

Notice on Transaction with Related Party (CVM Instruction 552/2014)

Following next, the detailing required by Appendix C to CVM Instruction 552, as of 10/09/2014 - Appendix 30-XXXIII, art. 2. The referred Instruction included in the ICVM 480/09: (a) item XXXIII, art. 30; and (b) Annex 30-XXXIII:

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| I – transaction description, including: | |
| a) the parties and their relation with BB; and | <p>Company: Cielo S.A.(Cielo) Legal Entity: Legal Entity governed by Private Law Legal Nature: Public Limited Company. Affiliated Company of Banco do Brasil S.A. (Banco do Brasil) The Affiliate has administrative autonomy, not being linked to any area of Banco do Brasil Equity interest: BB Elo Cartões: 28.65% share; Bradesco: 30.06% share; Others: 41.29% share.</p> |
| b) the object and main terms and conditions. | <p>Reduction of the Guaranteed Account from R\$ 2,000,000,000.00 to R \$ 1,750,000,000.00, with usual market financial conditions priced by the competent areas within the scope of Banco do Brasil.</p> |
| II – if, when and how the transaction counterpart, their partners or managers took part in the process: | |
| a) of BB's decision on the transaction, describing this participation; and | <p>The operation was approved by the competent committee of Banco do Brasil, without the participation of the Counterparty, its partners or administrators.</p> |
| b) of the transaction negotiation as BB's representants, describing this participation; | <p>There was no participation of the Counterparty, nor of its partners and / or administrators in the negotiation of the operation with representatives of Banco do Brasil.</p> |
| III – detailed explanation of the reasons why BB's management considers that the transaction has observed commutative conditions or provides for an appropriate compensatory payment, informing, for example: | |
| a) whether BB has requested proposals, undertaken any price-taking procedure, or otherwise attempted to carry out the transaction with third parties, explaining, if not, the reasons why it did not do so or, if so, the procedures performed and their results; | <p>Not applicable. This is an operation in which Banco do Brasil operates as a financial institution and Cielo as a customer.</p> |

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| b) the reasons that led BB to carry out the transaction with the related party and not with third parties; and | This is an operation in which Banco do Brasil acts as financial institution and Cielo as a customer, and the transaction was considered adequate by internal committees of Banco do Brasil, notably taking into account the risk and return aspects of the business. |
| c) a detailed description of the measures taken and procedures adopted to ensure the operation commutativity. | The operation was approved by committees of Banco do Brasil, observing the limits established by internal regulations. The Counterparty also carried out its internal approvals, according to its governance, and was in favor of the transaction. It was formalized through the signature of the CONTRACT and its AMENDMENTS by the parties which contains all the obligations and rights of the parties. The transaction pricing was based on technical criteria and market rates, with return adjusted to the risk. |
| If the transaction is a loan granted by BB to the related party, the information provided must necessarily include: | |
| I - an explanation of the reasons why BB chose to grant it, indicating any guarantees required; | Commercial, risk and remuneration conditions are aligned with market parameters and strategy of Banco do Brasil. In turn, the absence of collateral is in line with the situations in which Banco do Brasil allows this type of waiver. |
| II- analysis of the borrower's credit risk, including an independent risk classification, if any; | For the establishment of the borrower's credit limit, technical aspects were taken into account related to the compliance of the regulations and credit policy of Banco do Brasil, in addition to the specific analysis regarding the company, such as: the market it operates; its financial situation; cash flow; the efforts made by the borrower to adequate of manageable expenses and investments; liability and liquidity management, etc. |
| III - description of the way in which the interest rate was fixed, considering free risk market rate and the borrower's credit risk; | The pricing of the operation will be based on the strategy of the corporate governance of Banco do Brasil, in technical criteria and market conditions, with risk-adjusted return. |



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| IV - comparison between the loan's interest rate and other similar applications on the market, explaining the reasons for possible discrepancies; | The rate practiced, negotiated between the parties will be based on the corporate strategy of Banco do Brasil, within market parameters, keeping consistency with other operations of similar size, credit risk and term. |
| V - comparison between the loan's interest rate and the rates of other loans received by the borrower, explaining the reasons for possible discrepancies; | The rate practiced is in line with the average cost of Cielo's debt, maintaining consistency with other operations of similar size, credit risk and maturity validity. |
| VI - description of the impact of the transaction on the financial liquidity condition and the BB's indebtedness level. | The operation does not exceed concentration limits established. |