



CHARTER OF THE AUDIT COMMITTEE
("Charter")

1. DEFINITION

1.1. This Charter, organized in accordance with Chapter VI of the Bylaws of Cielo S.A. ("Company"), establishes procedures to be observed by the Finance Committee, consistent with an advisory Committee instated by resolution of the Board of Directors.

1.2. It shall be incumbent upon the Board of Directors to resolve on the amendment to this Charter.

2. PURPOSE AND RESPONSIBILITIES

2.1. This Committee is an advisory statutory body directly linked to the Board of Directors, acting with Independence in relation to the Company's Board of Executive Officers and aims at advising the Board of Directors on the accounting policies, issue of financial reports, internal controls and risk management of the Company and its subsidiaries, as well as the works developed by Internal and External Audits. The Committee may also issue recommendations and opinions so that the Board of Directors may promote Board of Executive Officers' responsibility and assessment as to integrity and effectiveness of the internal controls implemented by the Company.

2.2. Without prejudice of activities mentioned above, the Committee shall also ensure that the Internal Audit may regularly perform its duties independently, and the independent auditors may assess the practices of the Executive Board and Internal Audit.

2.3. It shall be incumbent upon the Committee:

- a) To advise the Board of Directors on the selection and hiring of independent auditors and their fees, as well as their replacement, if deemed necessary;
- b) Assess the effectiveness of independent auditors, inclusive as to their compliance with legal and normative provisions applicable to the Company, besides internal rules and codes;

- c) Previously assess the impact of eventual hiring of independent auditors to render other services, rather than the financial statements audit, and send its opinion to the Board of Director's resolution;
- d) Oversee the internal audit of the Company and its subsidiaries, monitoring the effectiveness and the structure sufficiency, as well as the quality and integrity of internal and independent audits, proposing to the Board of Directors the actions necessary to improve them;
- e) Assess the Company's Management observance to the recommendations issued by independent and internal auditors, as well as advise the Board of Directors on the resolution of any conflicts between independent auditors and the Board of Executive Officers;
- f) Advise on annual audit plans and analyze final reports, both submitted by internal audit;
 - Advise on changes in the internal audit scope and inform the Board of Directors on high-risk areas, relevant deficiencies, substantial failures in internal controls and illegal acts to the Board of Directors;
- g) Monitor the quality and integrity of internal control mechanisms of the Company and its subsidiaries, advising on improvement of policies, practices, and procedures deemed necessary;
- h) Oversee the activities of the area which prepares the financial statements of the Company and its subsidiaries;
- i) Monitor the quality and integrity of the quarterly information, the interim financial statements and the financial statements of the Company and its subsidiaries, making necessary recommendations to the Board of Directors;
- j) Hold meetings, at least, quarterly with external auditors;
- k) Advise on procedures to receive and deal with information on the failure to comply with legal and normative provisions applicable to the Company, besides internal rules and codes, also estimating specific procedures to protect the confidentiality of information;

- l) Hold periodic meetings with the Fiscal Council and the Board of Directors to discuss policies, practices, and procedures, within the scope of its duties;
- m) Prepare a summarized annual report to be submitted jointly with the financial statements, containing, at least, the following information: (i) the activities carried out in the year, results and findings; (ii) the assessment of effectiveness of the internal control systems and risk management of the Company;
(iii) the description of the recommendations submitted to the Company's Management and evidence of their implementation; (iv) the assessment of the effectiveness of independent and internal audits; (v) the assessment of the quality of financial reports, internal controls and corporate risk management for the period; and
(vi) any situations with significant divergence among the Company's Management, independent auditors and the Committee in relation to the Company's financial statements; and
- n) Establish additional operational rules, which shall be approved by the Board of Directors;

3. COMPOSITION, REQUIREMENTS AND IMPEDIMENTS

3.1. The Committee is a joint body and shall consist of three (3) members elected by the Board of Directors, of whom, at least one shall be an Independent Member of the Company's Board (as defined in the Listing Rules of the BM&FBOVESPA' Novo Mercado).

3.2. Members of the Committee shall perform their duties in accordance with the same duties and responsibilities assigned to the Company's Management contained in Articles 153 to 159 of Law No. 6,404/76 ("Brazilian Corporation Law"), as provided in Article 160 of the same Law.

3.3. The Committee shall be composed of sitting members only, being forbidden the participation of members of the Fiscal Council, when instated.

3.4. There will be no hierarchy among the Committee's members who will not have any assignment in the Company's staff, severally or jointly, and the Board of Directors is responsible for granting any bonus for participation or allowing the reimbursement of expenses incurred in meetings attendance.

3.5. Members shall act with maximum independence and objectivity in the best interest of the Company so that the Committee can achieve its purpose and should also observe and comply with the Code of Conduct and other Policies and Codes of the Company.

The office as Committee's member cannot be delegated.

3.6. Members of the Audit Committee shall be elected during the first meeting of the Board of Directors held after the Annual General Meeting of the Company to elect members of the Board of Directors.

3.7. Members of the Committee shall serve for a two-(2) year term of office, reelection being allowed, and may also be replaced at any time by decision of the Board of Directors.

3.8. At the first meeting to be held after the election of Committee's members by the Board of Directors said members shall elect their Coordinator and Vice Coordinator, whose terms of office will coincide with the terms of office of the Committee's members.

3.9. The Coordinator shall be a member of the Board of Directors and will have as major duties:

- a) call for the Committee's meetings;
- b) assess and define the issues to be discussed at the meeting and include these matters in the agenda;
- c) coordinate meetings; and,
- d) report the Board of Directors on the works carried out by Committee;

3.10. The Committee shall have one secretary who shall assist Coordinator in his duties, prepare minutes of the meetings, and at the end, read the minutes and collect signatures thereof. The secretary will be nominated by Committee's Coordinator, who shall be necessarily a member of the Committee or an employee of the Company.

3.11. When necessary, the Committee shall nominate one of its members to represent the Committee at meetings of any other body of the Company.

3.12. If by any chance, the Coordinator of the Committee must leave his office temporarily, the Vice Coordinator shall take office during such period.

3.13. In case of resignation, unjustified absence in more than two consecutive meetings or definitive impediment of the Committee Coordinator, the Vice Coordinator shall assume the position of Coordinator until the next meeting, when the new Coordinator will be elected for the remaining term of office of Committee's members and will be responsible for calling said meeting within ninety (90) days from resignation, unjustified absence or impediment. If the Vice Coordinator is also impeded, any member of the Committee may call for a meeting to elect the new Coordinator.

4. MEETINGS

4.1. The meetings will be held ordinarily on a quarterly basis and extraordinarily whenever necessary. Meetings will be held at the Company's premises and, in duly justified special cases, the Coordinator may call for the meeting in a different place.

4.2. Ordinary and extraordinary meetings shall be called by the Coordinator, in writing, being accepted call by electronic mail (email), at least five (5) business days in advance, and with five (5) calendar days' notice on the meeting's agenda and all supporting materials shall be sent, through the Corporate Governance Portal or alternatively via electronic mail (email).

4.3. If committee's members do not timely receive documents of any item on the agenda referred to in previous paragraph, it may be requested by any member that said item be discussed at the next meeting. The decision of discussing or not the referred item in the agenda will rely on the approval of a majority of attending members.

4.4. The inclusion of topics not mentioned in the agenda will be subject to the approval of a majority of the Committee's members.

4.5. The meeting will be instated with the attendance of all members, on a first call, with attendance via conference call or video conference authorized and shall be instated with any number, on a second call.

4.5.1. The second call will be held within 5 (five) business days after the date of the meeting not instated.

4.5.2. The meetings shall be validly held, regardless of call, with the attendance of all members of the Committee.

4.6. The participation of third parties in the Committee meetings is allowed, provided that such participation is necessary for the joint works of the Committee and to be approved by simple majority of attending members. These third parties shall not participate in the recommendations issued by the Committee.

4.7. The Committee may, within its duties, use expert services, which will not exempt it from its responsibilities with the Company.

4.7.1. The hiring of external experts to support the activities of the Committee, resolved by a majority of its members, shall be requested to the Board of Directors, which shall approve it and establish the hiring criteria and conditions.

4.8. The recommendations of the Committee shall be issued by simple majority vote, excluding the votes of any members with interests conflicting with the Company. In the event of a tie vote, an extraordinary meeting shall be called immediately after the end of the meeting that raised the tie vote to allow voting of any absent party. If a tie remains, the matter shall be referred to the Board of Directors. To calculate the votes, the criterion of 1 (one) vote per member of the Committee will be adopted.

4.8.1 Decisions of the Committee's members shall be made considering the interests of the Company, so that members shall be independent with respect to the subject-matter of the advice.

4.9. Members are forbidden to intervene in any operation with interests conflicting with the Company, as well as advice on the conflict of interest issued by other members of the Committee, which shall make them aware of their impediment and declare in the minutes the nature and extension of their interest.

4.10. Regardless of provisions in item 4.9 above, no member of the Committee may participate in the operation or recommendation involving relatives or companies in which they are directly or indirectly, partner, shareholder, manager or even an employee or service provider.

4.11. The meetings shall be transcribed in the minutes and signed by the members. The minutes should contain the most relevant points of discussion, recommendations issued, list of attending members, justification of absences and recommended actions.

4.12. The minutes of each meeting shall be read, approved and signed at the end of the meeting or at the beginning of the subsequent meeting. The Secretary shall forward copies of such minutes to all members of the Committee. If necessary, the matters recorded in the minutes may be forwarded to the areas responsible for taking the measures recommended by the Committee. The Secretary shall also send a summary of the minutes to the Board of Directors for its acknowledgment.

5. INTERACTION WITH OTHER BODIES OF THE COMPANY

5.1. The Coordinator shall report to the Board the recommendations and activities carried out by the Committee, being allowed to send the minutes of meetings, studies, presentations and other documents used during meetings.

5.2. Upon express request, the Committee may receive copies of the minutes of general meetings, meetings of other Committees, the Board of Directors, Executive Board and Fiscal Council (if instated), as well as other clarifications or information it deems necessary for the carry out its duties, where authorized by laws and the Company's Bylaws.

6. ANNUAL REPORT

6.1. Annually, during the preparation of the Management Report, the Committee shall prepare and submit to the Board of Directors a written report, summarizing the activities carried out in the year ended, as well as any recommendations submitted.

7. MISCELLANEOUS

7.1. In case of conflict between the provisions hereof, the Shareholders' Agreement filed at the headquarters of the Company or the Company's Bylaws, the provisions of the documents in the following order shall prevail:

- (a) Bylaws;
- (b) Shareholders' Agreement; and
- (c) This Charter.

São Paulo, June 19, 2013.