

Introduction

The first Stock Option Plan of Lopes was approved, in the Shareholders Extraordinary General Meeting, held on November 07, 2007, so as to promote and align the interests of the Company and its affiliates, motivating its Managers.

The Plan was implemented and managed by Lopes' Board of Directors, within the limits of law, the Company's Bylaws, applicable regulation and the directions set forth by the Shareholders, assembled in a General Meeting. Due to corporate management issues, the members of the Board of Directors do not attend the meetings where decisions respective to their participation in the Plan are discussed.

The grant of stock options to the beneficiaries selected by the Board of Directors is made annually, by means of Stock Option Granting Programs, to be set forth, also, by the Board of Directors.

For each Granting Program, the Board of Directors establishes, in compliance to the general criteria of the Plan: the Company's total number of common shares to be issued under the context of the Plan, in each granting; the terms for the option of subscription or call option of the shares becomes exercisable; the subscription or purchase price of the shares and the rate for price adjustment, up to the date the option is exercised (automatically applicable under the lower frequency foreseen by the law).

The rate for adjustment may be changed by the Board of Directors at any time; the conditions for payment of the shares; the maximum term for the exercise of the option or the criteria for its determination; any restrictions to the negotiation of the shares subscribed or purchased due to the exercise of the option; and eventual penalties. The concession of options under a Granting Program, to any beneficiary will not give rise to an obligation, of the Company, to grant additional options to the same beneficiary, in future exercises. The options to be granted will be subject to the terms and conditions set forth under the Plan, the Granting Programs and the Instrument of Adhesion to the Stock Option Plan signed by the beneficiary.

The options granted shall only be exercised after one year from its grant, and, from then, in the proportion of, the most, 25% per year, except the specific rules for the first grant, approved during the Board of Directors Meeting held on March 23, 2007 and in the Annual and Extraordinary General Meeting of April 27, 2007.

No beneficiary shall have any of the rights and privileges held by the Company's shareholders until the options are duly exercised and the shares object of the options are subscribed or purchased. The options granted according the Plan may confer rights over a number of shares not exceeding, at any time, the maximum and cumulative amount of 5% of the shares issued by the Company. In the event the amount of shares of the Company is increased, decreased, or the occurrence of stock splitting or grouping or dividends, the Board of Directors will perform the proper adjustments to the number of common shares issued in compliance to the options which were exercised and to the options granted, however not exercised.

The term for the exercise of the options shall not exceed 6 years from the option grant date. After the mentioned period, the options granted, but not exercised, will lose its validity. Except the rules approved in the Board of Directors Meeting of March 23, 2007 and in the Annual and Extraordinary General Meeting of April 27, 2007, specific for the first grant, the price shall be set forth by the Board of Directors in the Grant Program, for each case, observed the legal parameters, however, it shall not be lower than 80% of the Stock Market Value of the shares on the date of the option grant (the average trading price of our shares at the São Paulo Stock Exchange - BOVESPA in 60 days prior to the date of grant, as adjusted for inflation by the IGPM, Market General Price Index). If, for any reason, the shares liquidity prejudices the fair Pricing of the common shares, the Board of Directors may deliberate the Stock Market Value to be arbitrated by the Board of Directors itself, based on the economic value of the common shares. The payment of the exercise price shall be effected in cash.

Except if otherwise deliberated by the Board of directors, the shares purchased due to the exercise of the option, will be entitled to dividends, in cash, including the interest on the capital, on the income stated for the fiscal year when the subscription or purchase occurred, as the case may be.

From the amount of options exercised within a specific year, 25% of the shares resulting from the option exercise, exempt the shares alienated for the purposes of payment of the shares price, shall not be alienated for the term of one year from the option exercise date. The options granted to the beneficiaries under this Plan will be untransferable, except the hypothesis expressly foreseen in this Plan.

In case the relationship between the beneficiary of the stock option and us is terminated by its own, the Company's or its affiliate's initiative, due to any reason, including fair cause, all the stock options that are granted but not vested are automatically terminated in full right. The options exercisable on the date of relationship termination shall be exercised within a term of 30 days, from that date. In the event of death or permanent incapacity, the Board of Directors will deliberate whether the shares which still not exercisable will become immediately exercisable. The options already exercisable on the date of death or permanent incapacity may be exercised, within a term of one year from that date by the successors or administrator or also, by the beneficiary itself, in the event of incapacity.

In the event of beneficiary retirement, the Board of Directors will deliberate whether the non-exercisable shares will become immediately exercisable. The options exercisable on the retirement date may be exercised within a term of 180 days from the mentioned date. The Grant Plan and Programs shall be in compliance to the regulations of the Comissão de Valores Mobiliários (Brazilian Securities Commission).

The shareholders will not have the right of first refusal at the purchase or exercise of the option right, according to the Plan. The Plan may expire at any time, (a) upon deliberation of the Extraordinary General Meeting or the Company's Board of Directors Meeting; (b) upon the Company's deregistration as a publicly held company; (c) upon the cease of the Company's common shares trading in over-the-counter market, organized market or stock market; (d) due to the Company's corporate reorganization; (e) upon the Company's liquidation or winding-up; or (f) upon lapse of 10 years term, from the date this Plan is approved, whichever is earlier.