

## **SECOND GRANT PROGRAM**

The Second Grant Program of Shares Options is subject to the covenants foreseen in the Plan approved by the Lopes Shareholders Extraordinary General Meeting held on November 07, 2007, according to the special conditions approved in the Board of Directors Meeting of July 16, 2008.

The number of options object of the second grant will confer the rights to purchase or subscription of up to 1,256,670 common shares.

The Managers and Executive which will receive shares grants will be freely selected by the Board of Directors, having as criteria, the contribution to achieve the goals of value creation, the development potential, the essence of the offices and other features deemed as strategically relevant by the Board of Directors.

For the purposes of the second grant of call options, the Board of Directors considered the previous performance of the beneficiary Managers and the need to create proper incentives, in view of the Company's objectives.

The options shall only be exercised after the elapse of a term of one year from July 16, 2008, Granting Date, able to be exercised in the proportion of, the most, 25% per year, subject to the other conditions of this Program and the Plan.

After the option is made exercisable, the Manager may exercise it at any time, under its exclusive discretion, up to the end of the term of 6 years, from the Granting Date. The exercise price of the second grant shall be equivalent to R\$25.20 per share, representing 80% of the average negotiation price from the 60 (sixty) days before the Granting Date. The price shall be adjusted from the date of its grant, up to the date of its effective exercise, according to the cumulative fluctuation of IGP-M (Market General Price Index).

To exercise the option, the holder shall send a written communication to the Company, addressed to the Board of Directors, informing about the amount of shares intended to be purchased and the date of grant of the options intended to be exercised. In a term of 5 working days after the receipt of the written communication referring to the exercise of the call option, the Company will inform the adjusted exercise price to be paid in full by the holder of the options and the date when the holder shall sign the subscription list or purchase agreement (Purchase Date). The Company may schedule a limited number of Purchase Dates, however, at least one in each quarter shall be established. The subscription list or shares purchase agreement will comprise the number of subscribed or purchased common shares, the exercise price and the payment terms approved by the Board of Directors, according to this Program, the Plan and any other terms and conditions which may be approved upon deliberation by the Board of Directors.

The Company will communicate whatever grant of options to the beneficiaries that, in turn, will sign a term of adhesion to the Program and to the Plan, within a term of 10 working days from the receipt of the options grant notification.