unchanged.

Third

Paragraph -

Shareholders can, at any time, convert common shares into preferred shares, since they are paid-up and observing the

limit of article Third Paragraph -5 below. Conversion requests should be sent in writing to the Executive Officers Committee ("Diretoria"). Conversion requests Officers Committee ("Diretoria")

should be ratified on the first Board of Directors' meeting, since the conditions above are complied with.

Shareholders can, at any time, **Third Paragraph** -Shareholders convert common shares into preferred shares, since they are paid-up and observing the limit of article 5 below. Conversion requests received by the Executive Officers be ratified on the first Board of the Executive Directors' meeting, since the conditions above are complied with. with.

can, at any time, convert common shares into preferred shares, since they are paid-up and observing the limit of article 5 below. Conversion sent in writing to the Executive the Executive Officers Committee ("Diretoria") Pirotoria") (Conversion) ("Diretoria"). Conversion requests received by the Executive Officers Committee ("Diretoria") should be ratified on the first Board of Directors' meeting, since the

unchanged.

Fourth Paragraph

- The cost of the service of transferring the ownership of the book-entry shares charged by the depositary financial institution may be passed on to the paragraph of Article 35 of Law No. 6,404 dated 12/15/76, subject to the maximum limits established by the **Brazilian Securities** Exchange Commission ("Comissão de ValoresMobiliários").

Fourth Paragraph -The cost of the service of transferring the ownership of the book-entry shares charged by the depositary passed on to the pursuant to the third shareholder, pursuant to the third paragraph of Article 35 of Law No. 6,404 dated 12/15/76, subject to the maximum limits established by the Brazilian Securities Exchange Securities Exchange Commission ("Comissão de ValoresMobiliários"). ValoresMobiliários").

Fourth Paragraph -- The cost of the service of transferring the ownership of the book-entry shares charged by the financial institution may be depositary financial institution may be passed on to the shareholder, pursuant to the Wording third paragraph of Article 35 of unchanged. Law No. 6,404 dated 12/15/76, subject to the maximum limits established by the Brazilian Commission ("Comissão de

ARTICLE 5 -

The Company is entitled to issue new shares without maintaining proportion between types and/or classes of the existing shares, provided that the number of preferred shares shall not exceed the limit of two thirds (2/3) of the total issued shares.

ARTICLE 5 - The Company is **ARTICLE5**-The entitled to issue new shares between types and/or classes of the existing shares, provided that the number of preferred shares shall not exceed the limit of 2/3 (two thirds) of the total issued shares.

Companyisentitledtoissuenew without maintaining proportion shares without maintaining proportion betweentypesand/orclassesof theexistingshares, provided that then u shares shall not exceed the limit of 2/3(two thirds (2/3) of the total issued shares.

Wording unchanged on the Portuguese version. Wording mberofpreferred adjustment on the **English** version with economic or legal effect.

First Paragraph -

The preferred shares shall be entitled to the following privileges and preferences:

First Paragraph - The preferred shares shall be entitled to the following privileges and preferences:

First Paragraph - The preferred shares shall be entitled to the following privileges and preferences:

Wording unchanged.

a) priority in the reimbursement of capital, in an

amount a) priority in the

calculated by an amount calculated by dividing the

Capital Stock by dividing the Capital Stock by dividing the Capital Stock by the the number of the number of outstanding outstanding

shares, without premium, in without premium, in the event of shares, without the event of liquidation of the liquidation of the Company;

reimbursement of capital, in a) priority in the reimbursement of capital, in an amount calculated by

Wording number of outstanding shares, unchanged.

premium, in the Company;

event of

liquidation of the Company;

b) priority in

the receipt of a

minimum

annual dividend b) priority in the receipt of a in the amount minimum annual dividend in of R\$ 0.08 the amount of R\$ 0.08 (eight

(eight cents of cents of Real) per one (1) preferred share, on a Real) per one (1) preferred non-cumulative basis;

share, on a non-cumulative basis;

b) priority in the receipt of a minimum annual dividend in the amount of R\$ 0.08 (eight cents of Real) per one (1) preferred share, on a non-cumulative basis:

Wording unchanged.

c) participation under equal conditions as of reserves or retained

earnings; and

- c) participation under equal the common shares in the distribution of bonus shares resulting from capitalization
- c) participation under equal conditions as the common shares in Wording the distribution of bonus shares resulting from capitalization of reserves or retained earnings; and

unchanged.

d) in the set forth in Article 36, theseBy-Laws, IV, item "c" of these receipt of Article 35, common and IV, item "c" preferred shares so as of Article 17, first paragraph, of Law of these share shall be By-Laws, which shall ascribed a dividend totalamountofdividendspaidtothepreferredshares, the amount paid a ten percent (10%) be distributed higher than the setforthinitem"b"ofthis FirstParagraph. dividend assigned to for the each common share, common pursuant to the and provisions of Article preferred shares so as 17, first paragraph, of to for each Law No. 6,404/76, as amended by Law No. preferred share shall 10,303/01, including, be ascribed for purposes of such a dividend calculation, in the sum ten percent of the total amount of (10%)dividends paid to the higher than preferred shares, the the dividendamount paid as assigned to minimum dividend set forth in item "b" of each this First Paragraph. common share, pursuant to the provisions of Article 17, first paragraph, of Law No. 6,404/76, as amended by Law No. 10,303/01, including, for purposes of such calculation, in the sum

d) participation in the **d)** participation in the receipt of dividendas Adjustment participation receipt of dividend as setforthin Article 35,36, IV, item "c" of in the wording due whichshallbedistributedforthecommonandprefærtedesharessoastofo dividend as By-Laws, which shall share shall beascribed a dividend ten percent renumbering set forth in be distributed for the (10%)higherthanthedividendassignedtoeach of the common share, pursuant to the provisions articles. No legal or to for each preferred No.6,404/76, as amended by Law No. economic 10,303/01, including, for purposes of such effect. calculation, in the sum of the

of the total

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amount of dividends paid to the preferred shares, the amount paid as minimum dividend set forth in item "b" of this First Paragraph.

Second **Paragraph**

- The preferred have no voting rights.

Second Paragraph - The shares shall baye no voting rights.

Second Paragraph - The preferred Wording shares shall have no voting rights. unchanged.

Third Paragraph

- The preferred shares shall acquire voting rights in the event that the Company fails to pay the minimum or

dividends to **Third Paragraph -** The fixed these By-laws for a period of three (3) consecutive fiscal years,

first paragraph of Article

111 of Law No. 6,404/76. These voting rights will cease upon the payment of

minimum or fixed dividends.

such

preferred shares shall acquire are entitled voting rights in the event that according to the Company fails to pay the minimum or fixed dividends to which they are entitled according to these By-laws for a period of three (3) consecutive fiscal years, provisions of rights will cease upon the payment of such minimum or fixed dividends.

Third Paragraph - The preferred shares shall acquire voting rights in the event that the Company fails to pay the minimum or fixed dividends to which they are entitled according to these By-laws for a period of three Wording (3) consecutive fiscal years, unchanged. according to the provisions of first first paragraph of Article 111 of Law No. according to Law No. 6,404/76. These voting cease upon the payment of such 6,404/76. These voting rights will minimum or fixed dividends.

ARTICLE 6 -

The Company is authorized to increase its Capital Stock by resolution of the Board

of Directors
without the ARTICLE 6 - The Company is need to authorized to increase its amendment Capital Stock by resolution of the Companythe Board of Directors without by-laws, up the need to amendment the to the limit ofCompany by-laws, up to the 400,000,000 limit of four hundred million

(four (400,000,000) shares, through hundred issuance of new common or million) preferred shares, with due regard to the limit established

through in article 5 above.

issuance of new common or preferred shares, with due regard to the limit established in article 5

above.

ARTICLE6-TheCompanyisauthorizedtoincreaseitsCapita
BoardofDirectorswithouttheneedtoamententtheCompa
400,000,000 (four hundredmillion
(400,000,000)shares,throughissuance
adjustment

ofnewcommonorpreferred shares, with due regard to the limit established in article 5 above.

Wording
eadjustment
in the
English
version
with no
economic
or legal
effect.

Wording

unchanged

First Paragraph -

The limit of the Company's authorized only be decision of a General Shareholders Meeting.

First Paragraph - The limit of First Paragraph - The limit of the the Company's authorized capital shall capital shall only be modified by decision of a General modified by Shareholders Meeting.

Company's authorized capital shall Wording only be modified by decision of a unchanged. General Shareholders Meeting.

Second Paragraph -

Within the limit of the authorized capital and in accordance with the plan approved by the General Shareholders Meeting, the Company may grant stock options to the members of its management bodies or employees, or to individuals providing services to the Company.

Second Paragraph - Within

the limit of the authorized the plan approved by the General Shareholders Meeting, by the General Shareholders management bodies or employees, or to individuals providing services to the Company.

Second Paragraph - Within the capital and in accordance with limit of the authorized capital and in accordance with the plan approved the Company may grant stock Meeting, the Company may grant options to the members of its stock options to the members of its management bodies or employees, or to individuals providing services to the Company.

Wording unchanged.

ARTICLE 7 -

The issuance of shares, subscription bonuses or debentures convertible into shares, the exercise of preemptive rights, as provided in Article 172 of Law No. 6,404/76.

ARTICLE 7 - The issuance of shares, subscription bonuses shares, may be approved by exclusion or reduction of the 6,404/76.

ARTICLE 7 - The issuance of shares, or debentures convertible into subscription bonuses or debentures approved by convertible into shares, may be the Board of Directors, with the approved by the Board of Directors, Wording with the exclusion or reduction of the unchanged. reduction of the term for the exercise of term for the exercise of preemptive rights, as provided in Article 172 of Law No. Law No. 6.404/76 term for the exercise of preemptive

Sole Paragraph -

Except for the provision set out in the heading of this article, the shareholders shall be entitled to preemptive rights, in proportion to their respective equity interests, in the subscription of any Company's capital increases, with the exercise of such right being governed by the legislation

applicable thereto.

Sole Paragraph - Except for the provision set out in the heading of this article, the shareholders shall be entitled to preemptive rights, in equity interests, in the capital increases, with the exercise of such right being governed by the legislation applicable thereto.

Sole Paragraph - Except for the provision set out in the heading of this article, the shareholders shall be entitled to preemptive rights, in proportion to their respective proportion to their respective equity Wording interests, in the subscription of any unchanged. subscription of any Company's Company's capital increases, with the exercise of such right being governed by the legislation applicable thereto.

CHAPTER III CHAPTER III

GENERAL GENERAL SHAREHOLDERS
SHAREHOLDERS MEETING
MEETING

CHAPTER III

ARTIGO 8º - A Assembleia

ARTICLE 8 - The Geral é a reunião dos acionistas, que a ela poderão Shareholders' comparecer por si ou por representantes constituídos meeting of the shareholders. The shareholders may participate at the Geral é a reunião dos acionistas, que a ela poderão comparecer por si ou por representantes constituídos na forma da Lei, a fim de deliberarem sobre as shareholders may participate at the Geral é a reunião dos acionistas, que a ela poderão comparecer por si ou por representantes constituídos na forma da Lei, a fim de shareholders. Sociedade.

General
Shareholders'
Meetings either in
person or through
attorneys-in-fact
appointed as
provided by law, in

provided by law, in order to resolve upon the matters of interest of the Company.

GENERAL SHAREHOLDERS MEETING

ARTICLE 8 - The General

Shareholders' Meeting is the Wording meeting of the shareholders. The unchanged. shareholders may participate at the General Shareholders' Meetings either in person or through attorneys-in-fact appointed as provided by law, in order to resolve upon the matters of interest of the

60

Company.

ARTICLE 9 -

The General Meeting shall be instated and chaired by the Board of Directors

Chairman, in **ARTICLE 9** The General Executive Officer and, in his absence, by an Officer of Directors Chairman. The General Meeting shall be

called by the Board of **Directors** Chairman and shall have the

his absence, Shareholders' Meeting shall be ARTICLE9–The instated and chaired by the Board of Directors Chairman. in his absence, by the Chief Executive Officer and, in his absence, by an Officer appointed by the Board of by the Board C General Meeting shall be called by the Board of Directors Chairman and shall have the following attributions:

unchanged GeneralShareholders'Meeting shall bein the instated and chaired by the Board of Portuguese Directors Chairman, in his absence, version. by the Chief Executive Officer and, in Wording his absence, by an Officer appointed adjustment by the Board of Directors in the Chairman.TheGeneralMeetingshallbec Ethedish the Board of Directors Chairman version with andshallhave the following no attributions: economic or legal effect.

Wording

following attributions: I -the amendment to the Company's

Bylaws;

I. the amendment to the Company's Bylaws;

I. the amendment to the Company's Wording Bylaws: unchanged.

II the appointment and removal of members of the Company's Board of Directors at any time;

II. the appointment and removal of members of the Company's Board of Directors at any time;

II. the appointment and removal of members of the Company's Board of Unchanged.

III -the appointment of the the Company's Board of

Directors;

and removal III. the appointment and removal of the Chairman and Chairman of the Vice-Chairman of the Company's Board of Directors;

III. the appointment and removal of the Chairman and the Vice-Chairman of the Company's Board of Directors;

Wording amended in order to establish as a power of the Shareholders General Meeting the election and destitution of the Chairman and also of the Vice-Chairman of the Board of Directors, with the purpose to adjust the **Bylaws** provisions to this new position;

approval,
annually, of
the accounts
and financial
statements of the accounts and financial
statements of the Company's
the management, prepared by
Company's management,
prepared by

IV - the

them;

IV. the approval, annually, of the accounts and financial statements of the Company's management, prepared by them;

Wording unchanged.

V -the approval of preferred shares up to

V. the approval of any issuance of common or any issuance preferred shares up to the of common or limit of the authorized capital, as provided in Article 6 above as provided in Article 6 above and/or any bonuses, debentures and/or any bonuses,

authorized capital, as provided in Article 6 debentures

shares or with secured quarantee or securities or other rights or interests which exercisable for its shares, or any are convertible or above and/or exchangeable into or any bonuses, exercisable for its shares, or any other options, warrants, rights, contracts or into its shares commitments of any characterotherwise acquire any shares and

or with secured securities or

interests

convertible

guarantee or to issue, transfer, sell, repurchase or otherwise other rights or acquire any shares and the terms and conditions of subscription and payment;

pursuant to which the

which are convertible or exchangeable

into or exercisable for its shares, or any other options, warrants, rights, contracts or

commitments

of any character pursuant to which the Company is or may be bound to issue, transfer, sell, repurchase or otherwise acquire any shares and

the terms and conditions of

V. the approval of any issuance of common or preferred shares up to the limit of the authorized capital, convertible into its shares or with the limit of thedebentures convertible into its secured guarantee or securities or other rights or interests which are convertible or exchangeable into or other options, warrants, rights, contracts or commitments of any

> the terms and conditions of Company is or may be bound subscription and payment;

character pursuant to which the

Company is or may be bound to

issue, transfer, sell, repurchase or

Wording unchanged. subscription and payment;

VI -the

approval of any appraisals of

assets, which the shareholders for the formation of

VI. the approval of any appraisals of assets, which the shareholders may may contribute contribute for the formation of the Company's capital;

VI. the approval of any appraisals of assets, which the shareholders Wording may contribute for the formation of unchanged. the Company's capital;

capital; VII -the approval of any proposal for change the

the Company's

amalgamation, merger (including merger of shares incorporação de ações),

spin-off or split of the Company, or any other form of restructuring of the Company;

corporate form, VII. the approval of any proposal for change the corporate form, amalgamation, merger (including merger of shares incorporação de ações), spin-off or split of the Company, or any other form of restructuring of the Company;

VII. the approval of any proposal for change the corporate form, amalgamation, merger (including Wording merger of shares - incorporação de unchanged. acões), spin-off or split of the Company, or any other form of restructuring of the Company;

VIII the

approval of any proposal

of the

Company,

replacement

of its liquidator(s);

IX -the approval of the accounts

of the

liquidator(s); X the

establishment of the global annual

of the members of any

body of the Company,

including fringe benefits:

for dissolution VIII. the approval of any or liquidation proposal for dissolution or liquidation of the Company, appointing or replacement of

appointing or its liquidator(s);

IX. the approval of the

VIII. the approval of any proposal for dissolution or liquidation of the Company, appointing or replacement of its liquidator(s);

IX. the approval of the accounts of Wording accounts of the liquidator(s); the liquidator(s); unchanged.

Wording

unchanged.

compensation X. the establishment of the the members of any management body of the management Company, including fringe benefits:

global annual compensation of ... the establishment of the global annual compensation of the members of any management body unchanged. of the Company, including fringe benefits:

XI -the approval or the amendment of the annual operating

plan;

amendment of the amendment of the operating plan;

XI. the approval or the amendment of the annual operating plan; Wording unchanged..

XII -the approval of any agreement or the amendment in any agreement, directly or indirectly, between the Company and/or its

affiliates and XII. the approval of any

agreement or the amendment XII. the approval of any agreement any of its in any agreement, directly or or the amendment in any controlling shareholders indirectly, between the or their Company and/or its affiliates and any of its controlling relatives, members of shareholders or their relatives, shareholders or their relatives, management bodies or any of its controlled or any of its controlled companies bodies or any companies and affiliates of its thereto, exception made to controlled

course of business, which companies and affiliates should be contracted at arms (market conditions); length (market conditions); thereto, exception

made to those executed in the ordinary course of business. which should be contracted at arms length (market

conditions);

agreement, directly or indirectly, between the Company and/or its affiliates and any of its controlling

members of its management members of its management bodies and affiliates thereto, exception made to those executed in the

those executed in the ordinary ordinary course of business, which should be contracted at arms length

69

Wording

unchanged.

XIII -the purchase, sale, disposal of or creation of lien on any asset of the Company or any other investment by the Company in an individual amount or cumulated over a fiscal year in excess of the amount in Reais equivalent to US\$ 100,000,000.00 (one hundred or in excess of an the net worth of the Company as determined in its latest annual balance sheet, whichever is the higher;

XIII. the purchase, sale, disposal of or creation of lien on any asset of the Company or any other in an individual amount or cumulated over a fiscal year in excess of the amount in Reais equivalent to US\$ 100,000,000.00 (one hundred million U.S. Dollars) million U.S. Dollars) or in excess of an amount the net worth 6% (six per cent) of C Company as determined in ("patrimôniolíquido"); latest annual balance ട്heet, whichever is the higher;

XIII. the purchase, sale, disposal of or creation of lien on any investment by the Company asset of the Company or any other investment by the Company in an individual amount or cumulated over a fiscal year in excess of the amount in Reais equivalent to Wording US\$ 100,000,000.00 (one unchanged. hundred million U.S. Dollars) or equal to 6% (six per cent) of covers of an amount equal to 6% (six per cent) of the net worth ("patrimôniolíquido") of the Company as determined in its latest annual balance sheet, whichever is the higher;

XIV - the

approval of request by the **XIV.** the approval of request

Company of by the Company of XIV - the approval of request by

the Company of self-bankruptcy or Wording self-bankruptcy self-bankruptcy or of or of protection protection under any of protection under any

under any bankruptcy or reorganization bankruptcy or reorganization law;

bankruptcy or

reorganization

law; XV -the

approval of any

delisting of **XV.** the approval of any shares of the delisting of shares of the

Company for Company for trading on stock trading on stockexchanges or filing for new

exchanges or listings;

filing for new listings;

XVI -the

approval of any **XVI.** the approval of any change in the change in the Company's Company's dividend policy;

dividend policy;

unchanged.

XV -the approval of any delisting

of shares of the Company for Wording trading on stock exchanges or unchanged.

filing for new listings;

XVI -the approval of any change inWording the Company's dividend policy; unchanged..

XVII - the approval of any financial arrangement, including the lending or borrowing by funds and the issuance of non-convertible debentures, in excess of an individual amount equal to two (2) times months; and EBITDA of the preceding twelve (12) months; and

XVII. the approval of any financial arrangement, the Company of including the lending or funds and the issuance of non-convertible debentures, in excess of an individual amount equal to two (2) times EBITDA of the preceding twelve (12)

XVII - the approval of any financial arrangement, including the lending borrowing by the Company of or borrowing by the Company of funds and the issuance of non-convertible debentures, in excess of an individual amount equal to two (2) times EBITDA of the preceding twelve (12) months; and

Wording unchanged. **XVIII** - the approval of any joint venture of the Company with a third parties

involving an individual investment or cumulated over a fiscal year in excess of the amount in Reais equivalent to US\$ 100,000,000.00 (one hundred or in excess of an amount equal to six (6) percent of the net worth of the Company as sheet, whichever is the determined in its latest annual balance sheet,

whichever is the

higher.

XVIII. the approval of any joint venture of the Company with a third parties involving an individual investment or cumulated over a fiscal year in excess of the amount in Reais equivalent to US\$ 100,000,000.00 (one hundred million U.S. Dollars) million U.S. Dollars) or in excess of an amount equal to six (6) percent of the net worth ("patrimôniolíquido") of the Company as determined in ("patrimôniolíquido") la latest annual balance

higher.

XVIII - the approval of any joint venture of the Company with a third parties involving an individual investment or cumulated over a fiscal year in excess of the amount in Reais equivalent to US\$ 100,000,000.00 (one hundred million U.S. Dollars) or in excess of an amount equal to six (6) percent of the net worth ("patrimôniolíquido") of the Company as determined in its latest annual balance sheet, whichever is the higher.

Wording unchanged.

ARTICLE 10-

Any resolution of the General Shareholders' Meeting shall be taken by of at least the absolute majority of the present entitled to vote, except if qualified quorum is required by law.

the approval of shareholders representing at least the absolute majority of the present shareholders quorum is required by law.

ARTICLE 10 - Any resolution of the General Shareholders' Meeting shall be taken by the approval of shareholders representing at least the absolute majority of the present shareholders entitled quorum is required by law.

ARTICLE10 – Anyresolution of the General Shareholders' Meeting shall betakenby the approval of shareholders representing at least the absolute majority of the present Wording shareholders entitled to vote, unchanged. except if qualified quorum is required by law.

ARTICLE 11 -

The Annual Shareholders' Meeting shall have the attributions set forth in the law and shall take place during the first four months following the end of each fiscal year.

ARTICLE 11 -The Annual Shareholders' Meeting shall have the attributions set forth during the first four months following the end of each fiscal year.

ARTICLE11-TheAnnualShareholders'Meetingshallhave forthinthelaw and shall take place in the law and shall take place during the first four months Wording during the first four menths following the endof each fiscalyear unchanged.

Sole

Paragraph -

Whenever necessary, the General Shareholders' Meeting may be installed and may be carried out subsequently with the Annual Shareholders' Meeting.

necessary, the General Shareholders' Meeting may be installed extraordinarily, extraordinarily, and may be carried out subsequently with the Annual Shareholders' Meeting.

Sole Paragraph - Whenever **SoleParagraph**-Whenevernecessary,theGeneralShare Meeting maybeinstalled extraordinarily, and may be carried Wording out subsequently with the Annual unchanged. Shareholders' Meeting.

CHAPTER IV

MANAGEMENT CHAPTER IV CHAPTER IV

> **MANAGEMENT MANAGEMENT**

ARTICLE 12-

Wording The Company unchanged.

shall be managed by a Board of Directors and

ARTICLE 12 - The Company ARTICLE12-TheCompanyshallbemanagedbyaBoardofl shall be managed by a Board Officers Committee. of Directors and an Executive Officers Committee.

an Executive Officers

Committee.

First

Paragraph -The term of

office of the First Paragraph - The term of

members of the First Paragraph - The term office of the

of office of the members of membersoftheBoardofDirectorsandthe Board of

the Board of Directors and the Executive Officers Committee shall Wording Directors and Executive Officers Committee be up to three (3)years, reelection unchanged. the Executive

shall be up to three (3) years, being permitted. Officers

reelection being permitted. Committee

shall be up to three (3) years, reelection being permitted.

Second Paragraph -

The Directors and the Executive Officers shall take office by signing their oaths in the Book of Minutes of the

Board of Directors or of Directors and the Executive Officers shall take office by Signing their oaths in the Committee, as Book of Minutes of the Board

the case may of Directors or of the be. The Executive Officers

investiture of Committee, as the case may the members be. The investiture of the of the Board of members of the Board of Directors and Directors and the Executive the Executive Officers Committee shall be

Officers conditioned on prior

Committee execution of the Statement

shall be of Consent of the

conditioned on Administrators under the prior execution terms of the provision in the

of the Level 1 Regulation, as well Statement of as compliance with the

Consent of the applicable legal Administrators requirements.

under the terms of the provision in the

Level 1

Regulation, as well as

compliance with the

applicable

legal

requirements.

SecondParagraph-The

Directorsand

theExecutiveOfficersshalltakeoffice

bysigningtheir

oathsintheBookofMinutesoftheBoardofDirectorsoroftheEx

asthe case maybe. The investiture

ofthemembers oftheBoard Wording ofDirectors andtheExecutive unchanged.

OfficersCommitteeshallbeconditioned

onpriorexecutionoftheStatementofConsentofthe

Administratorsunderthetermsofthe

provisionintheLevel 1

Regulation, as well as compliance with the applicable legal requirements.

Third Paragraph

- The term of office of the

Directors and Executive Officers shall be extended until their respective successors

take office.

Executive Officers shall be extended until their respective successors take office.

Third Paragraph - The term of ThirdParagraph-Thetermofoffice of theDirectorsandExecutiveOfficersshalWoerding extended untiltheir unchanged. respectivesuccessors takeoffice.

Fourth Paragraph

- The

minutes of

the

meetings of the Board of

Directors

and of the Fourth Paragraph - The minutes of the meetings of the FourthParagraph-Theminutesofthemeetingsof Executive

Officers Committee Executive Officers Committee shall be shall be record in the proper

book, which shall be signed by record in the proper the present Directors and

book, which Executive Officers, as the case

shall be may be.

signed by the present **Directors** and Executive Officers, as the case

may be.

theBoardofDirectorsand

oftheExecutive Wording

OfficersCommitteeshallberecordintheproplexbgekl, whichsh

Directors and Executive Officers, as

thecase may be.

Section I Section I

Board of Directors Board of

Directors

ARTICLE13-TheBoardofDirectorsshall

ARTICLE 13 - consistofatleastthree (3)

The Board of andnomorethan

Directors shall eighteen (18) members, elected consist of at and removed by the General

least three (3) Shareholders' Meeting.

and no more

than eighteen

(18)

members, all of whom must

be

shareholders

of the

Company, elected and removed by the General

Shareholders' Meeting.

Section I

Board of Directors

consistofatleastthree (3)

andnomorethan

eighteen(18)members, all of whom Board of must be shareholders of the

Company, elected and removed by order to

the General Shareholders' Meeting, reflect the

Wording amended in order to

remove the requirement

of being a Company

shareholder to be able to

be elected

ARTICLE13-TheBoardofDirectorsshall member of the

Company's

Directors, in

new

provisions of Law No.

6,404/76.

Sole Sole Paragraph -Paragraph - Considering the provisions of Considering the provisions of article 14, in the event of Considering the provisions absence or temporary in the event of Director shall appoint, in absence or writing, him/her replacement thiscase, temporary among the other Board absence of members. In this case, that Director Board Member who is to shall appoint, replace the temporarily in writing, absent or impeded Board him/her Member, shall also cast the replacement vote of the member replaced. (15)daysfromthedate among the In the event of permanent other Board the Chairman shall call a members. In General Shareholders' this case, Meeting within fifteen (15) besides days from the date of the his/her own occurrence of vacancy to fulfill vote, the Board such position permanently, Member who until the end of the relevant

SoleParagraph-Wording unchanged. article14, in the eventofabsence ortemporary of article 14, absence of any Director, that absenceofanyDirector,thatDirectorshallappoint,inwriting among the otherBoard members. In besideshis/herownvote,theBoardMember whois to any Director, besides his/her own vote, the replacethetemporarilyabsentorimpededBoardMember,s memberreplaced.Inthe eventofpermanentvacancyofa Director's office, the Chairman shall callaGeneralShareholders'Meetingwithinfifteen oftheoccurrenceof vacancy to fulfill vacancy of a Director's office, such position permanently, untilthe end of the relevant term in office.

office, the Chairman shall call a General Shareholders' Meeting within fifteen (15) days

from the date

is to replace term in office.

the

temporarily absent or impeded Board

Member, shall also cast the vote of the member replaced. In the event of permanent vacancy of a Director's

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of the occurrence of vacancy to fulfill such position permanently, until the end of the relevant term in office.

ARTICLE 14 - ARTICLE 14 - The Board of

The Board of Directors shall have a Directors shall Chairman and a have a Vice-Chairman, both Chairman, appointed by the General appointed by Shareholders' Meeting.

the General Shareholders' Meeting. ARTICLE14-TheBoardofDirectors Mehthiangea Chairman,

and a Vice-Chairman, both appointedbytheGeneral Shareholders'Meeting.

amended in order to reflect that the Board of Directors of the Company will have a Chairman and a Vice-Chairman,

with the purpose to adjust the Bylaws provisions to this new position.

Sole Paragraph absence of of the Board of Directors, he shall appoint, in Director to replace him, who will perform the Chairman's event of permanent vacancy of any of the Meeting within fifteen (15) days from the date of vacancy, for the appointment of the new Chairman of the Board of Directors in permanent manner, until the end of the

relevant term in office.

of absence of the Chairman of eventofabsence of the In the event of the Board of Directors, he shall Chairmanof the Board of be replaced by another the Chairman Director to be appointed by him, in writing, and in the appointment, he shall be writing, other of the Board of Directors, being appointment, he shall be that the one in replacement shall perform the Chairman's duties. In the event of permanent vacancy of the Chairman, the Vice-Chairman duties. In the shall automatically take his position and call a General Shareholders' Meeting within the Chairman, of vacancy, for the appointment of the new Directors shall Chairman of the Board of call a General Directors in permanent Shareholders' manner, until the end of the relevant term in office.

Sole Paragraph - In the event Sole Paragraph - In the Directors, he shall appoint, in writing, other Director to replace in case of him, who willbe replaced by absence of the latter or lack of another Director to be appointed inability of the by him, in writing, and in the replaced by the Vice-Chairman absence of the latter or lack of replaced by the Vice-Chairman of the Board of Directors, being that the one in replacement shall performtheChairman'sduties.Inththat the eventofpermanent vacancyof theChairman, any of the DirectorsVice-Chairmanshall fifteen (15) days from the date automatically take his position and calla General Shareholders' Meeting withinfifteen (15)daysfrom thedate ofvacancy, for the appointment of

thenewChairmanofthe Boardof

Directorsingermanent

relevant term in office.

manner, until the endofthe

establish that absence or Chairman of the Board of Directors, he may indicate another Director as his substitute, and Vice-Chairman shall replace the Chairman in case such substitute is absent or has not been indicated, with the purpose to make the performance of the Board of Directors more efficient.

Wording

order to

amended in

ARTICLE 15 -

The Board of Directors shall ordinarily meet at least five the financial and other results of the Company and to review and follow-up of the annual operating plan, necessary. and shall extraordinarily meet whenever necessary.

year, to review Strate 15 - The Board of least five times every year, to review the financial and other results of the Company and to review and follow-up of the extraordinarily meet whenever

ARTICLE 15 - The Board of Directors shall ordinarily meet at Directors shall ordinarily meet at least five times every year, to review the financial and other results of the Company and to review and follow-up of the annual operating plan, and shall annual operating plan, and shall extraordinarily meet whenever necessary.

Wording unchanged.

First Paragraph

- The Chairman shall call the meetings of the Board of Directors, by his or her initiative or at the

written First Paragraph - The request of Chairman shall call the meetings of the Board of any Directors, by his or her Director. Failure by initiative or at the written request of any Director. Failure Chairman to by the Chairman to call any meeting within five (5) calendar days from the date of receipt of the request by any Director shall allow such Director to call the meeting.

the call any meeting within seven (7) calendar days from the date of receipt of the request by any Director shall allow such Director to call the meeting.

FirstParagraph-The

ChairmanshallcallthemeetingsoftheBoard of irectors, byh initiativeorat initiativeorat

thewrittenrequestofanyDirector.FailurebytheChairmanto withinsevenfive (75) calendardaysfromthe

dateofreceiptoftherequestbyany Directorshallallow such Director to call the meeting.

Wording amended to reducefrom 7 (seven) tofive (5) days the period within the Chairman shall comply with

presented by other Director, with the purpose to make the decision-making process of the Board of Directors more efficient and speedy.

Second Paragraph -The calls for the Board of be made in by telex, facsimile or prior to the date of each specify time comprise a detailed agenda of the

meeting. Any

proposal of

Directors shall be made in the meetings of writing, either by telex, facsimile or letter, with at least seven (7) Directors shall days in advance, including a detailed agenda of the meeting writing, either and specifying the place and date to be held on first call, in the event it is held on second letter, at least call, a three (3) business days seven (7) days term between such dates must be observed. Any proposal of resolutions and all necessary meeting, shall documentation related thereto and place and disposal at the Company's head office. The meetings shall be heldand place and comprisein regardless the respective call notice in case of attendance of all Directors in office at such time, or by the prior written

Second Paragraph – The calls for the meetings of the Board of

all necessary documentation related thereto shall be at the Board of Directors disposal at the Company's head office. The meetings shall be held regardless the respective call notice in case of attendance of all Directors in office at such time, or by the prior written consent of the absents Directors.

SecondParagraph

-Thecallsforthemeetings oftheBoard ofDirectors shall bemadein writing, either by telex, Board of facsimileor letter, with at least shall be at the Board of Directors seven (7) days prior to the date of on second each meeting, shall specify time advance, including adetailed agendaofthemeeting and specifying the place and date to be held on first call, in the event it from the resolutions and consent of the absents Directors. is held on second call, a three (3) date on business days term between such which dates must be observed. Any proposalof resolutions and all necessarydocumentationrelated thereto shall be atthe Board of Directorsdisposalatthe Company'sheadoffice. The meeting stasharl block heldregan respective call notice in case of attendance of all Directors in office at such time, or by the prior making writtenconsent of the absents Directors.

Wording amended to establish that the meetings of the Directors call shall observe a three (3) business days term such meeting would be held on first call, the decision process of the Board more efficient and speedy.

Third Third Paragraph – The presence**ThirdParagraph**–The presence **Paragraph** -of at least ten (10) members of the Board of Directors, shall be presence of required for the installation of a at least ten meeting of the Board of Directors articles 13 and 14 above, shall be that the (10)on first call, and the presence of required for the installation of a members of at least eight (8) members of the meeting of the Board of Directors guorum the Board of Board of Directors shall be required for the installation of a at least eight (8) Directors, including meeting on second call. For those purposes of the guorum required shall be required for the represented in this Paragraph, it shall include installation of a meeting on according to the members represented in accordance with the sole the sole paragraph of paragraph of articles 13 and 14 articles 13 above. and 14 above, shall be required for the installation of a meeting of the Board of Directors.

ofatleastten(10)membersoftheBoazdoeDidedtors, including those represented according to the sole paragraph ofestablish on first call, and the presence of membersoftheBoardofDirectors second call. For purposes of the guorum required in this Paragraph, it shall include the members represented in accordance withthesoleparagraphofarticles13aandd,4anbove.

> second call, eight (8) Board members. with the purpose to make the performance of the Board of Directors more efficient.

Wording

order to

minimum

the

required for

installation of

the meetings

of the Board

of Directors

shall be, on

(10) Board

members

first call, ten

Fourth Paragraph –

The

Chairman of the Board of

Directors, in

each

meeting of

the Board of

Directors,

may invite

members of

the Advisory No corresponding provision.

Board of the

Company as guests, who

may express

their

opinions and

participate

in the

discussions,

without the

right to

vote.

Fourth Paragraph – The Chairman of the Board of Directors, in each meeting of the Board of Directors, may invite members of the Advisory Board of the Company as guests, who may express their opinions and participate in the discussions,

without the right to vote.

Wording excluded in order to reflect the removal of the Advisory Boardof the Company, inlinewith the proposal toimprove thecorporate governance structureof the Company.

16 - The Board of Directors meetings shall be presided by its or in its latter's absence, by other Director indicated by him.

ARTICLE ARTICLE 16 - The Board of Directors meetings shall be presided by its Chairman, or in his absence by he shall be replaced by another Director to be appointed by him, and in the absence of the latter or lack of appointment, he shall be Chairman, replaced by the Vice-Chairman of of appointment, he shall be the Board of Directors

ARTICLE16 - The Board ofDirectorsmeetingsshall bepresidedbyitsChairman,orin its order to latter'shisabsence, by other Director indicated by himhe shall the Board of be replaced by another Director to be appointed by him, and in the absence of the latter or lack replaced by the Vice-Chairman of or in his the Board of Directors.

Wording amended in provide that Directors meetings shall be chaired by its Chairman, absence by another Director indicated by the Chairman as his substitute, and that the Vice-Chairman shall replace the Chairman in case such substitute is absent or has not been indicated, with the purpose to make the performance of the Board of Directors more efficient.

The resolutions of the Board of Directors shall be taken by majority members, and in case of a draw, the through e-conferencing, Chairman of the

tie braking vote, except as regards to the matters in which there is a in which case the Chairman shall abstain from voting. Board members may

meetings of the **Board of Directors** through e-conferencing, through video-conferencing or through any other means of electronic communications,

partake of the

being construed as attending the meeting and being required to confirm their vote through a written

representation forwarded to the Chairman of the

Board by letter, by facsimile or by

e-mail right after the end of the

meeting. Once said representation has

been received, the Chairman of the

Sole Paragraph - Sole Paragraph - The resolutions of the Board of

Directors shall be taken by majority of votes cast by its members. Board members of votes cast by its may partake of the meetings braking vote, except as of the Board of Directors

through video-conferencing Board shall cast theor through any other means Chairman shall abstain from

> of electronic communications allowing the of Directorsthroughe-conferenci no the objective the conference of the con

identification of the director othermeansof and simultaneous conflict of interests.communication with all the other ones attending the meeting. In this case,

directors will be considered as present to the meeting and shall execute the corresponding minutes of

such meeting.

Sole Paragraph

-TheresolutionsoftheBoardofDiræxtensærdallbetakenb castbyits members, and in case of a draw, the Chairman of the Board shall cast the tie regards to the matters in which there is a conflict of interests, in which case the

voting.Boardmembersmaypartakrekefithemeetingsoftl

electroniccommunications, being construed as attending the meeting and being required to confirm their vote through a written representation forwarded to the Chairman of the Board by letter, by facsimile or by e-mailS.A., the right after the end of the meeting. Once said representation has been received, the Chairman of the Board shall have been fully empowered to sign the minutes of the allowing the identification of the director and simultaneous communication with all the other ones attending the meeting. In this case, directors the sole will be considered as present to the meeting and shall

correspondenteata.

execute the corresponding

name of said board member.

order to (i) exclude the provision regarding the qualified vote of the Board of Director's Chairman, in

Wording

Company's **Bylaws** compatible with the Shareholders Agreement of Wilkes Participações Company's controlling shareholder, so as to reflect the current control structure in the Company since Casino has become controlling shareholder of the minutes of such meeting in the Company, and (ii) facilitate the remote participation by Directors in meetings of the Board of Directors of the Company,

with the

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Board shall have been fully empowered to sign the minutes of the meeting in the name of said board member. purpose to make the performance of the Board of Directors more efficient

ARTICLE ARTICLE 17 - The Board of **17** - The Directors shall follow its Rules of Board of majority of its members, and Directors shall have have an Executive Secretary, appointed by majority of the an Executive Directors, who shall perform the Secretary, duties defined in the Rules of appointed Procedure, as well as issue by majority certificates and confirm, to third of the parties, the authenticity of whose Directors. duties shall be defined in the meeting at which he is

appointed.

ARTICLE17-TheBoard ofDirectorsshall follow its Rules of amended in Procedure, to be approved by the <u>Procedure</u>, to be approved by the order to majority of its members, and have an Executive Secretary, appointed than the fority of the Directors, whosewho shall perform the duties shall be defined the Company in the meeting at which he is appointed defined in the Rules of Procedure, as well as issue certificates and confirm, to third Directors, resolutions taken by the Board of parties, the authenticity of resolutions taken by the Board of Directors.

Wording provide that Directors of will have a Rules of Procedures. to be approved by the majority of its members, as well as that the functions of the Executive Secretary of the Board shall be defined in such Rules, with the purpose to make the performance of the Board of Directors more efficient and improve its corporate governance practices.

ARTICLE 18

- In addition

to the

powers

provided for ARTICLE 18 - In addition to the

in the powers provided for in the applicable applicable law, the Board of law, the Directors shall have the powers

Board of to:

Directors shall have the powers

to:

a) set forth the general

guidelines of a) set forth the general guidelinesa) set forth the general guidelines Wording the of the Company's business; of the Company's business; unchanged.

Company's business; **b)** appoint and remove

the

Executive Officers of the Executive Officers of the Company, establishing their duties and titles;

Company, establishing their duties and titles; b) appoint and remove the

ARTICLE 18 - In addition to the

Directors shall have the powers to:

Wording

unchanged.

powers provided for in the

applicable law, the Board of

Executive Officers of the Wording Company, establishing their duties unchanged.

and titles;

c) supervise action of the Executive Officers of the Company, examine, at

any time, the **c)** supervise action of the records and Executive Officers of the Executive Officers of the

books of the Company, examine, at any time, Company, examine, at any time,

Company, the records and books of the the records and books of the Wording request Company, request information Company, request information on unchanged.

information on agreements executed or to beagreements executed or to be executed and on any other acts executed and on any other acts

agreements or matters; or matters;

executed or

to be

executed and on any other acts or matters;

d) call the

General **d)** call the General Shareholders' d) call the General Shareholders' Wording Shareholders' Meeting; unchanged.

Meeting;

e) issue an opinion on the report of the management, the accounts of the Executive

Officers

and the financial

Committee

- e) issue an opinion on the report of the management, the accounts of the Executive Officers Committee and the financial statements of the Company;
 - e) issue an opinion on the report
 of the management, the accounts
 Wording
 of the Executive Officers
 Committee and the financial
 statements of the Company;

- statements of the Company; f) approve the issuance of shares of any type or class up to the limit of the authorized capital and establish the respective price and payment conditions;
- f) approve the issuance of shares of any type or class up to the limit of the authorized capital and establish the respective price and payment conditions:
- f) approve the issuance of shares of any type or class up to the limit of the authorized capital and establish the respective price and payment conditions;

- **g)** appoint and remove the independent public accountants;
 - **g)** appoint and remove the g) appoint and remove the Wording independent public accountants; independent public accountants; unchanged.

h) issue an opinion on any and all proposals of the Executive of the Executive of the Executive to the General Shareholders' Meetings;
i) authorize the

proposals of h) issue an opinion on any and the Executive all proposals of the Executive Officers Committee to be Committee to submitted to the General be submitted Shareholders' Meetings;

h) issue an opinion on any and all proposals of the Executive Officers Committee to be submitted to the General Shareholders' Meetings;

Wording unchanged.

acquisition of shares of the Company for purposes of cancellation or maintenance in treasury;

shares of the Company for shares of the Company for purposes of cancellation or cancellation or maintenance in treasury;

 i) authorize the acquisition of shares of the Company for purposes of cancellation or maintenance in treasury;

Wording unchanged.

i) develop, jointly with the Executive Officers Committee, and approve a profit sharing and additional benefits program for the members of the management bodies and for the employees of the Company (Profit Sharing Program);

j) develop, jointly with the Executive Officers Committee, additional benefits program for the members of the employees of the Company (Profit Sharing Program);

j) develop, jointly with the Executive Officers Committee, and approve a profit sharing and and approve a profit sharing and additional benefits program for Wording the members of the management unchanged. management bodies and for the bodies and for the employees of the Company (Profit Sharing Program);

6404/76:

k) define **k)** define the share of Company's **k)** define the share of Company's the share of profits to be allocated to the Profit profits to be allocated to the Profit unchanged.

the Profit Sharing due with the legal

these

the Profit

Sharing

Company's Sharing Program in due profits to be compliance with the applicable allocated to legal provisions, these By-laws effect at such time. The amounts at such time. The amounts Program in expensed or accrued in each fiscal year by way of profit compliance sharing in addition to granting option to purchase Company's applicable stock shall be limited up to 15% (fifteen per cent) of the profit

provisions, recorded in each fiscal year after the pertinent deductions have

Article 189 of Law No. 6404/76;

Program in effect at such time. The amounts expensed or accrued in each fiscal year by way of profit sharing in addition to granting option to purchase Company's stock shall be limited up to 15% (fifteen per

cent) of the

recorded in each fiscal vear after

pertinent deductions have been

profit

the

Sharing Program in due compliance with the applicable legal provisions, these By-laws and and the Profit Sharing Program in the Profit Sharing Program in effect expensed or accrued in each fiscal year by way of profit sharing in addition to granting option to purchase Company's stock shall be limited up to 15% (fifteen per cent) of the profit recorded in each fiscal year after the pertinent deductions have been effected in accordance By-laws and been effected in accordance with with Article 189 of Law No.

Wording

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effected in accordance with Article 189 of Law No. 6404/76;

I) set forth the number of shares to be issued under the stock option plan previously approved by the General Shareholders Meeting, provided that duly observed; the limit established in item "I" above is duly observed;

I) set forth the number of shares I) set forth the number of shares to be issued under the stock by the General Shareholders Meeting, provided that the limit established in item "I" above is

to be issued under the stock option plan previously approved option plan previously approved by the General Shareholders Meeting, provided that the limit established in item "I" above is duly observed;

Wording unchanged.

- m) set up Committees, that shall be responsible for making proposals or recommendations and giving their opinions to the **Board of Directors** and set forth its respective attributions, in accordance with the provisions of these Bylaws;
- shall be responsible for making m) set up Committees, that m) set up Committees, that proposals or recommendations Board of Directors and set forth its respective attributions, in accordance with the provisions of these Bylaws;
- shall be responsible for making and giving their opinions to the proposals or recommendations and giving their opinions to the Wording Board of Directors and set forth unchanged. its respective attributions, in accordance with the provisions of these Bylaws;

- **n)** approve the acquisition, sale, disposal or creation of any lien on any asset, including any real estate, of the Company or any other investments made by the Company in an individual amount of the amount in US\$20,000,000.00 Dollars) and up to equivalent to (one hundred or in excess of an (one percent) and up to 6% (six worth (patrimôniolíquido) of the Company as determined in its latest annual balance sheet, whichever is the higher;
- **n)** approve the acquisition, sale, disposal or creation of any lien on any asset, including any real estate, of the Company or any other or cumulated over a investments made by the fiscal year in excess Company in an individual amount or cumulated over a Reais equivalent to fiscal year in excess of the amount in Reais equivalent to (twenty million U.S. US\$20,000,000.00 (twenty million U.S. Dollars) and up to the amount in Reais the amount in Reais equivalent to US\$100,000,000.00 US\$100,000,000.00 (one hundred million U.S. Dollars) million U.S. Dollars) or in excess of an amount equal to 1% (one percent) amount equal to 1% and up to 6% (six percent) of the net worth (patrimôniolíquido) of the percent) of the net Company as determined in its latest annual balance sheet,

whichever is the higher;

n) approve the acquisition, sale, disposal or creation of any lien on any asset, including any real estate, of the Company or any other investments made by the Company in an individual amount or cumulated over a fiscal year in excess of the amount in Reais equivalent to US\$20,000,000.00 (twenty million U.S. Dollars) and up to the amount in Reais equivalent to US\$100,000,000.00 (one hundred million U.S. Dollars) or in excess of an amount equal to 1% (one percent) and up to 6% (six percent) of the net worth (patrimôniolíquido) of the Company as determined

in its latest annual balance

sheet, whichever is the higher;

Wording unchanged.

o) approve any o) approve any o) approve any financial arrangement financial arrangement financial arrangement involving the Company, involving the Company, involving the Company, including the lending orincluding the lending orincluding the lending or borrowing of funds and borrowing of funds and borrowing of funds and the issuance of the issuance of the issuance of non-convertible and non-convertible and non-convertible and unsecured debentures, unsecured debentures, unsecured debentures, Wording unchanged. in excess of an in excess of an in excess of an individual amount individual amount individual amount equivalent to one half equivalent to one half equivalent to one half (0.5) and up to two (2) (0.5) and up to two (2) (0.5) and up to two (2) times EBITDA of the times EBITDA of the times EBITDA of the preceding twelve (12) preceding twelve (12) preceding twelve (12) months; months: months;

- **p)** approve the joint venture of the Company with third parties involving an individual investment or cumulated over a fiscal year up to the amount in Reais equivalent to US\$100,000,000.00 (one hundred million U.S. Dollars) or up to an amount equal to 6% (six percent) of the net worth (patrimôniolíquido) of the Company as determined in its latest annual balance sheet, whichever is the higher to be submitted to the General Shareholders' Meetings; and
 - **p)** approve the joint venture of the Company with third parties involving an individual investment or cumulated over a fiscal year up to the amount in Reais equivalent to US\$100,000,000.00 (one hundred million U.S. Dollars) or up to an amount equal to 6% (six percent) of the net worth (patrimôniolíquido) of the Company as determined in its latest annual balance sheet, whichever is the higher to be submitted to the General Shareholders' Meetings; and
 - **p)** approve the joint venture of the Company with third parties involving an individual investment or cumulated over a fiscal year up to the amount in Reais equivalent to US\$100,000,000.00 (one hundred million U.S. Dollars) Wording or up to an amount equal to unchanged. 6% (six percent) of the net worth (patrimôniolíquido) of the Company as determined in its latest annual balance sheet, whichever is the higher to be submitted to the General Shareholders' Meetings; and

q) approve any and all agreement or amendment in any agreement, directly or indirectly, between the Company and/or its

any of its controlling or their relatives, members of its bodies and

Shareholders' Meetings. course of business, which shall be executed under market conditions (armslength) to be submitted to the General

Shareholders' Meetings.

affiliates and q) approve any and all agreement or amendment in any q) approve any and all agreement, directly or indirectly, shareholders between the Company and/or its affiliates and any of its controlling shareholders or their relatives, members of its management bodies and their management affiliates, except from those matters under regular course of their affiliates, business, which shall be except from executed under market those matters conditions (armslength) to be under regular submitted to the General

agreement or amendment in any agreement, directly or indirectly, between the Company and/or its affiliates and any of its controlling shareholders or their relatives, members of its management Wording bodies and their affiliates, except unchanged. from those matters under regular course of business, which shall be executed under market conditions (armslength) to be submitted to the General Shareholders' Meetings.

Section II

Committees

Section II

Committees

Wording altered in order to provide for the establishment of the Audit

well as to

ARTICLE 19 The Company shall have as support committee to the Board of Directors an Audit Committee composed of three (3) members, at least two (2) of which shall be external and independent members ("External Members"), observed the provisions of the Chapter V of these

ARTICLE 19 – The Company shall committee, as have three (3as support committee to the Board of **Directors an Audit Committee** composed of three (3) members, applicable to at least two (2) of which shall be it, with the external and independent members ("External Members"), improve the the provisions of Article 21 and Article 21 and the Chapter V of theseBy-Laws.

No corresponding provision.

By-Laws.

provide certain rules purpose to Company's corporate governance practices.The establishment of the Audit Committee should be incentivized by shareholders and management, and is aligned with the most recent regulations issued by CVM, the authority responsible for the supervision of the Company's practices and conduct.

No corresponding provision.

First Paragraph - The members of the Audit Committee shall be elected by the Board of Directors and meet all the applicable independency requirements as set forth in the rules of the Securities and Exchange Comission.

Second Paragraph - The corresponding External Members of the Audit Committee shall:

No provision.

provision.

No

a) not be a member of the Board corresponding of Directors of the Company or of of Directors of the Company or of its controlled companies; and

in auditing, controls, accounting, taxation or rules applicable to No corresponding publicly-held companies, in so far publicly-held companies, in so far as they refer to the adequate provision.

> preparation of their financial statements.

No corresponding provision.

by the Board of Directors for a term of office of one (1) year, with reelection being permitted for successive terms.

First Paragraph - During their term of office, the members of corresponding the Audit Committee may not be replaced except for the following

reasons:

No

No

provision.

corresponding **a)** death or resignation; provision.

First Paragraph - The members of the Audit Committee shall be elected by the Board of Directors and meet all the applicable independency requirements as set above. forth in the rules of the Securities and Exchange Comission.

Second Paragraph - The External Members of the Audit Committee shall:

a) not be a member of the Board its controlled companies; and

b) have knowledge or experience **b)** have knowledge or experience in auditing, controls, accounting, taxation or rules applicable to as they refer to the adequate preparation of their financial statements.

ARTICLE 20 - The members of the ARTICLE 20 - The members of the Audit Committee shall be elected Audit Committee shall be elected by the Board of Directors for a Same as term of office of one (1) year, with above. reelection being permitted for successive terms.

> First Paragraph - During their term of office, the members of the Same as Audit Committee may not be replaced except for the following reasons:

a) death or resignation;

Same as above.

above.

Same as

Same as

Same as

Same as

above.

above.

above.

No corresponding provision.	b) unjustified absence from three (3) consecutive meetings or six (6) alternate meetings per year; or	b) unjustified absence from three (3) consecutive meetings or six (6) alternate meetings per year; or	Same as above.
No corresponding provision.	c) a substantiated decision of the Board of Directors.	c) a substantiated decision of the Board of Directors.	Same as above.
No corresponding provision.	Second Paragraph - In the event of a vacancy in the Audit Committee, the Board of Directors shall elect a person to complete the term of office of the replaced member.	Second Paragraph - In the event of a vacancy in the Audit Committee, the Board of Directors shall elect a person to complete the term of office of the replaced member.	
No corresponding provision.	Third Paragraph -The Audit Committee shall:	Third Paragraph -The Audit Committee shall:	Same as above.
No	a) propose to the Board of	a) propose to the Board of	
corresponding provision.	Directors the nomination of the independent auditors as well as their replacement;	Directors the nomination of the independent auditors as well as their replacement;	Same as above.
corresponding provision.	Directors the nomination of the independent auditors as well as their replacement;	Directors the nomination of the independent auditors as well as their replacement; tb) review the management report and the financial statements of the	above.

No corresponding provision.

d) assess the effectiveness and sufficiency of the internal control structure and of the internal and the Company and of its controlled independent audit processes of independent audit processes of companies, including in relation to the provisions set forth in the Sarbanes-Oxley Act, submitting necessary for the improvement of the recommendations it deems the recommendations it deems policies, practices and procedures;

e) provide its opinion, upon with respect to the proposals of the management bodies, to be submitted to the Shareholders' corresponding Meetings, relating to changes to the capital stock, issuance of debentures or warrants, capital budgets, dividend distribution, transformation, merger, amalgamation or spin-off; and f) provide its opinion on the matters submitted to it by the corresponding Board of Directors, as well as on relevant.

No provision.

No

provision.

No provision.

ARTICLE 21 In the event the corresponding Fiscal Council is established as set forth in Law 6,404/76 and in Chapter V below, the Board of Directors shall resolve on the duties and activities to be performed by the Audit Committee during the period that during the period that the Fiscal the Fiscal Council is operating. The Board of Directors, based on its own discretion, is also entitled discretion, is also entitled to opt to opt for the suspension of the operation of the Audit Committee of the Audit Committee during the during the period that the Fiscal Council is operating, assigning to operating, assigning to the later, the later, all or part of the duties and functions of the Audit Committee, and with respect to its members, subject to all the requirements and limitations

d) assess the effectiveness and sufficiency of the internal control structure and of the internal and the Company and of its controlled Same as companies, including in relation to above. the provisions set forth in the Sarbanes-Oxley Act, submitting necessary for the improvement of policies, practices and procedures;

e) provide its opinion, upon request of the Board of Directors, request of the Board of Directors, with respect to the proposals of the management bodies, to be submitted to the Shareholders' Meetings, relating to changes to the capital stock, issuance of debentures or warrants, capital budgets, dividend distribution, transformation, merger, amalgamation or spin-off; and f)provide its opinion on the matters submitted to it by the Board of Directors, as well as on those matters it determines to be those matters it determines to be relevant.

ARTICLE 21 – In the event the Same as Fiscal Council is established as set above. forth in Law 6,404/76 and in Chapter V below, the Board of Directors shall resolve on the duties and activities to be performed by the Audit Committee Council is operating. The Board of Directors, based on its own for the suspension of the operation period that the Fiscal Council is all or part of the duties and functions of the Audit Committee, and with respect to its members, subject to all the requirements and limitations provided for by law.

Same as

Same as

above.

above.

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ARTICLE 19 - The ARTICLE 22 - In addition to

the Audit Committee the Company shall have three (3) Company shall have four Special (4) Special Committees, Committees, namely: (i) Human namely: (i) Human Resources and

Resources and Compensation Committee; Compensation (ii) Financial Committee; Committee; (ii) (iii) Development

Financial Sustainable Development Committee; and Committee; and (iv) (iii) Development Corporate Governance Sustainable Committee, which will be responsible for elaborating Sustainable Development Development Committee; which proposals or making will be responsible recommendations to the

Board of Directors, in their Committee, which will be for elaborating proposals or respective business areas. making The Board of Directors may proposals or making recommendations constitute other

Committees in addition to to the Board of Directors, in their those aforementioned. respective

business areas.

The Board of

Directors may constitute other Committees in addition to those aforementioned.

ARTICLE 22 – In addition to the Audit Committee the Company shall have four (4) Special Committees, namely: (i) Human Resources and

Compensation Committee; (ii) Financial Committee; and

(iii) Development Committee; and (iv) **Corporate Governance** responsible for elaborating recommendations to the Board of Directors, in their respective business areas. The Board of Directors may constitute other Committees corporate in addition to those

aforementioned.

Wording amended in order to provide for the establishment of the Committee of Corporate Governance, which shall analyze the Company's current structure and practices and make recommendations and suggestions with the purpose to improve the Company's governance practices.

First First Paragraph - Each Special Paragraph Committee shall be composed - Each of no less than three (3) and up to five (5) members, for a term **Special** Committee of office of three (3) years, shall be reelection permitted. The composed members of each Special of no less Committee shall be appointed than three by the Board of Directors among its members provided (3) and up to five (5) that one (1) External Member may be elected to each Special members, for a term of Committee. The Board of office of Directors shall also appoint the

Chairman of each Special three (3)

Committee. years,

reelection permitted.

The

members of

each Special Committee shall be appointed by the Board of Directors. exclusively from among

its

members.

The Board of Directors shall also

appoint the

Chairman of

each Special

Committee.

amended in order to provide that the Special FirstParagraph-EachSpecialCommittees may have in

(3) and up to five

(5) members, for a term of office of three composition

(3) years, reelection permitted

.Themembers

ofeachSpecialCommitteeshallbeappointedbytheBoardofl

exclusively fromamong

itsmembers <u>provided that one (1)</u> External Member may be elected

to each Special Committee. The

Board of Directors shall alsoappointtheChairman ofeachSpecial Committee.

an external

Wording

to improve

the

performance of such Committees in light of the contribution

that

specialized professionals can bring them

Second Second Paragraph - In the **Paragraph** - event of absence or temporary In the event impediment of any member of of absence or any Special Committee, the temporary absent member shall appoint, of any member of any Special vacancy, the Chairman of the Board of Directors shall call a Committee. the absent among the election of the new member of other the Board of is no prohibition against Directors, his appointment of a member to more than one Special or her replacement. Committee during the same In the event term of office. of vacancy, the Chairman of the Board of Directors shall call a General Meeting up to seven (7) days after the position has been confirmed verified vacant for the election of the new member of the Special Committee. until the end of the term of office. There is no prohibition against appointment of a member

Second Paragraph - In the eventWording of absence or temporary unchanged. impediment of any member of any Special Committee, the absent member shall appoint, from impediment from among the other members among the other members of the of the Board of Directors, his or Board of Directors, his or her her replacement. In the event of replacement, in the event of vacancy, the Chairman of the Board of Directors shall call a General Meeting up to seven (7) General Meeting up to seven (7) member shall days after the position has been days after the position has been appoint, from confirmed verified vacant for the confirmed verified vacant for the election of the new member of the the Special Committee, until the Special Committee, until the end members of end of the term of office. There of the term of office. There is no prohibition against appointment of a member to more than one Special Committee during the same term of office.

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to more than one Special Committee during the same term of office.

Third Third Paragraph -Each Special ThirdParagraph - The-Paragraph - Committee shall hold meetings EachSpecial The Special whenever called by its Committees respective Chairman or by the Chairman of the Board of shall hold Directors, on his own initiative meetings whenever or per written request of any called by the other member of such Special Chairman of Committee. Meetings of the Board of Special Committees may be Directors, on called by any member of the his own initiative or the corresponding Chairman per written for call presented by said request of any member member within three (3) of the consecutive days counting from (seven3) Special the day of receipt of such Committees, request, A copy of the call Meetings of notices of the Special Committees meetings shall be the Special Committees forwarded to the Chairman of may be the Board of Directors. called by any member of the respective Committee whenever the Chairman of the Board of **Directors** does not respond to the request for call presented by said member within 7

Wording amended in CommitteesCommitteeshall order to (i) holdmeetingswhenevercalledbyits provide that respective Chairman or by the Chairman of the Board of Directors, on his owninitiative or per Special writtenrequest of any other memberofthesuchSpecial CommitteesCommittee. Meetings of that a decival Committee calledbyanymember of the respective Committee whenever respective Committee whenever the respective corresponding Chairman of the does not respond to the request Board of Directors does not respond without to the request for callpresented bysaidmemberwithin7three consecutivedayscountingfrom the of the day of receipt of the request.such Chairman of request. A copy of the call notices the Board of of the Special Committees meetings shall be forwarded to the Chairman of the Board of Directors.

the meetings of the Committees may be their Chairman, prejudice to the prerogative Directors to call it, and (ii) reduce from seven (7) to three (3) days the period within which the Chairmen of the Special Committees shall call a meeting of their respective Committees compliance with the requests of other members, with the purpose to improve the performance of such Committees

(seven)

counting from the day

days

consecutive

of receipt of

the request.

and to solidify the Company's corporate governance practices.

Fourth Paragraph

- The duties of each Special Committee shall be established by the Board of

Directors.

Fourth Paragraph - The duties Fourth Paragraph - The duties of be established by the Board of Directors.

of each Special Committee shall each Special Committee shall be Wording established by the Board of unchanged. Directors.

Section II

Executive Officers Committee ("Diretoria")

ARTICLE 20 Section III

- The Section IIIII

Executive **Executive Officers** Officers Committee ("Diretoria") **Executive**

OfficersCommittee("Diretoria"). Adjustment Committee ("Diretoria")

shall be

composed of ARTICLE 23 - The Executive

at least two Officers Committee **ARTICLE 2023**- The Executive ("Diretoria") shall be compose officers Committee ("Diretoria") shall be composed from the compo (2) and no

of at least two (2) and no be composed of at least two (2) and more than fourteen (14) more than fourteen (14) no more than fourteen (14) members, shareholders or members, shareholders or not, members,

shareholders not, resident in Brazil, resident in Brazil, appointed and appointed and removed by removed by the Board of Directors, or not, one (1) being the Chief Executive the Board of Directors, one resident in

(1) being the Chief Executive Officer and the others Executive Brazil, Officer and the others appointed

and removed Executive Officers.

by the Board of Directors,

one (1) being

the Chief

Executive

Officer and the others

Executive

Officers.

wording due

to the

effect.

renumbering

articles. No legal or economic

Officers.

ARTICLE 21

-The Executive Officers shall be in charge of the general duties set

by-laws and those establish by shall keep mutual corporation among themselves and assist each other in the

forth in these **ARTICLE 24 -** The Executive by-laws and those establish by by-laws and those establish by themselves and assist each duties and functions.

ARTICLE 2124 - The Executive Officers shall be in charge of the Officers shall be in charge of the general duties set forth in these general duties set forth in these Directors and shall the Board of Directors and shall keep mutual corporation among keep mutual corporation among themselves and assist each other other in the performance of their the performance of their duties and functions.

Adjustment in the wording due to the renumbering of the articles. No legal or economic effect.

First Paragraph -

performance of their duties and functions.

The duties and titles of each Executive Officer, shall be established by the Board of Directors.

First Paragraph - The duties and titles of each Executive Officer, shall be established by the Board of Directors.

First Paragraph -The duties and titles of each Executive Officer, Wording shall be established by the Board unchanged. of Directors.

Second Paragraph -

In the event of absences,

occasional **Second Paragraph -** In the impairments event of absences, occasional and vacancy, impairments and vacancy, the Executive Officers shall be Executive replaced in the following

Officers shall manner:

be replaced in the following manner: **Second Paragraph -** In the event of absences, occasional impairments and vacancy, the Executive Officers shall be replaced in the following manner:

a) in the event of absences and occasional impairments of the CEO, he shall be replaced by other Executive Officer indicated by him and in the event of permanent vacancy, the Board of **Directors** shall appoint the CEO's substitute within thirty (30) days, who shall complete the term of

office of the

CEO:

- occasional impairments of the CEO, he shall be replaced by by him and in the event of office of the CEO;
- a) in the event of absences and a) in the event of absences and occasional impairments of the CEO, he shall be replaced by other other Executive Officer indicated Executive Officer indicated by him and in the event of permanent permanent vacancy, the Board ofvacancy, the Board of Directors Directors shall appoint the CEO's shall appoint the CEO's substitute substitute within thirty (30) days, within thirty (30) days, who shall who shall complete the term of complete the term of office of the CEO:

Wording

unchanged.

event of absences and occasional impairments of the remaining Executive Officers, replaced by of **Directors** shall appoint the

Executive

Officer's substitute within fifteen (15) days, who shall complete the term of office of the substituted Executive Officer.

b) in the

- they shall be **b)** in the event of absences and occasional impairments of the the CEO and, remaining Executive Officers, they shall be replaced by the vacancy, the Board of Directors shall appoint the Board of Directors shall appoint the CEO and, in the event of Executive Officer's substitute within fifteen (15) days, who shall complete the term of office of the substituted Executive Officer.
 - b) in the event of absences and occasional impairments of the remaining Executive Officers, they shall be replaced by the CEO and, vacancy, the Board of Directors shall appoint the Executive Officer's substitute within fifteen (15) days, who shall complete the term of office of the substituted Executive Officer.

Wording unchanged.

ARTICLE

22 - The Executive Officers

Committee **ARTICLE 25** - The Executive shall meet Officers Committee shall meet upon call of upon call of its CEO or of half of upon call of its CEO or of half of its of the its CEO or its Executive Officers in office. of half of its Executive Officers in office.

ARTICLE 2225- The Executive Officers Committee shall meet Executive Officers in office.

Adjustment in the wording due to the renumbering articles. No legal or economic effect.

Sole Paragraph

- The minimum quorum required for the installation of a meeting of the Executive Officers Committee is the presence of

at least one Sole Paragraph - The minimum third (1/3) guorum required for the of the installation of a meeting of the **Executive Officers Committee is** Executive the presence of at least one third Officers in (1/3) of the Executive Officers in office at such time. office at such time. The resolutions of the Executive The resolutions Officers Committee shall be of the approved by the majority of the votes. In the event of a tie in Executive Officers connection of any matter subject Committee to the Executive Officers shall be approval, such matter shall be approved bysubmitted to the Board of the majority Directors.

of the votes. In the event of a tie in connection of any matter subject to the Executive Officers approval, such matter shall be submitted

to the Board of Directors.

Sole Paragraph - The minimum quorum required for the installation of a meeting of the **Executive Officers Committee is** the presence of at least one third (1/3) of the Executive Officers in office at such time. The resolutions Wording of the Executive Officers unchanged. Committee shall be approved by the majority of the votes. In the event of a tie in connection of any matter subject to the Executive Officers approval, such matter shall be submitted to the Board of Directors.

ARTICLE 23 -

In addition to the duties that may be attributed to the Executive

Officers the General of Directors, and without prejudice to the other legal duties, the Executive Officers Committee shall have the power to:

ARTIGO 26 - In addition to the Committee by duties that may be attributed to the Executive Officers Shareholders' Committee by the General Meeting and Shareholders' Meeting and by by the Board the Board of Directors, and without prejudice to the other legal duties, the Executive Officers Committee shall have the power to:

ARTICLE 2326- In addition to the duties that may be attributed to the Executive Officers Committee to the by the General Shareholders' Meeting and by the Board of Directors, and without prejudice to the other legal duties, the **Executive Officers Committee** shall have the power to:

Adjustment in the wording due renumbering of the articles. No legal or economic effect.

I - manage the Company's business and ensure compliance with these bylaws;	I. manage the Company's business and ensure compliance with these bylaws;	Wording unchanged.
II -ensure that the Company's purpose is carried out;	II. ensure that the Company's purpose is carried out;	Wording unchanged.
III - approve all plans, programs and general rules of operation, management and control for the development of the Company, in accordance with the guidelines	and general rules of operation, management and control for the development of the Company, in	Wording unchanged.
_	business and ensure compliance with these bylaws; II -ensure that the Company's purpose is carried out; III - approve all plans, programs and general rules of operation, management and control for the development of the Company, in accordance with the guidelines determined by the Board of	business and ensure compliance with these bylaws; II -ensure that the Company's purpose is carried out; III - approve all plans, programs and general rules of operation, management and control for the development of the Company, in accordance with the guidelines determined by the Board of

IV - prepare and submit to the Annual Shareholders' Meeting a report on the corporate

business activities, statements required by fiscal year, as Committee, as the case may be; as the case may be;

IV - prepare and submit to the IV. prepare and submit to the and financial sheet and financial statements sheet and financial statements required by law for each fiscal year, as well as the respective law for each opinions of the Audit

Annual Shareholders' Meeting a Annual Shareholders' Meeting a including the report on the corporate business report on the corporate business balance sheet activities, including the balance activities, including the balance required by law for each fiscal year, as well as the respective opinions of the Audit Committee,

Wording unchanged.

well as the respective opinions of the Audit Committee, as the case may be;

Company's activities under the guidelines **Directors** and appropriate its purposes; to the fulfillment of its purposes; VI -suggest investment and

operating

the Board of Directors:

plans or

V -guide all

V -guide all Company's activities **V**. guide all Company's activities the Board of Directors and appropriate to the fulfillment of

VI -suggest investment and

programs to the Board of Directors;

operating plans or programs to

the Board of the Board of Directors and Company's activities under the guidelines set forth by the Board of Directors and appropriate to the fulfillment of its purposes;

Wording

unchanged.

VI. suggest investment and operating plans or programs to the unchanged. Board of Directors;

VII - authorize
the opening and
closing of
branches,
agencies or
depots and/or
institute
delegations,
offices and
representations
in any location
of the national
territory or
abroad;

VII - authorize the opening and closing of branches, agencies or depots and/or institute delegations, offices and representations in any location of the national territory or abroad:

VII. authorize the opening and closing of branches, agencies or depots and/or institute Wording delegations, offices and unchanged. representations in any location of the national territory or abroad;

VIII -render an opinion on any matter to be submitted to the Board of Directors approval; and IX - develop and carry out, jointly with the Board of

Sharing Program.

VIII render an opinion on any matter to be submitted to the Board of Directors approval; and

VIII. render an opinion on any matter to be submitted to the Board of Directors approval; and Wording unchanged.

jointly with the **IX -** develop and carry out,
Board of jointly with the Board of
Directors, the Directors, the Employee Profit
Employee Profit Sharing Program.

IX - develop and carry out, jointly with the Board of Wording Directors, the Employee Profit unchanged. Sharing Program.

ARTICLE 24

-The Chief Executive Officer, in particular, is entitled to:

ARTIGO 27 The Chief is entitled to:

ARTICLE 2427—The Chief Executive Officer, in particular, Executive Officer, in particular, is entitled to:

Adjustment in the wording due to the renumbering of the articles. No legal or economic effect.

a) plan, coordinate, conduct and manage all as perform all executive and decision-making functions;

a) plan, coordinate, conduct and manage all Company's activities, as well as perform all executive and decision-making functions;

a) plan, coordinate, conduct and manage all Company's activities, as well as perform all executive and decision-making functions:

Wording unchanged.

- **b)** carry out the overall supervision **b)** carry out the overall of all Company's activities, coordinating and guiding the other Executive Officers' activities:
 - supervision of all Company's activities, coordinating and guiding the other Executive Officers' activities;
- **b)** carry out the overall supervision of all Company's activities, coordinating and guiding the other Executive Officers' activities:

Wording unchanged.

- c) call, install and preside the meetings of the Committee:
- c) call, install and preside the meetings of the Executive Executive Officers Officers Committee;
- c) call, install and preside the meetings of the Executive Officers Committee:

Wording unchanged.

- d) coordinate and conduct the process of budget and of the investment and expansion plans together with the Board of Directors; and
- d) coordinate and conduct the annual/pluriannual process of approval of the annual/pluriannual budget and of the investment and expansion plans together with the Board of Directors; and
- d) coordinateandconduct theprocessofapprovaloftheannual/pluriannualmult investment and unchanged. expansionplans together with the Board of Directors; and

e) suggest

functions

and

respective

candidates

for the

Executive e) suggest functions and

respective candidates for the Officers

Company and submit such the Company suggestion to the Board of

and submit Directors approval.

such

suggestion

to the

Board of

Directors

approval.

e) suggest functions and respective candidates for the

positions of Executive Officers positions of the Executive Officers positions of the Wording Company and submit such unchanged.

suggestion to the Board of

Directors approval.

ARTICLE 25 -It is incumbent

upon the Executive Officers to assist and support the CEO in the administration of the Company, in accordance the Board of Directors and for the regular Company's activities, as long as these acts have been duly authorized by the Board of Directors.

ARTIGO 28 - It is incumbent upon the Executive Officers to assist and support the CEO in the administration of the Company, in accordance with necessary for the regular acts necessary authorized by the Board of Directors.

ARTIGO 2528 - It is incumbent Adjustment upon the Executive Officers to assist and support the CEO in the administration of the Company, in accordance with duties determined by the Board duties determined by the Board of the of Directors and perform all acts of Directors and perform all acts articles. No necessary for the regular Company's activities, as long as Company's activities, as long as economic these acts have been duly authorized by the Board of Directors.

in the wording due to the renumbering legal or effect.

ARTICLE

26 - The Executive Officers shall represent the Company

actively ARTIGO 29 - The Executive and Officers shall represent the passively, Company actively and passively, Company actively and passively, in court and outside courts and in court and outside before third parties, performing courts and and signing all acts that result in and signing all acts that result in before thirdobligations to the Company.

parties, performing and signing all acts that result in obligations to the Company.

ARTIGO 2629- The Executive Officers shall represent the in court and outside courts and before third parties, performing obligations to the Company.

Adjustment in the wording due to the renumbering of the articles. No legal or economic effect.

First Paragraph -

For the granting of powers-of-attorney, the Company shall be represented by two (2) Executive Officers, acting jointly, of whom one Company shall be CEO or others Executive Officers the Board of Directors, and all powers-of-attorney Directors, and all except for purposes, in addition to the description of the powers granted which may cover any and all acts, including those related to banking operations;

First Paragraph -For the granting of powers-of-attorney, the must always be the represented by two (2) Executive Officers, acting jointly, of whom one must to be appointed by always be the CEO or others Executive Officers to be appointed by the Board of shall a validity term, powers-of-attorney shall a validity term, except for powers-of-attorney powers-of-attorney granted granted for judicial for judicial purposes, in addition to the description of the powers granted which may cover any and all acts, including those related to banking operations;

First Paragraph -For the granting of powers-of-attorney, the Company shall be represented by two (2) Executive Officers, acting jointly, of whom one must always be the CEO or others Executive Officers to be appointed by the Board of Wording Directors, and all unchanged. powers-of-attorney shall a validity term, except for powers-of-attorney granted for judicial purposes, in addition to the description of the powers granted which may cover any and all acts, including those related to banking operations;

Second

Paragraph - In case of acts that entail any kind of acquisition, sale,

Company's asset, estate, as well as, powers-of-attorney the granting of such acts, the Company is required to be by three (3) and the others **Executive Officers** to be appointed by the Board of Directors.

disposal or creation Second Paragraph - In case Second Paragraph - In case of any lien on any of acts that entail any kind of of acts that entail any kind of acquisition, sale, disposal or including any real creation of any lien on any Company's asset, including for the practice of powers-of-attorney for the practice of such acts, the Company is required to be represented jointly by three represented jointly (3) Executive Officers of whom Executive Officers of whom one must always be the CEO Executive Officers and the others Executive of whom one must Officers to be appointed by always be the CEO the Board of Directors.

acquisition, sale, disposal or creation of any lien on any Company's asset, including for the granting of any real estate, as well as, for any real estate, as well as, for the granting of powers-of-attorney for the Wording practice of such acts, the unchanged. Company is required to be represented jointly by three (3) one must always be the CEO and the others Executive Officers to be appointed by the Board of Directors.

Third Paragraph -

The Company shall be considered duly

Third Paragraph - The Company shall be considered duly represented:

Third Paragraph - The Company Wording shall be considered duly unchanged. represented:

represented: a) jointly by

two Executive Officers of

whom one be the CEO or other Executive Officer to be appointed by the Board of Directors;

a) jointly by two Executive must always Officers of whom one must always be the CEO or other Executive Officer to be appointed be appointed by the Board of by the Board of Directors;

a)jointly by two Executive Officers of whom one must always be the Wording CEO or other Executive Officer to unchanged. Directors:

- **b)** jointly by one **Executive Officer** to be appointed by the Board of Directors, and an attorney-in-fact, respective power-of-attorney and in accordance contained therein; with the powers contained therein;
 - **b)** jointly by one Executive Board of Directors, and an attorney-in-fact, when so power-of-attorney and in accordance with the powers
- b) jointly by one Executive Officer to be appointed by the Officer to be appointed by the Board of Directors, and an attorney-in-fact, when so determined by the respective determined by the respective power-of-attorney and in accordance with the powers contained therein;

Wording unchanged. c) jointly by two attorneys-in-fact,

when so

determined by the respective

and in accordance with the powers contained

therein; d) solely by an attorney-in-fact or Executive

Officer, in specificd) solely by an attorney-in-fact cases, when so or Executive Officer, in specific determined by cases, when so determined by the respective the respective power of power of attorney attorney and in accordance and in with the powers contained accordance with therein.

the powers contained therein.

c) jointly by two attorneys-in-fact, when so power of attorney power of attorney power of attorney and in accordance with the powers contained therein;

c) jointly by two attorneys-in-fact, when so determined by the respective Wording power of attorney and in unchanged. accordance with the powers contained therein;

d) solely by an attorney-in-fact or Executive Officer, in specific cases, when so determined by Wording the respective power of unchanged. attorney and in accordance with the powers contained therein.

CHAPTER V

ADVISORY BOARD

ARTICLE 27 -

The Company may have an Advisory Board, No corresponding provision. on a non-permanent basis, with up to thirteen (13) members, shareholders or not, appointed by the General Shareholders' Meeting.

ADVISORY BOARD

ARTICLE 27 - The Company may have an Advisory Board, on a non-permanent basis, with governance up to thirteen (13) members, shareholders or not, appointed by the General Shareholders' Meeting. Company's corporate governance structure, given that the amendments comprise the

Wording excluded in order to reflect the removal of the Advisory Board in order to make the Company's management more efficient, aligned with the proposal for the improvement of the Company's corporate structure, amendments comprise the establishment of two other Committees. one of which is the Corporate Governance Committee. which shall be responsible for the functions currently performed by the Advisory Board.

First

Paragraph -

The members of the Advisory Board shall have a term of office of three (3) years, reelection No corresponding provision. being permitted, and may receive the compensation set forth by the General Shareholders' Meeting.

First Paragraph - The members of the Advisory Board shall have a term of office of three (3) years, reelection being permitted, and may receive the compensation set forth by the General Shareholders' Meeting.

Same as above.

Second Paragraph -

The Advisory Board, when installed, shall meet ordinarily once every six No corresponding provision. months and extraordinarily whenever called by the Chairman of the Board of Directors.

Second Paragraph – The Advisory Board, when installed, shall meet ordinarily once every six months Same as and extraordinarily whenever above. called by the Chairman of the Board of Directors.

Third Paragraph

- The call notices for the meetings of the Advisory Board shall appoint the agenda to be

discussed, as well as the place,

the place, date and time of the

time of the meetings, and shall be sent by mail or facsimile, at least five (5) days prior to the meeting.

No corresponding provision.

Third Paragraph - The call notices for the meetings of the Advisory Board shall appoint the agenda to be discussed, as well as the place, Same as date and time of the meetings, and above. shall be sent by mail or facsimile, at least five (5) days prior to the meeting.

Fourth Paragraph

- The resolutions of the Advisory

Board shall No corresponding provision.

be record in the proper book, which shall be signed by the present

members.

ARTICLE

28 - It is incumbent upon the Advisory

Board to:

No corresponding provision.

Fourth Paragraph - The

resolutions of the Advisory Board shall be record in the proper book, which shall be signed by the present above. Same as above. members.

ARTICLE 28 - It is incumbent upon Same as the Advisory Board to: above.

a)

recommend to the Board of Directors measures to be taken to ensure the preservation and development of Company business and activities; and **b)** render

Board of Directors.

No corresponding provision.

a) recommend to the Board of Directors measures to be taken to ensure the preservation and development of Company business and activities; and

Same as above.

and **b)** render
opinion on
any matters
submitted to No corresponding provision.
them by the

b) render opinion on any matters submitted to them by the Board of Directors.

Same as above.

CHAPTER VI

FISCAL COUNCIL

CHAPTER VI CHAPTER VI

FISCAL COUNCIL

ARTICLE 29 -

The Fiscal Council shall operate permanently and its members shall be the General Meeting.

ARTICLE 30 -The Company shall operate on a non-permanent basis, being installed by the General

FISCAL COUNCIL

ARTICLE 2930–TheCompany shall have a Fiscal Council that shall have a Fiscal Council that shall operate permanently and its members shall be annually appointed on a non-permanent basis, being installed by the appointed by Meeting, as provided for by law.General Meeting, as provided for Committee,

Wording amended in order to provide that the Fiscal Council will operate on a non-permanent basis, being installed in the legal hypotheses, with the purpose to make the Company's management more efficient, especially in view of the new Audit without prejudice to the installation of the Fiscal Council in compliance with the applicable legislation.

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by law.

First Paragraph -

The members of the Fiscal Council and their alternates shall occupy Annual Meeting held after their respective reelection permitted, and they shall remain in their positions until their successors take office.

their positions up to the first members of the Fiscal Council and their alternates shall occupy their positions up to the first Annual Shareholders' Meeting held after their respective appointments, appointments, reelection permitted.

First Paragraph - The members of the Fiscal Council and their alternates shall occupy their positions up to the first Annual Shareholders' Meeting held after their respective appointments, reelection permitted, and they shall remain in their positions until their successors take office.

Wording amended in order to remove the provision that the members of the Audit Committee shall remain in office until the investiture of their successors, considering that the Supervisory Board will be non-permanent.

Second Paragraph - At

their first meeting, the

members of **Second Paragraph** – At their the Fiscal first meeting, the members of Council shall elect its Chairman, who shall be Chairman, who responsible for enforcing the

committee's resolutions. shall be responsible for enforcing the committee's resolutions.

Third Paragraph -

The Fiscal

Council may request the Company to appoint qualified personnel to provide administrative and technical support.

Third Paragraph - The Fiscal Council may request the Company to appoint qualified personnel to provide administrative and technical support.

Second Paragraph -At their first meeting, the members of the the Fiscal Council shall elect its Fiscal Council shall elect its Wording Chairman, who shall be unchanged. responsible for enforcing the

> Third Paragraph - The Fiscal Council may request the Company to appoint qualified personnel to provide administrative and technical support.

committee's resolutions.

Wording unchanged.

ARTICLE 30

- The Fiscal Council shall be composed of no less than three five (5) effective members number of alternates, residents in the country, shareholders or not, all of them qualified in accordance with the legal provisions.

(3) and up to ARTIGO 31 - The Fiscal Council ARTICLE 3031 - The Fiscal shall be composed of no less and the same same number of alternates, residents in the country, legal provisions.

Council shall be composed of no than three (3) and up to five (5) less than three (3) and up to five (5) effective members and the same number of alternates, residents in the country, shareholders or not, all of them shareholders or not, all of them qualified in accordance with the qualified in accordance with the legal provisions.

Adjustment in the wording due to the renumbering of the articles. No legal or economic effect.

First Paragraph -

In the case of the Fiscal Council shall be replaced by their respective alternates.

of absence of First Paragraph in the case of First Paragraph. impediment, absence of impediment, the the members members of the Fiscal Council shall be replaced by their respective alternates.

absence of impediment, the members of the Fiscal Council shall be replaced by their respective alternates.

Wording unchanged.

Second Paragraph - In addition to cases of death, resignation, dismissal and other cases provided for by law, the position of the member shall be member of the Fiscal Council is absent, without just cause, at two (2) consecutive meetings or three (3) non-consecutive meetings in the

course of the

year.

Second Paragraph - In addition to cases of death, resignation, dismissal and other cases provided for by law, the position of the vacant when the member shall be considered vacant when the member of the Fiscal Council is absent, without just cause, at two (2) consecutive meetings or three three (3) non-consecutive (3) non-consecutive meetings in the course of the year.

Second Paragraph - In addition to cases of death, resignation, dismissal and other cases provided for by law, the position of the member shall be considered vacant when the Wording member of the Fiscal Council is unchanged. absent, without just cause, at two (2) consecutive meetings or meetings in the course of the year.

Third Paragraph

- In the event of vacancy of the position of Fiscal Council member, if there is no alternate member, a General Meeting will be called to elect a member for the vacant position.

of vacancy of the position of Fiscal Council member, if there is Council member, if there is no no alternate member, a General alternate member, a General Meeting will be called to elect a Meeting will be called to elect a member for the vacant position. member for the vacant position.

Third Paragraph - In the event Third Paragraph - In the event of vacancy of the position of Fiscal Wording unchanged.

ARTICLE 31 -

The Fiscal Council shall have the

powers and duties conferred and the

shall have the powers and upon it by law and the Internal Regulation of the Fiscal Council.

ARTIGO 32 - The Fiscal Council ARTICLE 3132 The Fiscal Council shall have the powers and duties duties conferred upon it by law conferred upon it by law and the Internal Regulation of the Fiscal Council.

Adjustment in the wording due to the renumbering of the articles. No legal or economic effect.

Council.

Internal

First

Paragraph -

Regulation of the Fiscal

The Fiscal Council holds quarterly general meetings and extraordinary meetings whenever necessary.

First Paragraph - The Fiscal meetings and extraordinary

First Paragraph - The Fiscal Council holds quarterly general Council holds quarterly general meetings and extraordinary meetings whenever necessary. meetings whenever necessary.

Wording unchanged.

Second Paragraph - Meetings

are called the Fiscal Council on

per written request of any of its members.

his own

Chairman of Second Paragraph - Meetings Second Paragraph - Meetings are are called by the Chairman of the called by the Chairman of the Wording Fiscal Council on his own Fiscal Council on his own initiative unchanged. initiative or per written request of or per written request of any of its initiative or any of its members. members.

Third Paragraph

- The resolutions of the Fiscal Council shall

absolute majority vote of those in attendance. be instituted,

the majority

of the members must be present.

be made by **Third Paragraph** - The resolutions of the Fiscal Council shall be made by absolute majority vote of those in attendance. In order for a a meeting to majority of the members must be members must be members a meeting to proceed the members must be members as a meeting to proceed the members must be members as a meeting to proceed the members must be members as a meeting to proceed the members must be members as a meeting to proceed the members must be members as a meeting to be members. meeting to be instituted, the present.

Third Paragraph - The resolutions of the Fiscal Council shall be made by absolute majority Wording vote of those in attendance. In unchanged. order for a meeting to be

Fourth Paragraph -The members of

the Fiscal Council shall participate in the committee's meetings by telephone or video conference call, or any other electronic means of communication. and shall be considered present at the meeting. **Immediately** after the the members must confirm their votes through a written declaration sent to the Chairman of the Fiscal Council by conventional mail, fax, or electronic mail. Upon receipt, the Chairman of the Fiscal Council shall be empowered to sign the minutes of the meeting on behalf of its members.

Parágrafo 4º - The members Fourth Paragraph - The of the Fiscal Council shall participate in the committee's shall participate in the meetings by telephone or video conference call, or any other electronic means of communication, and shall be considered present at the meeting is over, the members the meeting is over, the meeting is over, must confirm their votes through a written declaration sent to the Chairman of the mail, fax, or electronic mail. the Fiscal Council shall be empowered to sign the minutes of the meeting on behalf of its members.

members of the Fiscal Council committee's meetings by telephone or video conference call, or any other electronic means of communication, and shall be considered present at meeting. Immediately after thethe meeting. Immediately after to the members must confirm their votes through a written declaration sent to the Fiscal Council by conventional Chairman of the Fiscal Council by conventional mail, fax, or Upon receipt, the Chairman of electronic mail. Upon receipt, the Chairman of the Fiscal Council shall be empowered to sign the minutes of the meeting on behalf of its members.

Adjustment in the wording due renumbering of the articles. No legal or economic effect.

ARTICLE 32 -

The compensation of the members of the Fiscal Council shall be fixed by the General Shareholders' Meeting in which they are limit. appointed, with due observance of the legal limit.

ARTIGO 33 - The compensation **ARTIGO 3233** - The of the members of the Fiscal Council shall be fixed by the General Shareholders' Meeting in which they are appointed, with due observance of the legal they are appointed, with due

compensation of the members of the Fiscal Council shall be fixed by the General Shareholders' Meeting in which observance of the legal limit.

Adjustment in the wording due to the renumbering of the articles. No legal or economic effect.

CHAPTER VII

CORPORATE YEAR AND FINANCIAL STATEMENTS

CHAPTER VII

CHAPTER VIIVI

CORPORATE YEAR AND FINANCIAL STATEMENTS

CORPORATE YEAR AND FINANCIAL STATEMENTS

Adjustment in the wording due to the renumbering of the articles. No legal or economic effect.

ARTICLE 33 -

The fiscal year ends on December 31 of each year, when the balance sheet and financial statements required by applicable law shall be prepared.

ARTICLE 34 - The fiscal year ends on December 31 of each year, when the balance sheet and financial statements required by applicable law shall required by applicable law shall be prepared.

ARTIGO 3334-The fiscal year ends on December 31 of each vear, when the balance sheet and financial statements be prepared.

ARTICLE 34

- The Company may, at the Executive Officers Committee, prepare quarterly or semi-annual balance sheets.

discretion of ARTIGO 35 - The Company may, ARTIGO 3435- The Company at the discretion of the Executive may, at the discretion of the Officers Committee, prepare quarterly or semi-annual balance prepare quarterly or semi-annual sheets.

Executive Officers Committee, balance sheets.

Adjustment in the wording due to the renumbering of the articles. No legal or economic effect.

CHAPTER VIII

PROFIT DESTINATION

CHAPTER VII

CHAPTER VIIIVII

PROFIT DESTINATION

PROFIT DESTINATION

ARTICLE 35 -Upon the preparation of the balance sheet, the following rules shall be observed with respect to the distribution of the profits:

ARTICLE 36 -Upon the preparation of the balance sheet, the following rules shall sheet, the following rules shall be observed with respect to the be observed with respect to the distribution of the profits:

ARTIGO 3536- Upon the preparation of the balance distribution of the profits:

Adjustment in the wording due to the renumbering of the articles. No legal or

- I from the profits of the fiscal year shall be deducted, before any allocation of net income, the losses and the provision of the income tax;
- **I** from the profits of the fiscal year shall be deducted, before accumulated losses and the accumulated provision of the income tax;
 - **I.** from the profits of the fiscal year shall be deducted, before any allocation of net income, the any allocation of net income, the accumulated losses and the provision of the income tax;

Wording unchanged.

deducting the portions described in item I above, the portion to be distributed in the form of employee profit sharing shall be deducted, determined by the Board of Directors, in compliance with the **Profit** Sharing **Program** and under the terms and according to the limits provided in items "j" and "k" of Article 18

herein;

II - After

II - After deducting the portions described in item I above, the portion to be distributed in the form of employee profit sharing by the Board of Directors, in items "j" and "k" of Article 18 herein:

II. After deducting the portions described in item I above, the portion to be distributed in the form of employee profit sharing shall be deducted, as determined shall be deducted, as determined by the Board of Directors, in compliance with the Profit Sharing compliance with the Profit Sharing Program and under the terms and Program and under the terms and according to the limits provided in according to the limits provided in items "j" and "k" of Article 18 herein:

Wording unchanged. III - in due compliance with the terms and limits established in paragraphs of Article 152 of Law No. 6.404/76 and the limit established in item "k" of Article 18 herein, the amount corresponding to the deducted, as determined by the Board of Directors, in compliance with the Profit Sharing

Program;

III - in due compliance with the III. in due compliance with the terms and limits established in No. 6,404/76 and the limit herein, the amount

terms and limits established in paragraphs of Article 152 of Law paragraphs of Article 152 of Law No. 6,4046404/76 and the limit established in item "k" of Article 18 tablished in item "k" of Article 18 Wording herein, the amount unchanged. corresponding to the managers corresponding to the managers in the Company's profits shall be in the Company's profits shall be deducted, as determined by the deducted, as determined by the profits shall be with the Profit Sharing Program; with the Profit Sharing Program;

IV - the remaining net profits shall have the

IV - the remaining net profits shall IV. the remaining net profits shall Wording have the following destination: have the following destination: unchanged.

following destination: **a)** 5% (five per cent) shall be allocated to

reserve fund until such reserve

the legal

a) 5% (five per cent) shall be until such reserve reaches the

a) 5% (five per cent) shall be allocated to the legal reserve fund allocated to the legal reserve fund Wording until such reserve reaches the unchanged. limit of 20% (twenty per cent) of limit of 20% (twenty per cent) of the Capital Stock;

reaches the the Capital Stock; limit of 20% (twenty per cent) of the Capital Stock;

- b) amounts to the formation of the reserve
- for decided by the General Shareholders' Meeting;
- **b)** amounts to the formation of contingencies the reserve for contingencies reserve, if so reserve, if so decided by the General Shareholders' Meeting;
- **b)** amounts to the formation of the reserve for contingencies reserve, if so decided by the General Shareholders' Meeting;

Wording unchanged.

c) 25% (twenty five per cent) shall be allocated to the payment of the

mandatory **c**) 25% (twenty five per cent) shall **c)** 25% (twenty five per cent) shall dividends be allocated to the payment of the be allocated to the payment of the pursuant to mandatory dividends pursuant to

First Paragraph below, in
Paragraph
below, in accordance with the provisions
below, in contained in first and second

accordance paragraphs of Article 5 herein; with the provisions contained in first and second paragraphs of Article 5 herein;

mandatory dividends pursuant to
First Paragraph below, in
accordance with the provisions
contained in first and second
paragraphs of Article 5 herein;

d) the profit not provisioned in the reserve described in Second Paragraph below and not

allocated in accordance with the provisions of Article 196 of Law No. 6404/76 shall be

distributed

additional dividends.

as

d) the profit not provisioned in the d) the profit not provisioned in the reserve described in Second in accordance with the provisions in accordance with the provisions of Article 196 of Law No. 6404/76 of Article 196 of Law No. 6404/76 shall be distributed as additional shall be distributed as additional dividends.

reserve described in Second Paragraph below and not allocatedParagraph below and not allocated Wording unchanged. dividends.:

First Paragraph

-The mandatory dividends shall be calculated and paid in accordance with the following rules:

dividends

First Paragraph – The mandatory

shall be

dividends shall be calculated and dividends shall be calculated and Wording

calculated paid in accordance with the paid in accordance with the unchanged.

and paid in following rules:

following rules:

- a) the basis for calculation of the dividends payable shall be the net profit of the fiscal year, less the amounts allocated to the legal reserve and the contingency plus the amount obtained from the reversion of the reserves of contingencies formed in the previous fiscal year;
- a) the basis for calculation of the a) the basis for calculation of the dividends payable shall be the net profit of the fiscal year, less the amounts allocated to the legal reserve and the contingency reserves and plus the amount obtained from the reserves and reversion of the reserves of contingencies formed in the previous fiscal year;
 - dividends payable shall be the net profit of the fiscal year, less the amounts allocated to the legal reserve and the contingency reserves and plus the amount obtained from the reversion of the reserves of contingencies formed in the previous fiscal year;

Wording unchanged.

b) the payment of the dividend calculated in accordance with the provisions of the previous item may be limited to the amount of the net profit effectively realized of the fiscal year for that has

ended pursuant to the law, provided that the difference is registered as reserve for profits to be realized;

- **b)** the payment of the dividend provisions of the previous item may be limited to the amount of the net profit effectively realized of the fiscal year for that has ended pursuant to the law, provided that the difference is be realized;
- **b)** the payment of the dividend calculated in accordance with the calculated in accordance with the provisions of the previous item may be limited to the amount of the net profit effectively realized of the fiscal year for that has ended pursuant to the law, provided that the difference is registered as reserve for profits to registered as reserve for profits to be realized; and

Wording unchanged.

c) the profits registered in the reserve for profits to be realized, when

accrued andc) the profits registered in the reserve for profits to be realized, profits have when accrued and if such profits not been have not been absorbed by the absorbed bylosses in the subsequent fiscal the losses years, shall be increased to the in the subsequent realization.

fiscal years, shall be increased to the first declared dividends after such realization.

c) the profits registered in the reserve for profits to be realized, when accrued and if such profits have not been absorbed by the losses in the subsequent fiscal years, shall be increased to the first declared dividends after such first declared dividends after such realization.

Wording unchanged.

Second Paragraph -It is hereby

created, the Reserve for Expansion, which

purpose shall ensure resources for financing additional investments in fixed assets and working capital and to which shall be allocated up to 100% of the remaining profits after the deductions and destinations established in items "a". "b" and "c" of item IV above. The total amount provisioned in such reserve shall nor exceed the total amount of the Company's Capital Stock.

Second Paragraph 4t is hereby Second Paragraph 4t is hereby created, the Reserve for Expansion, which purpose shall ensure resources for financing additional investments in fixed which shall be allocated up to 100% of the remaining profits after the deductions and destinations established in items "a", "b" and "c" of item IV above. The total amount provisioned in total amount of the Company's Capital Stock.

created, the Reserve for Expansion, which purpose shall ensure resources for financing additional investments in fixed assets and working capital and to assets and working capital and to which shall be allocated up to 100% of the remaining profits after the deductions and destinations established in items "a", "b" and "c" of item IV above. The total amount provisioned in such reserve shall nor exceed the such reserve shall nor exceed the total amount of the Company's Capital Stock.

Wording unchanged.

Third Paragraph -

If duly authorized by the Board of

Directors, the **Third Paragraph** - If duly Company may authorized by the Board of Directors, the Company may elect to distribute elect to distribute interim interim dividends, ad referendum by the dividends, ad referendum by the dividends, ad General Shareholders' Meeting. General Shareholders' Meeting.

referendum by the General Shareholders' Meeting.

Third Paragraph - If duly authorized by the Board of Directors, the Company may Wording elect to distribute interim unchanged.

Fourth Paragraph -

The Company may elect to pay or credit interests as remuneration of its own capital calculated on the accounts of the net worth, in due observance of the rate and limits determined by law.

Fourth Paragraph - The Company may elect to pay or of its own capital calculated on due observance of the rate and limits determined by law.

Fourth Paragraph - The Company may elect to pay or credit interests as remuneration credit interests as remuneration of its own capital calculated on the accounts of the net worth, in the accounts of the net worth, in due observance of the rate and limits determined by law.

Wording unchanged.

ARTICLE 36 -

The amount of dividends shall be placed at the shareholders disposition within a maximum term of sixty (60) days as allotment, and may be monetarily adjusted, if SO determined by the Board of Directors, subject to the applicable legal

provisions.

ARTICLE 37 – The amount of dividends shall be placed at the ARTICLE 3637a maximum term of sixty (60) from the date days as from the date of their allotment, and may be monetarily adjusted, if so determined by the Board of Directors, subject to the applicable legal provisions.

in the shareholders disposition within Theamountofdividendsshallbeplacendartdines idance holders maximum term of sixty (60) days to the renumbering as from the date of their allotment, and may be monetarily of the adjusted, if so determinedby articles. No theBoardof Directors, subject to legal or theapplicable legal provisions. economic effect.

Adjustment

ARTICLE 37 -

The financial statements and accounts of the Company shall be audited on an annual basis by internationally recognized independent accountants.

of the
Company shall
be audited on an annual basis by internationally recognized independent accounts.

ARTICLE 38 - The financial statements and accounts of the Company shall be audited on an annual basis by internationally recognized independent accountants.

ARTICLE 3738- The financial wording statements and accounts of the to the Company shall be audited on an annual basis by of the internationally recognized article independent accountants.

Adjustment in the wording due neto the renumbering of the articles. No legal or economic effect.

CHAPTER IX

LIQUIDATION

and establish

compensation

their

ARTICLE 38 -CHAPTER IXVIII The Company

shall be **CHAPTERVIII** LIQUIDATION

liquidated in the cases **LIQUIDATION**

provided by in the law, and the wording due **ARTICLE 3839**-The Company General to the

shall be liquidated in the cases renumbering

Shareholders' ARTIGO 39 - provided by law, and the meeting shall determine the Shareholders' Meetingshalldetermine the Shareholders' Meetingshalldetermine the form of theformofliquidation, appoint the liquidation, appoint the liquidation, appoint the econo liquidation, members of the Fiscal Council,

liquidator and the members of appoint the which shalloperate the Fiscal Council, which shall heir operate during the liquidation, liquidator and duringtheliquidation, and establish

the members compensation. and establish their

of the Fiscal compensation. Council, which shall operate during the liquidation,

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Adjustment

articles. No legal or

economic

effect.

CHAPTER X

FINAL PROVISIONS

ARTICLE 39 -

The values in U.S. Dollars mentioned herein shall be exclusively used as reference for monetary update and shall be converted in Reais using Central Bank of Brazil. the average exchange rate for the U.S. Dollar published by the Central Bank of Brazil.

CHAPTER IX

CHAPTER XIX

FINAL PROVISIONS

be exclusively used as referenceshall be exclusively used as for monetary update and shall average exchange rate for the U.S. Dollar published by the

ARTICLE 40 -The values in U.S. **ARTICLE 3940** - The values in Dollars mentioned herein shall U.S. Dollars mentioned herein reference for monetary update be converted in Reais using the and shall be converted in Reais using the average exchange rate effect. for the U.S. Dollar published by

the Central Bank of Brazil.

FINAL PROVISIONSARTICLE Adjustment in the wording due to the renumbering of the articles. No legal or economic

ARTICLE 40 -

The cases not regulated in

these by-laws **ARTICLE 41 -** The cases not shall be regulated in these by-laws shall solved in conformity with conformity current applicable legislation.

with current applicable legislation.

ARTICLE 41 -

The present by-laws shall

Meeting.

come into
effect as of by-laws shall come into effect as the date of itsof the date of its approval by the approval by General Shareholders

ARTICLE 42 - The present by-laws shall come into effect as the date of its approval by the approval by the General Shareholders

Adjustment in the wording due

ARTICLE 4041 - The cases not to the

regulated in these by-laws shall renumbering be solved in conformity with of the current applicable legislation. articles. No legal or

economic effect. Adjustment in the wording due to the renumbering of the articles. No

legal or

effect.

economic

ARTICLE 4142 - The present by-laws shall come into effect as of the date of its approval by the General Shareholders Meeting.

ANNEX IV

Information required in items 12.6 to 12.10 of the Company's Reference Form in connection with the candidate for the position of Vice-Chairman of the Company's Board of Directors

12.6. In relation to each of the members of management and fiscal council, indicate, in a chart:

Name: Arnaud Daniel CharlesWalter Joachim Strasser

Age: 42

Profession: Business manager

CPF or passport number: French Passport No. 07CH21148

Elective position (current/aimed): Board of Directors Member / Vice-Chairman of

Board of Directors

Election date(current/aimed): 31st of March 2011 / 18th of October 2012
Tenure from(current/aimed): 31st of March 2011 / 18th of October 2012
Termof office: Until the 2014 annual shareholders meeting
Other positions or functions performed in the

Yes

Company: Resources and Compensation Committee

Indication whether appointed by controlling

wale ald a same to

shareholder or not:

12.7. Provide information of item 12.6 in relation to members of committees provided for in the Bylaws, as well as audit, risk, financial and compensation committees, even if such committees or bodies are not provided for in the Bylaws:

Applicable information provided in the preceding item.

12.8. In relation to each member of management and fiscal council, provide:

a. Resume:

Mr. Arnaud Strasser works for Casino Group since 2007 and currently is a member of the Executive Committee and the Development and Equity Officer.Mr. Arnaud Strasser has previously acted as head of the international development department and as counsel to the chief executive office. Mr. Arnaud Strasser has also worked as Mission Chiefat France's Prime Minister's Office, in 2005, and as especial counsel at Renaud Dutreil's Office, France's Minister of Companies and Commerce, from 2005 to 2007. Mr. Arnaud Strasser was also member of the Board of Directors of AlmacenesExito (Colombia), Big C (Thailand), Super de Boer (Holland), as well as member of the execute board of Casino Group (France).

b. Description of any of the following events which have occurred in the previous 5 years: (i) any criminal conviction; (ii) any conviction within an administrative proceeding conducted by CVM and the penalties applied; and (iii) any conviction not subject to appeal, judicial or administrative, which has suspended or forbidden the performance of any professional or commercial activity.

Mr. Arnaud Strasser has nothing to declare and was not subject to any of the possibilities listed in this item.

12.9. Provide information on marital relationship, civil partnership or family connection (up to second degree) among: (a) the Company's managers; (b) (i) the Company's managers and (ii) managers of companies directly or indirectly controlled by the Company; (c) (i) managers of companies directly or indirectly controlled by the Company and (ii) the Company's direct or indirect controlling persons or companies; and (d) (i) the Company's managers and (ii) managers of the Company's direct or indirect controlling companies.

Mr. Arnaud Strasser has nothing to declare and is not subject to any of the possibilities listed in this item.

12.10. Provide information on subordination relationship, rendering of services or controlling relationships existing in the last 3 fiscal years, between management members and (a) companies directly or indirectly controlled by the Company; (b) the Company's direct or indirect controlling persons or companies; and (c) where

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relevant, supplier, client, borrower or creditor of the Company, of companies controlled by the Company, of the Company's controlling persons or companies and of companies controlled by any of such persons or companies.

Mr. Arnaud Strasser is a member of the Executive Committee and the Development and Equity Officer of Casino Guichard-Perrachon, a French company which currently controls the Company.

SIGNATURES

Pursuant to the requirement of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO

Date: October 3, 2012 By: /s/ Enéas César Pestana Neto

Name: Enéas César Pestana Neto Title: Chief Executive Officer

By: /s/ Vitor Fagá de Almeida

Name: Vitor Fagá de Almeida Title: Investor Relations Officer

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates offuture economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.

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