

**MARFRIG ALIMENTOS S.A.**  
**CNPJ/MF No. 03.853.896/0001-40**  
**STOCK OPTION PLAN**

**1. Purpose**

1.1. The purpose of the Plan is to allow administrators, employees and service providers of the Company or other companies controlled by it, subject to certain conditions, to acquire shares from the Company, aiming at: (a) stimulating the expansion, success and satisfaction of its corporate purposes; (b) aligning the interests of shareholders with the interests of administrators, employees and service providers of the Company or other companies under its control; and (c) making it possible for the Company or other companies under its control to attract and maintain administrators, employees and service providers tied up to it.

**2. Eligible Beneficiaries**

2.1. It may be elected as beneficiaries of the Stock Option under the terms of the Plan, the administrators, employees in position of command and service providers of the Company and other companies under its control ("Beneficiaries").

**3. Administration**

3.1. The Plan shall be administered by the Board of Directors of the Company, which may delegate its functions, once the restrictions set forth by law to a specially created committee are complied ("Committee").

3.1.1. In the event a Committee is created, such committee shall be comprised by at least three (3) members, being one of them necessarily a member of the Board of Directors of the Company and the others, elected by the Board of Directors. The members of such committee shall not be eligible as beneficiaries of the Plan.

3.2. Once the general conditions of the plan and guidelines established by the General meeting are observed, the Board of Directors shall have broad powers to take all measures necessary and proper for the administration of the Plan, including:

- (a) to grant options under the terms of the Plan, as well as to create and apply specific rules to each granting, subject to the terms of this Plan;
- (b) to establish goals related to the performance of administrators, employees and service providers of the Company or other companies controlled by it, in a way to establish objective criteria for the election of Beneficiaries;
- (c) to elect Beneficiaries of the Plan and the authorization to grant stock options in their favor, establishing all conditions related to the options to be granted, as well as to modify such conditions whenever necessary to adjust the options to the terms of a supervening law, rule or regulation;
- (d) to issue new stock of the Company within the authorized capital limit, in order to exercise the stock option granted under the terms of the Plan; and

(e) to create Specific Stock Option Programs (as defined below).

3.3. In the exercise of its functions, the Board of Directors shall only be subject to the limits established by law and in the Plan, being clear that the Board of Directors may treat in a different way administrators, employees and service providers of the Company or other companies controlled by it, who are found in a similar situation, not being obliged, by any analogy or isonomy rule, to extend to all the conditions deemed applicable to one or a few.

3.4. The resolution adopted by the Board of Directors shall bind the Company in relation to all matters related to the Plan.

#### **4. Creation of Specific Programs**

4.1. Frequently, the Board of Directors or Committee may create stock option granting programs which shall have specific conditions in regards to participants, number of granted options, performance goals to be achieved, stock option exercise price and other conditions ("Specific Programs"), which may be totally different from the general conditions established for the Plan. Notwithstanding the proper conditions set forth in each program, the stock options of each Specific Program may not grant rights on a number of Stocks exceeding 0.5% (zero point five per cent) of the total number of stocks issued by the Company, also respecting the global limit of 2% of the total number of stocks issued by the Company.

4.1.1. It is hereby established that the members of the Board of Directors shall not be eligible to any Specific Program, and may not be the beneficiaries of any Specific Program.

#### **5. Granting of Options**

5.1. Frequently, during the term of the Plan, the Board of Directors shall determine the Beneficiaries in favor of whom stock options shall be granted under the Plan, the number of stocks that may be acquired with the exercise of each option, the exercise price of each option and the payment conditions, terms and conditions to exercise each option and any other conditions related to such options.

5.2. The stock options under the Plan are granted upon the execution of stock option agreements between the Company and the Beneficiaries, which shall specify, without prejudice to the other conditions determined by the Board of Directors: (a) the number of stocks purpose of the granting; (b) the conditions for the acquisition of the right to exercise the stock option; (c) the final term for the exercise of the stock option; and (d) the exercise price and payment conditions ("Stock Option Agreement").

5.3. The Board of Directors may impose foregoing terms and/or conditions for the exercise of the stock option and, being observed the minimum clauses set forth in the Plan, impose restrictions to the transference of the stocks acquired under the stock option plan, and may also reserve to the Company repurchase stock options or preemptive rights in case of transference by the Beneficiary of such stocks, up to the end of the term and/or compliance with the fixed conditions.

5.4. The Stock Option Agreements are individually prepared for each Beneficiary, and the Board of Directors may establish different terms and conditions for each Stock Option Agreement, without the need to apply any isonomy or analogy rule between Beneficiaries, even if they are found in similar or identical situations.

5.5. The stock options granted under the Plan, as well as the exercise thereof by the beneficiaries, are not related nor connected to their fixed remuneration or occasional profit sharing.

5.6. Without prejudice to any contrary provision set forth in the Plan (specially in Chapter 9 below) or in a Stock Option Agreement, the options granted under the Plan, as well as the all effects thereof, shall be automatically terminated, in the following cases:

- (a) the full exercise thereof;
- (b) the expiration of the stock option effective term;
- (c) the termination of the Stock Option Agreement; or
- (d) the dissolution, winding up or bankruptcy of the Company.

## **6. Stocks Subject to the Plan**

6.1. The stock options granted under the Plan may grant acquisition rights on number of Stocks not exceeding five per cent (5%) of the stocks issued by the Company, provided that the total number of stocks issued or that may be issued under the Plan is always within the limit of the authorized capital stock of the Company.

6.2. With the purpose to exercise the stock option granted under the Plan, the Company may, at the Board of Directors' discretion: (a) issue new stocks within the limit of the authorized capital; or (b) sell treasury stocks.

6.3. The shareholders shall not have preferential rights on the granting or exercise of the stock option under the Plan, as set forth in section 171, § 3, of Law No. 6.404/76.

6.4. The Stocks acquired by the exercise of the stock option under the Plan shall maintain all rights related to its class, except for the provisions contained in clause 7.2.1. below, as well as occasional contrary provisions established by the Board of Directors.

## **7. Stock Option Exercise Price**

7.1. The Board of Directors shall establish the price for the exercise of the stock options granted under the Plan, respecting the average price calculated by the volume of stocks issued by the Company observed in the last twenty (20) trading floor at BOVESPA (São Paulo's Stock Exchange) immediately before the stock option granting date and a discount of up to 20% on the calculated value.

7.2. The exercise price shall be paid by the Beneficiaries in cash, complying the payment conditions and deadlines determined by the Board of Directors.

7.2.1. Until the exercise price is not fully paid, the stocks acquired under the stock option Plan may not be transferred to third parties, except upon prior authorization of the Board of Directors, in which case the sale proceeds shall be destined, as a priority, to the settlement of the Beneficiary's debit before the Company.

## **8. Stock Option Exercise**

8.1. The options granted under the Plan may be exercised: twenty-five per cent (25%) at the end of the first year; twenty-five per cent (25%) at the end of the second year; twenty-five per cent (25%) at the end of the third year; and

twenty-five per cent (25%) at the end of the fourth year; as of the execution date of the corresponding Stock Option Agreement, being also complied the terms and conditions established by the Board of Directors and terms and conditions set forth in the respective Stock Option Agreements.

8.1.1. The Beneficiary shall be granted twelve (12) months to exercise such stock options, as of the dates defined in clause 8.1 above.

8.1.2. The portion of the option not exercised according to the established terms and conditions shall be considered automatically extinct, without any right to claim for damages.

8.2. The Beneficiary who wishes to exercise his stock option must inform the Company in writing, his intention to do so and indicate the number of stocks he wishes to acquire, according to the notice model to be disclosed by the Board of Directors.

8.2.1. The Company shall inform the Beneficiary, within three (3) business days as of the receipt of the notice mentioned in clause 8.2. above, the exercise price to be paid, based on the number of stocks informed by the Beneficiary, and the administration of the Company shall take all necessary measures to formalize the acquisition of the exercised stocks.

8.3. The Board of Directors may suspend the right to exercise the stock option, whenever situations restricting or impeding stock negotiations by the Beneficiaries, under the terms of the Law or regulation in force, are verified.

8.4. No Beneficiary shall have any right or privilege as a shareholder of the Company until his option is duly exercised, under the terms of the Plan and respective Stock Option Agreement. No stock shall be delivered to the holder as a result of the stock option exercise, unless all legal and regulatory requirements are fully fulfilled.

## **9. Severance and its Effects**

9.1. In the event of dismissal or termination of the beneficiary's employment agreement, with or without just cause, resignation or dismissal, retirement, permanent incapacity or death, the rights granted to him under the Plan shall be extinct or modified, according to the provisions contained in clause 9.2. below.

9.2. If, at any time while the Plan is in force, the Beneficiary:

- (a) withdraws from the Company at his own will, resigning, terminating his employment agreement or waiving his position as administrator: (i) the rights not yet exercisable under the respective Stock Option Agreement, on his withdrawal date, shall be automatically extinct, as set forth by law, regardless of prior notice or indemnity; and (ii) the rights already exercisable according to the respective Stock Option Agreement, on his withdrawal date, may be exercised, within thirty (30) days as of his withdrawal date, after which such rights shall remain extinct, as set forth by law, regardless of prior notice or indemnity;
- (b) is withdrawn from the Company by means of (i) resignation or termination of the Service Agreement, with or without just cause, or destitution from his office for any reason, or (ii) voluntary retirement, all rights already exercisable or not yet exercisable under the respective Stock Option Agreement, on his withdrawal date, shall be automatically extinct, as set forth by law, regardless of prior notice or indemnity;

- (c) withdraws from the Company due to compulsory retirement or permanent incapacity: (i) all rights not yet exercisable under the Stock Option Agreement, on his withdrawal date, shall become automatically exercisable, anticipating the grace period; and (ii) the rights already exercisable under the Stock Option Agreement on his withdrawal date shall remain unaltered, and may be regularly exercised, under the terms of the Agreement;
- (d) withdraws from the Company due to death: (i) the rights not yet exercisable under the respective Stock Option Agreement, on the date of this death, shall become automatically exercisable, anticipating the grace period, and the Beneficiary's legal heirs and successors may exercise the respective stock option, provided that they so do it within six (06) months as of the date of this death, after which term such rights shall be automatically extinct, as set forth by law, regardless of prior notice or indemnity; and (ii) the rights already exercisable according to the respective Stock Option Agreement, on the date of his death, may be exercised by the Beneficiary's legal heirs and successors, provided that they so do it within six (06) months as of the date of this death, after which term such rights shall be automatically extinct, as set forth by law, regardless of prior notice or indemnity.

## **10. Effective Term**

10.1. The Plan shall become effective on the date it is approved by the General Meeting of the Company and may be extinct, at any time, by decision of the General Meeting. The expiration of the Plan shall not affect the efficacy of the options still in force granted based thereon.

## **11. General Provisions**

11.1. The stocks options granted under the Plan shall not impede the Company from getting involved in corporate reorganization operations, such as transformation, consolidation, merger and spin-off. The Board of Directors of the Company and the companies involved in such transactions may, at their discretion, determine without prejudice to the other measures decided by equity: (a) to replace the stocks object hereof by stocks owned by the Company's successor company; (b) to anticipate the acquisition of the right to exercise the stock option, in a way to guarantee the inclusion of the corresponding stocks in the transaction in subject; and/or (c) to pay in cash the amount to which the Beneficiary is entitled under the Plan.

11.2. In the event the number, type or class of the stocks existing on the Plan approval date is modified as the result of bonuses, splits, grouping, or conversion of a type or class of stocks into another or conversion into stocks of other security interests issued by the company, the Board of Directors shall be responsible for making the corresponding adjustments to the number, type and class of stocks object of the granted options and their respective exercise price, in order to avoid distortions in the application of the Plan.

11.3. No provisions contained in the Plan or option granted under the Plan shall entitled any Beneficiary to remain as an administrator and/or employee of the Company, nor shall affect, in any way, the right of the Company to, at any time and subject to the legal and contractual conditions, terminate the employment agreement and/or interrupt the administrator's term of office.

11.4. Each Beneficiary shall expressly adhere to the terms of the Plan, upon a written statement, without any exceptions and under the terms of the Stock Trading Policy of Marfrig.

11.5. The Board of Directors may, in the interest of the Company and its shareholders, review the conditions of the Plan, provided that the respective basic principles are not modified.

11.6. Any legal substantial amendment to the rules governing business corporations, public corporations and/or tax effects of a stock option plan, may cause the integral review of the Plan.

11.7. The omitted cases shall be regulated by the Board of Directors and, whenever deemed convenient, taken to the appreciation of the General Meeting. Any option granted according to the Plan shall be subject to all terms and conditions herein established, terms and conditions of which shall prevail in case of inconsistency with any contractual provision or document mentioned herein.

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