

Policy on Information Disclosure and Trading of Securities issued by CIA HERING

PURPOSE

This Policy on Information Disclosure and Trading of Securities is aimed at setting the principles of disclosure and use of information and the practices for trading of securities issued by Cia. Hering.

Chapter I

Definitions

As used herein, the following words and expressions shall have the following meanings:

"Controlling Shareholders" or "Holding Companies" shall mean a shareholder or group of shareholders bound to a shareholders agreement, or under common control, with Power to Control Cia. Hering, pursuant to the provisions of Law 6.404/76 and any further amendments thereto.

"Officers" shall mean any directors, members of the Board of Directors, Board of Auditors or any committees with technical or consulting assignments, instated by statutory provision.

"Relevant Act or Fact" shall have the meaning assigned to it under subsection 4.3 hereof.

"Company" shall mean Cia. Hering.

"Stock Exchanges" shall mean any stock exchanges in which bonds and securities issued by the Company are listed for trading, whether in the country or abroad.

"CVM" shall mean the Brazilian Securities & Exchange Commission.

"Reference Form" shall mean the form specified in CVM Instruction 480, dated December 7, 2009.

"Relevant Information" shall mean any information regarding relevant acts or facts, until disclosed to regulation agencies, Stock Exchanges and similar entities, as well as to shareholders and investors in general.

"CVM Instruction 358/02" shall mean CVM Instruction 358 dated January 3, 2002 and any amendments thereto, covering the disclosure and use of information on Relevant Act or Fact regarding open capital companies, as well as the trading of bonds and securities issued by an open capital company, pending a relevant fact not disclosed to the market, among other matters.

"Related Persons" shall mean the following persons, anyhow bounded to Officers, Auditors or members of Corporate Committees with Technical or Consulting Assignments: (i) spouse whom he/she is not legally divorced from; (ii) partner; (iii) any dependant included in the annual income tax return; and (iv) companies directly or indirectly controlled whether by Officers, Auditors and members of Corporate Committees with Technical or Consulting Assignments, or by Related Persons.

"Power to Control" shall mean (i) ownership of shareholding rights assuring, on a permanent basis, preponderance in corporate resolutions and the power to elect most the officers; and (ii) effective use of power to run the corporate business and guide the operation of corporate committees.

"Policy" shall mean this Policy on Information Disclosure and Trading of Securities issued by the Company.

"Fellow Companies" shall mean companies in which the Company holds 10% (ten percent) or more of the capital stock, without controlling them.

"Controlled Companies" shall mean companies in which the Company, whether directly or by means of other controlled companies, holds shareholding rights assuring, on a permanent basis, preponderance in corporate resolutions and the power to elect most the officers.

"Securities" shall mean any shares, debentures, subscription bonuses, subscription receipts and rights, promissory notes, put or call options, derivatives, or any other bonds, or covenants for collective investment, issued by the Company or referenced thereto, which are by law construed as securities.

"Former Officers" shall mean directors, members of the Board of Directors, members of the Board of Auditors, and members of any corporate committees with technical or consulting assignments, instated or to be instated by the Company, Fellow Companies or Controlled Companies, under statutory provision, who are no longer members of the administration.

Chapter II

Purpose and Scope

The purpose hereof is to stipulate high standards of conduct and transparency to be mandatorily met by: (i) Controlling Shareholders; (ii) Officers; (iii) Auditors; (iv) members of other Corporate Committees with Technical or Consulting Assignments; (v) employees and executives having access to Relevant Information; and (vi) whoever is aware of information on Relevant Act of Fact about the Company, by reason of their position, title or job in the Company, Controlling Companies, Controlled Companies, and Fellow Companies, in order to localize the internal policies of the Company to the principle of transparency and good conduct practices in the use and disclosure of Relevant Information and when trading Bonds and Securities issued by the Company.

The aforesaid persons must execute the respective Deed of Adhesion to this Policy, pursuant to the provisions of Section 15, Paragraph 1, Subsection I, and Section 16, Paragraph 1 in CVM Instruction 358/02, and according to such form as contained in Exhibit I attached hereto, which must be filed in the corporate head office while the aforesaid persons are bound to it, and for a further period of at least 05 (five) years as of their dismissal or resignation.

The Company shall keep in its head office an updated list of persons who are signatories of the Deed of Adhesion with their respective qualification, position or function, address, and taxpayer identification number.

Chapter III

Principles

All persons subject to this Policy must base their conduct on the values of good faith, loyalty and veracity, as well as on the general principles contained herein.

Persons adhering to this Policy must as well have in mind their social responsibility, mainly to investors, coworkers and the community where the Company operates.

All efforts for market efficiency must aim that competition between investors for best returns takes place in terms of appraisal and construal of disclosed information instead of based on access to inside information.

All persons subject to this Policy must take into account that transparent, accurate and timely information is the main tool available to investors and to the shareholders of the Company, so that they are assured with indispensable equitable treatment.

The relationship between the Company and the partakers and opinion makers in the securities market must take place on a uniform and transparent basis.

All persons subject to this Policy are required to assure that any disclosure of any information on the equity status and financial condition of the Company is accurate, complete, continued and developed by the officers in charge of such assignment, in line with this Policy and the rules and regulations in force.

Chapter IV

Policy on Disclosure and Use of Relevant Act or Fact

4.1 Investor Relations Director:

It is vested in the Investor Relations Director the primary responsibility for communication and disclosure of Relevant Acts or Facts in connection with the Company.

Accordingly, all persons bound to the Company are required, under this Policy and the regulations in force, to communicate any Relevant Act or Fact they may become aware of, to the Investor Relations Director, so that he may take the necessary steps in accordance with this Policy.

4.2 Purpose:

The purpose of disclosing a Relevant Act or Fact is to assure investors with timely, efficient and reasonable availability of information that may be necessary for their investment decisions, for the sake of best symmetry achievable, when disseminating such information, thus avoiding misuse of inside information in the securities market by persons who have access to it, for their own benefit or for the benefit of third parties, in disadvantage to investors in general, the market and the Company.

4.3 Relevant Act or Fact:

On the word of CVM Instruction 358/02, a Relevant Act or Fact shall mean: (a) any decision by Controlling Shareholders, or resolution by the General Meeting or the administration boards of the Company; or (b) any other political, administrative, technical, business, or economic/financial act or fact occurred or related to their business, which may have a material effect on:

- (i) Quotation of Securities issued by the Company or referenced thereto;
- (ii) The investors' decision to buy, sell or keep the Securities; or
- (iii) The investors' decision to exert any rights inherent to their position of holders of the Securities issued by the Company or referenced thereto.

4.4 Relevant Act or Fact – Examples and Construal:

These are examples of Relevant Acts or Facts:

- (i) Execution of corporate shareholding control transfer agreement, even if under precedent or subsequent condition;
- (ii) Change of control in the Company, including by means of execution, amendment or termination of shareholders agreement;
- (iii) Execution, amendment or termination of shareholders agreement wherein the Company is a party or an intervening party, or which has been annotated in the respective book of the Company;
- (iv) Admission or retirement of a shareholder having any operational, financial, technological or managerial cooperation or covenant with the Company;
- (v) Consent to trade of Securities at any domestic or foreign market;
- (vi) Decision to void an enrollment of an open capital company;

- (vii) Amalgamation, merger or split involving the Company or fellow companies;
- (viii) Purchase or sale of assets with material value;
- (ix) Corporate transformation or dissolution;
- (x) Change in the corporate equity structure;
- (xi) Change of accounting principles;
- (xii) Assumption, early settlement, or renegotiation of debt;
- (xiii) Approval of plan to grant call options;
- (xiv) Amendment to rights and benefits attached to the Securities;
- (xv) Shares outspreading or grouping, or bonus attribution;
- (xvi) Purchase of shares of the Company to be held in treasury or canceled, and sale of shares so purchased;
- (xvii) Corporate profits or losses, and attribution of dividends or interests on the corporate capital, or any other cash proceeds;
- (xviii) Agreement execution or termination, or failed achievement thereof, when the achievement expectancy is known to the public;
- (xix) Project approval, modification or rejection, or delayed implementation thereof;
- (xx) Start, resumption or discontinuation of manufacture or trade of product or service provision;
- (xxi) Discovery, change or development of technologies or facilities of the Company;
- (xxii) Change in forecasts announced by the Company;
- (xxiii) Approval, by the corporate administration boards, of a public offer subject to filing before CVM;
- (xxiv) Acquisition of shareholding control in an open capital company.

The events described as Relevant Act or Fact must have their materiality appraised within the context of the regular course of business and the dimension of the Company, as well as formerly disclosed information, rather than on an abstract basis, so as to avoid making ordinary the disclosure of Relevant Acts or Facts, in detriment of the appraisal by the market of the perspectives of the Company.

4.5 Internal Procedures for Communication and Disclosure of Relevant Act or Fact:

The Investor Relations Director is in charge of (i) communicating to CVM, Bovespa and, as the case may be, Over the Counter Markets and Stock Exchanges; and (ii) disclosing to the market any Relevant Act or Fact about the Company.

Controlling Shareholders, Officers, Auditors, Employees and Executives who have access to Relevant Information, as well as the members of any Corporate Committees with Technical or Consulting Assignments must communicate any Relevant Act or Fact they become aware of to the Investor Relations Director.

Meetings with class entities, investors, analysts or target audience, in the country or abroad, to address matters that may evince Relevant Information, must be attended by the Investor Relations Director or his designee. Otherwise, the contents of such meetings must be previously reported to the Investor Relations Director, regarding anything that may evince Relevant Information, so that any Relevant Information is disclosed to the market on a simultaneous basis.

4.6 Liability in Events of Omission:

In any event of omission by the Investor Relations Director regarding compliance with his duty to communicate and disclose Relevant Acts or Facts (at no decision to keep confidentiality, under Section 6 in CVM Instruction 358/02), the Controlling Shareholders, Officers, Auditors, Employees and Executives who have access to Relevant Information, or any of the members of any Corporate Committee with Technical or Consulting Assignments, who have personal knowledge of the Relevant Act or Fact, and detect such omission, shall be exempted from liability only if they communicate such Relevant Act or Fact to CVM without delay.

4.7 Disclosure:

Whenever possible, a Relevant Act or Fact must be disclosed before the opening or after the closing of business at BM&FBovespa and, as the case may be, Stock Exchanges and Over the Counter Markets. In case of incompatible business hours, the Brazilian Market business hours shall prevail.

The Investor Relations Director must:

- (i) Communicate and disclose the Relevant Act or Fact occurred or related to the business of the Company promptly after occurrence;
- (ii) Unveil concomitantly to the whole market any Relevant Act or Fact to be disseminated in any communication means, including press release, or meetings with class entities, investors, analysts and target audience, in the country or abroad; and
- (iii) Consider the need of requesting, always simultaneously, to Bovespa and, as the case may be, Stock Exchanges and Over the Counter Markets, for discontinuation of trading of Securities for as long as it takes to properly disseminate the Relevant Information, when it is imperative that the Relevant Act or Fact is disclosed during business hours.

4.8 Communication:

Information on any Relevant Act or Fact must be concomitantly communicated:

- (i) To CVM;
- (ii) To BM&FBovespa; and
- (iii) To Stock Exchanges and Over the Counter Markets, as the case may be.

4.9 How to Disclose:

Relevant Acts or Facts involving the Company must be disclosed by publishing in newspapers habitually used by the Company.

Per disclosure of a Relevant Act or Fact, the Company may opt for communicating it as a summary in newspapers, containing such minimum elements as necessary for understanding. In that case, such publishing must contain the website address where the complete information is available to all investors, in form and substance at least equal to those reported to CVM, BM&FBovespa and, as the case may be, Stock Exchanges and Over the Counter Markets.

4.10 Confidentiality Obligation:

The Controlling Shareholders, Officers, Auditors, Employees and Executives who have access to Relevant Information, as well as any members of Corporate Committees with Technical or Consulting Assignments, or otherwise those who have executed the Deed of Adhesion by

virtue of their position, title or job in Controlling Companies, Controlled Companies and Fellow Companies, have the obligation to:

- (i) keep confidential all information on Relevant Acts or Facts they have privileged access to, until disclosure to the market; and
- (ii) see that their subordinates and trusted third parties act accordingly, standing jointly responsible with them in case of breach of confidentiality.

In case of doubt regarding the relevance of an Inside Information, they must contact the Investor Relations Director in order to clarify the matter.

4.11 Exception to Disclosure:

The general rule for Relevant Act or Fact is immediate communication and disclosure. In any case, failing to communicate or disclose a Relevant Act or Fact is an exception and must be the subject matter of analysis.

In exceptional cases, where indistinct disclosure of Inside Information constituting a Relevant Act or Fact can jeopardize the legitimate interests of the Company, the non-disclosure shall be submitted to the Controlling Shareholders or Officers of the Company, as the case may be, for decision.

Even if the Controlling Shareholders and Officers decide not to disclose a Relevant Act or Fact, it is their duty to communicate the Relevant Act or Fact on a prompt basis, directly or by means of the Investor Relations Director, in the event that the information escapes their control or in case of atypical oscillation in quotations, prices or volumes of traded Securities of the Company.

The Controlling Shareholders or Officers may submit to CVM their decision to keep confidential, exceptionally, Relevant Acts or Facts the disclosure of which they believe to feature patent risks to legitimate interests of the Company.

4.12 The following is not a Relevant Act or Fact:

For the purposes of this Policy, a mere feasibility of investment or business opportunities by the Company, even if involving the execution of confidentiality agreements, which must be kept absolutely confidential by all Related Persons, does not configure a Relevant Act or Fact.

4.13 Quiet Period:

The Quiet Period before the disclosure of the financial statements is the procedure that must be adopted by the companies, according to the rules and regulations in force, in the sense of not disclosing inside information about their results to persons outside the scope of the professionals involved in preparing and approving such financial statements by the Board of Directors, in the period preceding the delivery of such information to CVM and to Stock Exchanges or Over the Counter Markets, as well as the public disclosure thereof.

The Company adheres to the Quiet Period method during 15 (fifteen) days preceding the public disclosure of the three-month statement (ITR), the annual statement (DFP) and the Reference Form to CVM.

Related Persons are subject to the Quiet Period.

Information featuring Relevant Act or Fact but not directly concerning the contents of financial statements not disclosed yet must keep on being disclosed regularly to the market, as described in this Policy.

The Company shall internally declare Quiet Period for Related Persons during the periods in which public offers and/or structured operations are in progress, pursuant to the provisions

of the money market rules; in that case, it shall abstain from attending public meetings, conferences and press interviews.

Exceptionally, in case of involuntary leakage of such information, and upon the occurrence of atypical or fortuitous events, in order to equalize the information to the market, the Company must communicate to CVM such data as leaked to the market, as soon as possible, through the procedures stipulated herein.

4.14 Response to Rumors:

The Company adopts the stance of silencing about rumors or speculations coming from the shares market, except in extreme situations causing or liable to cause material volatility to Securities issued by the Company or referenced thereto, during a given period of time.

4.15 Duty to Communicate Dealings of Officers, Related Persons, etc.:

The Officers, Auditors and members of corporate committees with technical or consulting assignments must report their ownership of Securities issued by the Company, whether in their name or in the name of Related Persons, as well as any changes in such positions.

The communication must be sent to the Investor Relations Director who, in his turn, shall send it to CVM, BM&FBovespa and, as the case may be, Stock Exchanges and Over the Counter Markets.

Such communication must be delivered (i) soon after investiture, as applicable, and (ii) within at most 10 (ten) days as of the expiration of the month in which the changes in the positions take place, specifying the position balance in the period.

4.16 Sale or Purchase of Relevant Shareholding Interest:

The direct or indirect Controlling Shareholders, the shareholders electing the members of the Board of Directors, and the shareholders electing the members of the Board of Auditors must disclose the information on the sale or purchase of Relevant Shareholding Interest.

The statement about the sale or purchase of Relevant Shareholding Interest must be sent to CVM, BM&FBovespa and, as the case may be, Stock Exchanges and Over the Counter Markets.

Such communication to CVM, BM&FBovespa and, as the case may be, Stock Exchanges and Over the Counter Markets must be sent soon after the said shareholding interest is achieved.

Chapter V

Policy on Trading of Securities issued by the Company

5.1 No-Trade Period:

The Company, its direct or indirect Controlling Shareholders, Officers, Auditors, Employees and Executives, who have access to Relevant Information, and the members of the corporate committees with technical or consulting assignments, must abstain from trading their shares during all periods in which, according to communication from the Investor Relations Director, there is a no-trade determination.

The same obligations are to apply to those who, due to their position, title or job in Controlling Companies, Controlled Companies and Fellow Companies, become aware of information on Relevant Act or Fact regarding the Company, and have executed the Deed of Adhesion.

5.2 Restrictions on Trading pending Disclosure of Relevant Act or Fact:

Trading of Bonds and Securities issued by the Company, by direct or indirect Controlling Shareholders, Officers, Auditors, Employees and Executives who have access to Relevant Information, and by members of corporate committees with technical or consulting assignments, as well as by those who, due to their position, title or job in Controlling Companies, Controlled Companies or Fellow Companies, have executed the Deed of Adhesion, and have become aware of Relevant Act or Fact regarding the Company, is hereby expressly prohibited, in the following events:

- (i) whenever a Relevant Act or Fact takes place regarding the business of the Company, which the aforesaid persons are aware of;
- (ii) whenever there is an intention to promote amalgamation, full or partial split, merger, transformation or corporate reorganization; and
- (iii) applicable only to direct or indirect Controlling Shareholders and Officers, whenever it is in progress or it had been granted an option or an order to stop selling or purchasing shares issued by the Company, at the initiative of the very Company, its Controlling Companies, Controlled Companies, Fellow Companies or other companies under common control.

The prohibitions detailed in subsections (i) and (ii) above shall no longer be in force as soon as the Company discloses the Relevant Act or Fact to the market, except when the trading of shares of the Company by the aforesaid persons, after the disclosure of the Relevant Act or Fact, is likely to interfere with the business conditions of the Company, in disadvantage to the shareholders of the Company or to the very Company.

The prohibitions detailed in subsection (iii) above are not to apply to direct or indirect Controlling Shareholders, Officers, Auditors, Employees or Executives who have access to Relevant Information, or to members of corporate committees with technical or consulting assignments, as of the date the Deed of Adhesion is executed (CVM Instruction 358/02, Section 13, Paragraph 7), when they carry out operations within the scope of the Trading Policy hereunder, on condition that such transactions do not take place on the same date as those carried out by the Company within the scope of the buyback program.

Transactions by the aforesaid persons, within the scope of the Trading Policy, with a view to taking advantage from the benefit hereunder, pursuant to the provisions of CVM standards, must be carried out as long-term investments, meeting at least one of the following features:

- (i) Shares subscription or purchase in view of exertion of options granted under the Call Option Plan approved by the General Meeting;
- (ii) Application of variable remuneration received within the meaning of profit sharing, in the purchase of Securities of the Company;
- (iii) Execution of Investment Individual Programs by direct or indirect Controlling Shareholders, Officers, Auditors, Employees or Executives who have access to Relevant Information, or members of corporate committees with technical or consulting assignments, as defined herein.

Investment Individual Programs

Investment Individual Program shall mean any individual plans for purchase of Securities filed at the corporate headquarters, wherein the direct or indirect Controlling Shareholders, Officers, Auditors, Employees or Executives who have access to Relevant Information, and members of corporate committees with technical or consulting assignments, have voiced their intent to invest their own funds, on a long-term basis, in Securities issued by the Company.

There to, the Investment Individual Program must be filed for longer than 30 (thirty) days with the Investor Relations Director, with an estimate of the volume of funds that the concerned party aims to invest, or the amount of Securities that they aim to purchase, within the effective term of the Investment Individual Program instated by the concerned party, not shorter than 12 (twelve) months, upon the expiration of which the concerned party must submit a brief report on the respective advance.

Except in the event of Force Majeure, duly justified in writing, the Securities purchased based on the Investment Individual Program cannot be sold earlier than 90 (ninety) days as of the purchase date.

The abovementioned 30-day-period restriction is not to apply to the Investment Individual Program first filed after this Policy is put into effect.

5.3 Restrictions on Trading in Period preceding Disclosure of Three-Month Statements and Annual Financial Statements:

The Company and its direct or indirect Controlling Shareholders, Officers, Auditors, Employees or Executives who have access to Relevant Information, and members of corporate committees with technical or consulting assignments, and those who, due to their position, title or job in Controlling Companies, Controlled Companies and Fellow Companies, are aware of information on Relevant Act or Fact regarding the Company, and have executed the Deed of Adhesion, cannot trade Securities of the Company in the 15-day period preceding disclosure or announcement, as the case may be, of:

- (i) the company's three-month statements (ITR); and
- (ii) the company's annual statements (DFP).

5.4 Restrictions on Resolution for Purchase or Sale of Shares issued by the Company:

The Board of Directors cannot pass resolution for purchase or sale of shares issued by the Company while it is not in the public domain, through the announcement of Relevant Act or Fact, the information on:

- (i) execution of any agreement covering the transfer of the shareholding control of the Company; or
- (ii) granting of option or order to stop transfer of shareholding control of the Company; or
- (iii) existence of intention to promote amalgamation, full or partial split, merger, transformation or corporate reorganization.

5.5 Restrictions on Trading applicable to Former Officers, Employees, Executives, and Related Persons, who have become aware of Relevant Act or Fact:

Former Officers, Employees, Executives and Related Persons who retire from the Company before the public announcement of the transaction or event initiated during their term of office cannot trade Securities of the Company:

- (i) for a period of six months as of their retirement; or
until disclosure by the Company of the Relevant Act or Fact to the market, unless, in this case, the transaction with the shares of the Company, after the disclosure of the Relevant Act or Fact, is likely to interfere with such transactions, in disadvantage to the shareholders of the Company or to the very Company.

Considering the assumptions described above, the event that occurs first is to prevail.

Chapter VI
Final Provisions

6.1 Direct and Indirect Trading:

The restrictions and transactions governed by this Policy apply to any transactions directly or indirectly carried out by Controlling Shareholders, Officers, Auditors, Employees or Executives who have access to Relevant Information, and members of corporate committees with technical or consulting assignments, as well as those who, due to their position, title or job in Controlling Companies, Controlled Companies and Fellow Companies, are aware of information on Relevant Act or Fact regarding the Company, including when the transactions by such persons are carried out through:

- (i) companies controlled by them; and
- (ii) third parties with whom they maintain a fiduciary contract, or a portfolio or shares management agreement.

Transactions carried out by investment funds the stockholders of which are the persons listed in the former paragraph shall not be deemed indirect transactions, provided that:

- (i) such investment funds are not exclusive; and
- (ii) the investment fund's administrator trading decisions cannot be influenced by the stockholders.

6.2 Obligations of the Investor Relations Director:

The Investor Relations Director is the person in charge of enforcing the Policies on Disclosure and Use of Information and Trading of Securities issued by the Company.

6.3 Amendments to Policies:

Any amendments or reviews hereto must be submitted to the Board of Directors of the Company.

6.4 Amendments to Trading Policies:

The trading policies hereunder cannot be amended pending disclosure of Relevant Act or Fact.

6.5 Third Party Liability:

The provisions hereof do not elide any liability arising from or in connection with legal rules and regulations, imputed to third parties not directly bound to the Company, who are aware of a Relevant Act or Fact and happen to trade any Securities issued by the Company.

* * * * *

EXHIBIT I

**DEED OF ADHESION TO POLICY ON DISCLOSURE OF INFORMATION AND TRADING OF
SECURITIES ISSUED BY CIA HERING****CIA HERING**

NIRE: 42300020401 | Corporate Taxpayer Card: 78.876.950/0001-71

Under this Deed of Adhesion, I, [name], [qualification], [title], hereby adhere to the Policy on Disclosure of Information and Trading of Securities issued by Cia. Hering, as approved in the Meeting of the Board of Directors of Cia. Hering, held on [date], a copy of which I received and read. Therefore, I hereby commit to abide by the provisions thereof.

[place], [date].

Name:

Title: