

Listing Particulars

€200,000,000



Decatal Limited

(Incorporated and registered in England and Wales with registered number 08186266)

2.125% Subordinated Notes due 2021

ISIN CODE: GB00BD3J1346

CFI CODE: DBFUFR

SEDOL: BD3J134

Decatal Limited, a private limited company by shares incorporated and registered in England and Wales, under the Companies Act 2006. The economic activities (SIC) registered by the company are, respectively: "Activities of venture and development capital companies; activities to financial intermediation; and Activities of other holding companies". The company is also registered in Central Bank of Brazil, as foreign private entity, with the activities of Foreign Investor defined under the Law 4.131/62." (the "**Issuer**"). The company is hereby offering €200,000,000 aggregate principal amount of its 2.125% subordinated Notes due 2021 (the "**Notes**") to (1) qualified institutional investors in United Kingdom, United Arab Emirates and Brazil. The Notes will bear interest at a rate of 2.125% and will mature on October 26, 2021. Interest on the Notes will accrue from October 26, 2016 (the "**Issue Date**") and will be payable semi-annually in arrears on each October 26 and April 26, commencing on October 26, 2017. On or after October 26, 2019, the Issuer will be entitled at its option to redeem all, but not less than all, of the Notes at the redemption prices set forth under "Terms and Conditions of the Notes." In addition, the Issuer may redeem all, but not less than all, of the Notes upon the occurrence of certain changes in applicable tax law. Upon the occurrence of certain events constituting a "change of control," the Issuer may be required to make an offer to repurchase the Notes, pursuant to the conditions set forth in these listing particulars.

The Notes will be subordinated in right of payment to all of our existing and future senior indebtedness.

These listing particulars include information on the terms of the Notes, including redemption and repurchase prices, security, covenants, events of default, intercreditor relationships and transfer restrictions.

Currently, there is no public market for the Notes. Application has been made for listing particulars to be approved to the Irish Stock Exchange, and for the Notes to be admitted to the Official List of the Irish Stock Exchange and admitted to trading on its Global Exchange Market. This document has been approved as Listing Particular by the Irish Stock Exchange. The Global Exchange Market is not a regulated market pursuant to the provisions of Directive 2004/39/EC. There is no assurance that the Notes will be, or will remain, listed and admitted to trading on the Global Exchange Market.

The Notes will be represented by one or more global notes, which will be delivered through Euroclear UK & Ireland ("**Euroclear**"), on the Issue Date. See "*Book-Entry; Delivery and Form.*"

Investing in the Notes involves a high degree of risk. See "Risk Factors" beginning on page 11 for a discussion of the factors you should consider before investing.

Price for the Notes: 100% plus accrued interest, if any, from October 26, 2016

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or the securities laws of any state or jurisdiction. Emirates NBD Bank PJSC (the “Sole Placement Agent”), through its selling agents, is placing the Notes only outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act (“Regulation S”). The Notes are not transferable except in accordance with the restrictions described herein. See “Notice to Investors”, “Subscription and Sale” and “Transfer Restrictions.”

The Notes have not been approved or recommended by any United States Federal, state or foreign securities commission or regulatory authority, nor have any of these authorities passed upon the merits of this placement or determined that these listing particulars are accurate or complete. Any representation to the contrary is a criminal offense.

Lead Manager
COUNTRYSERV INTERNATIONAL

The date of these listing particulars is October 26, 2016.

SUMMARY

This summary contains an overview of the Issuer and the Notes. It does not contain all the information that you should consider before making your investment decision. This summary should be read in conjunction with the more detailed information appearing elsewhere in these listing particulars, including the information contained in "Risk Factors" beginning on page 11 and the Issuer's financial statements and related notes included in these listing particulars.

Our Proposed Business

We are a pre-operating stage company formed on August 21, 2012 to exploit opportunities in the Brazilian' renewable energy and agricultural sector.

We have not been established as a Special Purpose Vehicle; however the notes are issued as Asset Backed Securities whose underlying assets are ring fenced for the Noteholders. We have not yet engaged in any business activities and our proposed business plan currently contemplates:

(1) Purchasing companies on buyout process, acquiring party of gains the controlling interest of the targeted firm previously identified, who operates in the renewable energy sector;

(2) In the agricultural sector we will seek to explore investment opportunities in a diversified range of agricultural products (soy beans, corn and which may include sugarcane, and grains) making use, when appropriate, of common infrastructure and modern technology. We may develop this proposed activity directly or through joint ventures with third parties. In January 2015, we began to seek opportunities in renewable energy and agriculture sectors.

The long-term goal is to be a successful investment company enterprise in the commodities and renewable energy markets in Brazil.

Our Market Opportunity and Proposed Business Strategy

We believe that Brazil enjoys favorable natural conditions for a wide range of agricultural products, and that a substantial opportunity currently exists to make agricultural investments at attractive prices. Given our knowledge of the agricultural sector in Brazil, we believe that we are well positioned to take advantage of this opportunity.

We also believe there is a considerable growth opportunity for renewable energy projects in Brazil and we plan on using our expertise in oil companies to invest in this sector. To achieve our investment objectives, we currently intend to implement the following strategies:

- *Focus on appreciation of our assets and securities.*

We intend to develop our activities in the renewable energy sector and to seek medium- and long-term appreciation of the shares held through the buyout process. The development of our agricultural activities to seek medium and long-term appreciation of our Securities represented by **Rural Producer Certificates** by anticipating trends in the agribusiness sector, implementing the agricultural supply chain financing with Large Input Suppliers providing barter operations for qualified agricultural producers with low debt structures and large commodity off-takers for the commodity.

The farmer will issue the Rural Products Notes secured by mortgage of farmland, Pledge of soy bean/corn, agricultural Machinery and Personal Endorsement.

- *Diversification of our portfolio of investments in the agricultural sector.*

Over time, we aspire to achieve diversified operations producing a range of different agricultural commodities. We believe that diversified operations would enhance the stability of our cash flows and mitigate our exposure to seasonality, cyclical, commodity price volatility, unexpected weather conditions and other factors affecting the agricultural sector.

- *Enhance agricultural productivity by applying modern technologies.* We believe that an opportunity exists in Brazil to improve agricultural productivity. Agricultural productivity among the producers of the crops in which we invest can be increased by investments that we make in technology for their development. We hope to contribute to the modernization of technologies such as fertilizers, mechanized land clearing and sowing to enhance productivity.
- *Expand the scope of our investment activities by pursuing opportunities in the renewable energy sector.*

The Brazilian government has indicated its commitment to maintain a large share of renewable energy in its energy matrix. With this in mind, we plan to expand our investment activities by promoting the diversification of electric power generation sources in Brazil and prioritizing investments in projects that explore regional and local characteristics and potentialities and aim at the reduction of greenhouse gas emissions.

- *Leverage experienced management to secure attractive investment opportunities.*
- We intend to use our CEO, Mr. Ricardo Daim's substantial experience in business in Brazil, especially in the distribution sector of fuel oil and alcohol, to help us identify and pursue investment opportunities in the country. We hope to use Mr. Daim's extensive business experience for the selection of a team of experts in the agribusiness and renewable energy sectors, who will be hired to help manage the Issuer's investments in Brazil.

Certain Other Proposed Business Activities

The return of investments in the sectors of agriculture and energy will require some time to occur and we have to generate cash flow to pay the administrative expenses, research, and keeping the portfolio of guarantees of payment to investors.

The first act to be applied in the post-trade will be setting up of the "portfolio of securities" purchasing Brazilian Government Treasury Bills with high rate of liquidity. All of these assets are registered at Bovespa and Cetip and held in book-entry custody through electronic registration, in the account opened under the name of the holder (Decatal). The investors, through the Note Trustee will be able to check the positions in real time.

The Treasury Bills available for trading are: (i) Brazilian Government Treasury Bonds, Treasury National Notes (LTNs), Treasury Financial Bills (LFTs) and Treasury Notes (B, C and F series); (ii) Brazilian fixed-income rate notes, including certificates of agricultural products (CPRs), agribusiness receivable certificates (CRAs), and agribusiness credit notes (LCAs),

Investments in Securities

In the implementation of investments in the sectors of renewable energy and agricultural and following our strategies, we intend to invest the proceeds from this placement conservatively, mainly in securities of Brazilian treasury and fixed income rate of high quality bonds. See below the overview of these types of investments.

Brazilian Government Treasury Bonds

- (i) *Treasury Bills (Letras do Tesouro Nacional or “LTNs”)*: LTNs are bonds with yields determined upon purchase (i.e., fixed rate) and payable upon maturity.
- (ii) *Treasury Financial Bills (Letras Financeiras do Tesouro or “LFTs”)*: LFTs are bonds with daily yields linked to the Brazilian economy’s basic interest rate (average rate of daily operations with public bonds registered in the SELIC system, or simply, the SELIC rate). These bonds are payable upon maturity.
- (iii) *Treasury Notes – B series (or “NTN-Bs”)*: NTN-Bs are bonds with yields linked to the variation of the Consumer Price Index – IPCA, along with interest defined upon purchase. Interest is paid every six months and principal is payable upon maturity.
- (iv) *Treasury Notes – C series (or “NTN-Cs”)*: NTN-Cs are bonds with yields linked to the variation of the General Price Index-Market – IGP-M, along with interest defined upon purchase. Interest is paid every six months and principal is payable upon maturity. These bonds are no longer issued by the Brazilian government but are still traded in the securities market.
- (v) *Treasury Notes – F series (or “NTN-Fs”)*: NTN-Fs are bonds with fixed rate yields, along with interest defined upon purchase. Interest is paid every six months and principal is payable upon maturity.

Brazilian fixed-income rate notes

- (i) *Certificates of Agricultural Products (Cédulas do Produto Rural or “CPRs”)*: CPRs are notes or agreements to supply agricultural produce in the future in exchange for monetary or tradable inputs that allow farmers to function in the present. CPRs in Brazil are equalized to securities. They are quoted at the Brazilian Commodity and Futures Exchange (BM&F) and are exempt from tax on financial transactions for legal entities, and from income tax for individuals. In Brazil, there are two types of CPR contracts: tradable (commodity) and financial.
 - **Tradable CPRs**: After the issuance and sales of the CPR, a producer obtains financing in exchange for the liability to supply goods at a previously agreed place and time. In tradable CPRs, the general quantity and quality of goods, and place and date of delivery are clearly defined.
 - **Financial CPRs**: These instruments were introduced in order to attract investors who were not comfortable dealing with agrarian products. The essence of financial CPRs is that a producer is obliged to repay the funds in a given period. Such CPRs envision either the current price of products or the price of products as of the date of settlement by the CPR.
- (ii) *Agribusiness Receivable Certificates (Certificado de Recebíveis do Agronegócio, or “CRAs”)*: CRAs are credit instruments issued exclusively by securitized companies and linked to credit rights from deals between rural producers. They are free-float bonds that represent a promise of payment in cash, and are similar in substance to mortgage-backed securities, but directed entirely at rural businesses.
- (iii) *Agribusiness Credit Notes (Letras de Crédito do Agronegócio, or “LCAs”)*: LCAs are fixed-income bonds issued by a financial institution, whose returns may come in the form of a percentage of the inter-bank deposit certificate (CDI), a fixed rate or even inflation plus a fixed interest rate. LCAs are backed by receivables originating from finance for farmers or agricultural cooperatives. Its main advantage is that it is a low-risk financial instrument, since investors are mainly relying on the issuing financial institution’s credit risk.

Agribusiness Sector

Our portfolio of investments in the agricultural sector consists mainly of the supply of agricultural inputs, technical assistance and providing machinery and technology to designated farmers. We plan to use a monitoring system by satellite, to oversee the plantation areas of the farmers that we work with. The system will determine the variation of the land and the necessity, if any, for fertilizers to help increase the yield per hectare of a given crop. These and other management measures will increase productivity and consequently, the farmers' projects.

We are currently focused on agribusiness projects in the state of Mato Grosso (*Legal Amazon*), Brazil, but are not certain about the other geographical regions and agricultural sectors in which we may invest, the dates by which we might be able to make investments or the price we might pay for our investments.

Soy bean and Corn

We currently expect to invest in properties used for the cultivation of soy beans and corn in the state of Mato Grosso, Brazil. Grain production typically requires very substantial investment at an early stage to acquire and/or lease large properties and to convert virgin land into arable land and improve the soil's fertility and productivity. In view of the large size of these areas, we would also likely need to make a large investment in infrastructure and equipment, including fleets of tractors, harvesters and other machinery.

Renewable Energy Projects

Because of the large number of waterways that criss-cross Brazil, the fundamental energy model of the country has long been based around hydroelectric power. However, early this decade, a period of scarce rainfall prompted severe energy shortages and led the Brazilian government to bring in emergency power rationing. The crisis, which ravaged Brazil's economy, underscored the country's pressing need to diversify away from water power. As a result, the Brazilian government began encouraging energy conservation, the exploration of non-conventional energy sources, and the creation of small hydroelectric power plants and other sources of renewable energy in Brazil.

In 2015, the Brazilian government announced the Power Investment Program (*Programa de Investimento em Energia Elétrica*, or "**PIEE**"), which foresees investments in the amount of R\$186 billion in new power generation and transmission projects through public auctions to be held between 2015 and 2018. The PIEE is an important indicator of the Brazilian government's intention to prioritize the expansion of the power generation capacity and the power transmission system and to develop renewable sources of energy.

We plan on taking advantage of the Brazilian government's incentives to the renewable energy sector to invest in projects for the production of bio ethanol through sugar cane bagasse and for the construction and operation of small hydroelectric power plants, as set out below.

Production of Bio ethanol through Sugarcane Bagasse

We currently expect to invest in projects for the utilization of sugar cane bagasse for the production of bioethanol. This material offers several advantages: rapid growth of the sugarcane plant, widespread cultivation in Brazil, and lower energy and bleaching chemical requirements for bagasse refining, among others. This process is also a convenient means of usefully clearing this voluminous sugar refinery waste product: usually, one ton of refined sugar results in two tons of bagasse.

Small Hydroelectric Power Plants

Pursuant to Brazilian laws, small hydro-power plants may be classified as (i) hydroelectric generation plants (*centrais geradoras hidrelétricas*, or "**CGHs**"), which are hydropower developments with installed capacity of up to

3 MW, or (ii) small hydroelectric plants (pequenas centrais hidrelétricas, or “PCHs”), which are hydropower plants with power above 3 MW and below 30 MW.

CGHs and PCHs provide certain benefits over the large hydropower plants in terms of financial viability. They have a shorter gestation period and usually give a higher return on investment due to the low capital investment and operational and maintenance costs. In addition, small hydropower plants are easier to construct and commission due to simpler designs, which allow investors to keep costs down.

From an environmental perspective, small hydroelectric power plants are also advantageous because the use of independent hydropower systems on local rivers avoids long distance transmission lines and all the environmental issues created by energy transport.

Given the hydroelectric potential in Brazil and the Brazilian government’s plans to invest in the renewable energy sector, we currently plan to invest in projects for the construction and operation of small hydroelectric power plants in Brazil.

PRIVATE PLACEMENT

Issuer	Decatal Limited, a private limited company by shares incorporated and registered in England and Wales with registered number 08186266.
Notes Offered	€200,000,000 aggregate principal amount of 2.125% subordinated notes due 2021.
Issue Date	October 26, 2016 (the “ Issue Date ”).
Maturity Date.....	October 26, 2021.
Interest	Interest on the Notes will accrue at a rate of 2.125 per cent per annum from October 26, 2016. Interest is payable semiannually in arrears on October 26 and April 26 of each year (each, an “ Interest Payment Date ”), with the first interest payment date being October 26, 2017 and the last interest payment date being October 26, 2021.
Indenture	The Notes are to be issued under and governed by an indenture among the issuer, Orla DTVM S/A, as trustee, and the Countryserv Agency Services, as principal paying agent.
Ranking.....	The Notes will at all times constitute our unsecured, subordinated obligations, and, in the event we become subject to insolvency or bankruptcy proceedings, the Notes will rank: <ul style="list-style-type: none">• junior in right of payment to the payment of all our senior indebtedness;• <i>pari passu</i> among themselves; and• senior to the capital stock of the Issuer.
Securities	The Brazilian Government Treasury Bonds issued by The National Treasury Secretariat governed by the Decree Law no. 3,859/2001 and held in book-entry through electronic registration at Selic (BCB the bonds offered in the domestic auctions are LTN, NTN-B, NTN-F and LFT at maturity up to 4 years for the LTN and up to 5 years to the others.
Rural Product Notes – fixed income	The fixed-income Agricultural Bonds are issued by Rural Producers, regulated by the Brazilian Law 8929 from August 22, 1994. This law defines three types of Instruments according to their applicability in the Agribusiness Chain: Agricultural Letter of Credit -LCA; Agricultural Receivable Certificate - CRA, and Rural Product Notes- CPR. These securities should be registered as book-entry or electronic at BM&F Bovespa or Cetip S/A. CPR allows for financial settlement (delivery of funds instead of goods) since the public deed registered at the notary is explicit regarding price and the price index. The BM&F Bovespa is the institution responsible for disclosure of said price and Index Esalq/FGV.
Note Trustee	Orla DTVM S/A – address at rua da Assembleia, 10 – 2106, Rio de

	Janeiro – RJ, Brail, acts as trustee (the “ Note Trustee ”) for and behalf of the holders (the “ Noteholders ”) of the Notes.
Security Trustee	The Secured Creditors will comprise any person who is a party to, or has acceded to, the STID (Security Trust and Inter Creditor Deed) as a Secured Creditor.
Optional Redemption	On or after October 26, 2019 (unless the Notes have been purchased upon the occurrence of certain changes in applicable tax law, in which case, at any time), the Issuer may, by giving not less than 30 nor more than 60 days’ notice to Noteholders (which notice shall specify the date fixed for redemption and shall be irrevocable) redeem in whole, but not in part, the Notes outstanding at the time, at the redemption prices listed in “Terms and Conditions of the Notes— Optional Redemption.” Prior to October 26, 2019, the Issuer may, at its option, redeem all or a portion of the Notes at a redemption price equal to 100% of the principal amount of the Notes plus a “make-whole” premium.
Redemption for Taxation Reasons.....	In the event of certain developments affecting taxation, we may redeem the Notes in whole, but not in part, at any time at a redemption price of 100% of the principal amount, plus accrued and unpaid interest, if any to the date of redemption. See “Terms and Conditions of the Notes— Redemption for Tax Reasons.”
Change of Control	Upon the occurrence of certain events constituting a “change of control,” the Issuer may be required to offer to repurchase the Notes as a purchase price in cash equal to 101% of their aggregate principal amount, plus accrued and unpaid interest, if any, to the date of purchase. See “Terms and Conditions of the Notes “Change of Control.”
Certain Covenants.....	The terms of the fiscal agency agreement entered into between the issuer and Emirates NBD (the “ Fiscal and Paying Agent ”) require us, among other things, to: <ul style="list-style-type: none"> • maintain all necessary governmental and third-party approvals and consents; • maintain our books and records; • maintain an agency in the United Kingdom where Notes may be presented or surrendered for payment or for exchange, transfer or redemption and where notices and demands may be served; • give notice to the Fiscal and Paying Agent of any default or event of default under the Fiscal Agency Agreement, and of certain other events; • replace the Fiscal and Paying Agent upon any resignation or removal thereof; and • preserve our corporate existence.
Use of Proceeds	The net proceeds from the placement of the Notes, amounting to up to €198.0 million, will be used by the Issuer for its general corporate purposes, which include: (i) purchase of the fixed-rate long-term National Treasury Bills, (ii) purchase of the fixed-rate short-term

	National Treasury Bills (iii) investments in the agribusiness and renewable energy sectors in Brazil and (iv) investments in Brazilian fixed-income securities. For more information, see “Use of Proceeds.”
Transfer Restrictions.....	The Notes will not be registered under the Securities Act or the securities laws of any other jurisdiction. The Issuer will only place Notes to sophisticated investors who sign an investor representation letter in the form attached hereto as Annex A. In addition, any future transfer of the Notes will be subject to the receipt of prior written consent from the Issuer. Any potential transferee of the Notes will be required to sign an investor representation letter in the form attached hereto as Annex A to be delivered to the Issuer. The Notes will be offered only outside of the United States to non-“U.S. Persons” (as defined in Rule 902 under the Securities Act in accordance with Regulation S under the Securities Act).
Listing	We have applied to admit the notes to listing on the Official List, and to trading on the Global Exchange Market of the Irish Stock Exchange. The issuer cannot assure you, however, that this application will be accepted, or if accepted, that the notes will remain so listed. The issuer will at all times use its reasonable efforts to maintain the listing of the notes on the Global Exchange Market of the Irish Stock Exchange. If the notes are delisted, the issuer will use reasonable efforts to list the notes in another comparable exchange.
Form and Denominations	The Notes will be issued in minimum denominations of €1,000,000 and integral multiples of €100,000 in excess thereof. The Notes will be issued in registered form and will be represented by a global note certificate registered in the name of the common depository for Euroclear UK and Ireland.
Clearing Systems for the Notes	Euroclear S/A address at Rue des Deux Églises, 1 1210, Bruxelles, Belgium.
Notice to Investors.....	The Notes have not been and will not be registered with the U.S. Securities and Exchange Commission under the Securities Act. Consequently, the Notes may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable US state securities laws, and are therefore subject to certain restrictions on transfer described herein. See “Notice to Investors.”
Risk Factors	See “Risk Factors” and the other information in these listing particulars before investing in the Notes.
Governing Law	The Notes are governed by and construed in accordance with England and Wales laws.

PROPOSED BUSINESS ACTIVITIES

Overview of the Issuer

We are an investment and financial services company incorporated and registered in England and Wales with the purpose of raising funds in the international markets to pursue investment opportunities in Brazilian securities, Brazilian agricultural and renewable energy sectors.

We have not yet engaged in any business activities, and our proposed business plan currently contemplates the identification of opportunities and investments in (i) Brazilian fixed-income rate notes; (ii) Brazilian Government Treasury Bills; (iii) selected rural properties believed to offer attractive prospects for agricultural production and value appreciation and (v) financing of renewable energy projects.

We will seek to explore investment opportunities in a diversified range of agricultural products (which may include soy beans, sugarcane, grains, cotton and corn) making use, when appropriate, of common infrastructure and modern technology. We will also pursue investment opportunities in renewable energy projects, including investments in bio ethanol production through sugarcane bagasse, hydroelectric power stations and biomass fuel projects. We may develop our proposed activities directly or through one or more subsidiaries and/or joint ventures with third parties.

Our business plan includes projects in the state of Mato Grosso, located in the Midwest region of Brazil, which is the largest producer of soy beans, cotton and corn in the country. Our long-term goal is to be a successful investment company enterprise in the commodities and renewable energy markets in Brazil.

Our Proposed Business Strategy

We are sure that Brazil enjoys favorable natural conditions for a wide range of agricultural products, and that a substantial opportunity currently exists to make agricultural investments at attractive prices. Given our knowledge of the agricultural sector in Brazil, we believe that we are well positioned to take advantage of this opportunity. We also believe there is a considerable growth opportunity for renewable energy projects in Brazil and we plan on using our expertise to invest in this sector. To achieve our investment objectives, we currently intend to implement the following strategies:

- *Diversification of our portfolio of investments in the agricultural sector.* Over time, we aspire to achieve diversified operations producing a range of different agricultural commodities. We believe that diversified operations would enhance the stability of our cash flows and mitigate our exposure to seasonality, cyclicalities, commodity price volatility, unexpected weather conditions and other factors affecting the agricultural sector.
- *Expand the scope of our investment activities by pursuing opportunities in the renewable energy sector.* The Brazilian government has indicated its commitment to maintain a large share of renewable energy in its energy matrix. With this in mind, we plan to expand our investment activities by promoting the diversification of electric power generation sources in Brazil and prioritizing investments in projects that explore regional and local characteristics and potentialities and aim at the reduction of greenhouse gas emissions.
- *Leverage experienced management to secure attractive investment opportunities.* We intend to use our CEO, Mr. Ricardo Daim's substantial experience in business in Brazil to help us identify and pursue investment opportunities in the country. We hope to use Mr. Daim's extensive business experience for the selection of a team of experts in the agribusiness and renewable energy sectors, who will be hired to help manage the Issuer's investments in Brazil.
- *Enhance agricultural productivity by applying modern technologies.* We believe that an opportunity exists in Brazil to improve agricultural productivity. Agricultural productivity among the producers of the crops in which we invest can be increased by investments that we make in technology for their development. We

hope to contribute to the modernization of technologies such as fertilizers, mechanized land clearing and sowing to enhance productivity.

We currently hope to make investments in one or more of sugarcane bagasse, soy bean, and corn, each as described in greater detail below. Nonetheless, we are a recently established company with limited operational history, and we cannot assure you that we will in fact implement the foregoing strategy. We intend to be opportunistic in the rapidly evolving agricultural and renewable energy sectors in Brazil, and you should understand that we expressly reserve the right to modify from time to time our initial strategy and pursue other opportunities that we, in our sole judgement, consider attractive. As a result, our actual strategies and operations may differ significantly from our initial strategy described herein.

Certain Proposed Business Activities

Our initial business strategy is extremely broad and is subject to significant changes in the future, since it does not change the proposed percentage of investments that ensure the interest and principal payments to investors.. The investments in Brazilian Government Treasury Bonds will represent 70% of the proceeds. Currently, our proposed business activities are focused on investments in:

- (i) Brazilian Government Treasury Securities, including Fixed rate income Treasury Bills (LTNs), Treasury Financial Bills (LFTs) and Treasury Notes (B, C and F series);
- (ii) Brazilian fixed-income rate notes, including certificates of agricultural products (CPRs), agribusiness receivable certificates (CRAs) and agribusiness credit notes (LCAs);
- (iii) agribusiness projects; and
- (iv) renewable energy projects.

Investments in Securities

Until we are able to identify investments in the agricultural and renewable energy sectors that follow our strategies, we intend to invest the proceeds from this placement in a conservative manner, mostly in Brazilian Government Treasury Bills.

The Issuer is in the process of setting up an investment portfolio in Brazil to be managed by an asset management firm. This portfolio will be managed by a Brazilian Brokerage (Orla DTVM), governed by Brazilian law and regulated by the Securities and Exchange Commission of Brazil (*Comissão de Valores Mobiliários*, or “CVM”). The Issuer will “act as advisor” for the approval of the investments in Brazilian Securities to be made by the Brokerage.

The main types of securities in which the Issuer is planning to invest are Brazilian Government Treasury Bonds (fixed rate income) short term, Brazilian Government Treasury Bonds (fixed rate income) long term and Brazilian fixed-income rate notes and. We provide below an overview of these types of investments.

Brazilian Government Treasury Bonds

- (i) *Treasury Bills (Letras do Tesouro Nacional* or “**LTNs**”): LTNs are bonds with yields determined upon purchase (i.e., fixed rate) and payable upon maturity.
- (ii) *Treasury Financial Bills (Letras Financeiras do Tesouro* or “**LFTs**”): LFTs are bonds with daily yields linked to the Brazilian economy’s basic interest rate (average rate of daily operations with public bonds registered in the SELIC system, or simply, the SELIC rate). These bonds are payable upon maturity.

- (iii) *Treasury Notes – B series* (or “**NTN-Bs**”): NTN-Bs are bonds with yields linked to the variation of the Consumer Price Index – IPCA, along with interest defined upon purchase. Interest is paid every six months and principal is payable upon maturity.
- (iv) *Treasury Notes – C series* (or “**NTN-Cs**”): NTN-Cs are bonds with yields linked to the variation of the General Price Index-Market – IGP-M, along with interest defined upon purchase. Interest is paid every six months and principal is payable upon maturity. These bonds are no longer issued by the Brazilian government but are still traded in the securities market.
- (v) *Treasury Notes – F series* (or “**NTN-Fs**”): NTN-Fs are bonds with fixed rate yields, along with interest defined upon purchase. Interest is paid every six months and principal is payable upon maturity.

Brazilian fixed-income notes

The Issuer also plans to invest in the following debt securities issued by the Brazilian Agribusiness companies

- (i) *Agribusiness Receivable Certificates (Certificado de Recebíveis do Agronegócio, or “CRAs”)*: CRAs are credit instruments issued exclusively by securitized companies and linked to credit rights from deals between rural producers. They are free-float bonds that represent a promise of payment in cash, and are similar in substance to mortgage-backed securities, but directed entirely at rural businesses.
- (ii) *Agribusiness Credit Notes (Letras de Crédito do Agronegócio, or “LCAs”)*: LCAs are fixed-income bonds issued by a financial institution, whose returns may come in the form of a percentage of the inter-bank deposit certificate (CDI), a fixed rate or even inflation plus a fixed interest rate. LCAs are ensured by receivables originating from finance for farmers or agricultural cooperatives. Its main advantage is that it is a low-risk financial instrument, since investors are mainly relying on the issuing financial institution’s credit risk.
- (iii) *Certificates of Agricultural Products (Cédulas de Produto Rural or “CPRs”)*: CPRs are notes or agreements to supply agricultural produce in the future in exchange for monetary or tradable inputs that allow farmers to function in the present. CPRs in Brazil are equalized to securities. They are quoted at the Brazilian Commodity and Futures Exchange (BM&F) and are exempt from tax on financial transactions for legal entities, and from income tax for individuals. In Brazil, there are two types of CPR contracts: tradable (commodity) and financial.
 - Tradable CPRs: After the issuance and sales of the CPR, a producer obtains financing in exchange for the liability to supply goods at a previously agreed place and time. In tradable CPRs, the general quantity and quality of goods, and place and date of delivery are clearly defined.
 - Financial CPRs: These instruments were introduced in order to attract investors who were not comfortable dealing with agrarian products. The essence of financial CPRs is that a producer is obliged to repay the funds in a given period of time. Such CPRs envision either the current price of products or the price of products as of the date of settlement by the CPR.

Agribusiness Sector

Our portfolio of investments in the agricultural sector consists mainly of the supply of agricultural inputs, technical assistance and providing machinery and technology to designated farmers. We plan to use a monitoring system by satellite, to oversee the plantation areas of the farmers that we work with. The system will determine the variation of the land and the necessity, if any, for fertilizers to help increase the yield per hectare of a given crop. These and other management measures will increase productivity and consequently, the farmers’ projects.

We are currently focused on agribusiness projects in the state of Mato Grosso, Brazil, but are not certain about the other geographical regions and agricultural sectors in which we may invest, the dates by which we might be able to make investments or the price we might pay for our investments. Consequently, it is not possible to give you any assurance that we will be able to implement our strategy. This lack of assurance makes an investment in our Notes

speculative, subjecting it to an uncommonly high level of risk. Before investing in our Notes, you should understand that there is a possibility of loss of your investment. See “Risk Factors” and “Forward-looking Information and Statements.”

Soy bean and Corn

We currently hope to invest in properties used for the cultivation of soy beans and corn in the state of Mato Grosso, Brazil. Grain production typically requires very substantial investment at an early stage to acquire and/or lease large properties and to convert virgin land into arable land and improve the soil’s fertility and productivity. In view of the large size of these areas, we would also likely need to make a large investment in infrastructure and equipment, including fleets of tractors, harvesters and other machinery.

We cannot assure you that we will be able to initiate and successfully implement our proposed investments in soy beans and corn because our ability to do so is subject to significant uncertainties, including, among others, our ability to identify producers seeking financing and acquire and/or lease the necessary properties on attractive terms and on a timely basis.

Renewable Energy Projects

Because of the large number of waterways that criss-cross Brazil, the fundamental energy model of the country has long been based around hydroelectric power. However, early this decade, a period of scarce rainfall prompted severe energy shortages and led the Brazilian government to bring in emergency power rationing. The crisis, which ravaged Brazil’s economy, underscored the country’s pressing need to diversify away from water power. As a result, the Brazilian government began encouraging energy conservation, the exploration of non-conventional energy sources, and the creation of small hydroelectric power plants and other sources of renewable energy in Brazil.

In 2015, the Brazilian government announced the PIEE, which foresees investments in the amount of R\$186 billion in new power generation and transmission projects through public auctions to be held between 2015 and 2018. The PIEE is an important indicator of the Brazilian government’s intention to prioritize the expansion of the power generation capacity and the power transmission system and to develop renewable sources of energy.

We plan on taking advantage of the Brazilian government’s incentives to the renewable energy sector to invest in projects for the production of bio-ethanol through sugar cane bagasse and for the construction and operation of small hydroelectric power plants, as set out below.

Production of Bio-ethanol through Sugarcane Bagasse.

We currently hope to invest in projects for the utilization of sugarcane bagasse for the production of bio-ethanol. This material offers several advantages: rapid growth of the sugarcane plant, widespread cultivation in Brazil, and lower energy and bleaching chemical requirements for bagasse refining, among others. This process is also a convenient means of usefully clearing this voluminous sugar refinery waste product: usually, one ton of refined sugar results in two tons of bagasse.

Small Hydroelectric Power Plants

Pursuant to Brazilian laws, small hydropower plants may be classified as (i) hydroelectric generation plants (*centrais geradoras hidrelétricas*, or “**CGHs**”), which are hydropower developments with installed capacity of up to 3 MW, or (ii) small hydroelectric plants (*pequenas centrais hidrelétricas*, or “**PCHs**”), which are hydropower plants with power above 3 MW and below 30 MW.

CGHs and PCHs provide certain benefits over the large hydropower plants in terms of financial viability. They have a shorter gestation period and usually give a higher return on investment due to the low capital investment and operational and maintenance costs. In addition, small hydropower plants are easier to construct and commission due to simpler designs, which allow investors to keep costs down.

From an environmental perspective, small hydroelectric power plants are also advantageous because the use of independent hydropower systems on local rivers avoids long distance transmission lines and all the environmental issues created by energy transport.

Given the hydroelectric potential in Brazil and the Brazilian government's plans to invest in the renewable energy sector, we currently plan to invest in projects for the construction and operation of small hydroelectric power plants in Brazil.

Regulation

Agricultural production and renewable energy are highly regulated industries that are significantly affected by government policies and regulation. Government policies such as taxes, tariffs, subsidies, import and export restrictions on agricultural commodities and products made from such commodities, the location and size of crop production and volume limits, among other things, will continue to impact the profitability of our operations and business strategy.

Legal and Arbitration Proceedings

The Issuer is not involved, and has not been involved, in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had in the past 12 months a significant effect on the Issuer's financial position or profitability.

Insurance

The crops in which the Issuer plans to invest will be insured by a regional agricultural yield index provided by Swiss Re Corporation Solutions. This insurance will cover possible farming losses resulting from natural causes, such as droughts, floods, wind storms, heat waves and cold spells, as well as pests and diseases, among others. For more information, see "Description of the CPR Agreement and Insurance Policy."

Although we will have insurance coverage, our insurance may be inadequate to cover all losses or liabilities that might be incurred in our operations.

Employees

We do not have any employees as of the date of these listing particulars.

Intellectual Property

We do not have any significant intellectual property and we also believe that no intellectual property will be acquired for the development of activities.

UNDERLYING ASSETS

The Securities

The net proceeds from the sale of the notes will be, primarily, applied in the purchase of (i) the fixed-rate long-term **Brazilian Government Treasury Bills**, (ii) the fixed-rate income, short-term **Brazilian Government Treasury Bills**.

The Federative Republic of Brazil, through the National Treasury Secretariat is the Issuer of the Brazilian Domestic Public Bonds which are held in book-entry through electronic registration at Selic (BCB)⁽¹⁾. The amount invested on the purchase is equivalent to 99% of the value received from the placement of the Notes.

Source: www.tesouro.fazenda.gov.br/en/homeen.

Decatal Limited is a private limited company by shares incorporated and registered in England and Wales, under the Companies Act 2006, with an individual sole shareholder. The company and its shareholder are not involved with the Brazilian Federal Government (Federative Republic of Brazil)

See: <https://beta.companieshouse.gov.uk/company/08186266>.

Description of the Underlying Assets

The **Brazilian Government Treasury Bonds** (Treasury Bills), fixed rate income, long-term or short-term, have characteristics that demonstrate capacity to produce the funds to service any payment due and payable on the notes. The National Treasury Secretariat, issuer of the Treasury Bills, was created on March 10, 1986, by Decree n° 92,452, merging the former Financial Programming Commission and the Internal Control Secretariat of the Ministry of Finance. It is the central entity of the Federal Financial Management System and the Federal Accounting System.

The legal jurisdiction by which the pool of assets is governed is Brasilia, Federal District of Brazil.

Legal Nature of the Assets

In 1988, the Government Operating Account at Banco do Brasil was replaced by the Treasury Operating Account at the Central Bank creating a direct link between the Management and Control of Federal Finance and the Budget Operations of the various management units. As a result of the implementation of the Operating Account, more than five thousand government bank accounts have been eliminated and making it possible to exert more effective control over the government cash flow. At the same time, the Monetary Budget was eliminated and other government budgets were unified. Toward the end of the 1980s, agricultural and export development programs were transferred from the Central Bank to the National Treasury, which also took on those activities related to domestic public debt management.

Maturity Date/Amount of the Assets

The maturity date of the Brazilian Treasury Bonds that will be part of the portfolio of guarantees for payment of interest and redemption of the principal by the Issuer, is on December 2021.

The amount of the assets represented by the Treasury Bills is €228,145,180., ie, the level of collateralisation is equal to 103% of the Notes plus interest.

Brazilian Government Treasury Bonds - Historical

The Federal Public Debt (FPD) is the debt incurred by the National Treasury to finance the Federal Government budget deficit, including the refinancing of its own debt, and to carry out operations with specific purposes defined

by law. Early in the 1990s, the Government started to restructure debts through a securitization process. Debt stemming from the assumption of state-owned companies and sub-nationals liabilities was renegotiated and transformed into public securities issued to original creditors.

This process benefitted the Government, insofar as it adjusted payment flows to its payment capacity, also contributed to the public sector debt credibility recovery. To creditors, it meant transforming a contractual debt, with no liquidity, into an instrument that could be negotiated in the secondary market.

While many instruments exist to finance the Federal Public Debt, the ones described here are the most important and account for more than 90% of the total.

To minimize the refinancing risk attached to this measure, the National Treasury began to hold auctions for the early redemption of fixed-rate securities. It also held auctions for the repurchase of inflation-linked securities, as a way to increase market liquidity. In other words, holders of these securities could leave their positions if they wished. NTN-Bs also began to be issued: This indexed security now accounts for a significant share of the public debt profile.

Long-term, fixed-rate securities with periodic payments of interest coupons (NTN-Fs) were issued for the first time in 2003, to lengthen the fixed-rate debt. This course was consistent with procedures adopted by countries with more developed markets.

Domestic public securities are detailed in Decree No. 3,859/2001, which establishes the main characteristics of Brazilian Federal Public Debt (DFPD).

We have chosen to invest in The Direct Treasury investments ("Treasury Direct") as we believe such securities bear the following characteristics: (i) the investor knows, at the time of investment, how its money will yield in the future. (ii) it is a simple product in which to invest and (iii) investing in a wide range of Treasury Securities is extremely safe and allows initial investments from \$ 30 (iv).the securities are secured by the Brazilian Government; and (v) the securities offer considerable turnover and a high level of liquidity. Each Treasury Security has its own maturity date, par value of R\$1.000,00 and allowing to sell it beforehand.

The Contractual Debt of the National Treasury refers exclusively to external debt, since the domestic contractual debt has been securitized over the years and is therefore classified as part of the domestic debt. You can find more details about the above information following the links:

http://www3.tesouro.fazenda.gov.br/english/national_treasury/index.asp

Replacement of Treasury Bills

Decatal may replace, up to the amount equivalent to 30% of the total of Treasury Bills, for Agricultural Fixed Income Bonds issued by Rural Producers.

The replacement shall satisfy the following parameters:

a) Eligible Agricultural Bonds:

- (1) Agribusiness Letter of Credit – (LCA);
- ii. Agribusiness Receivable Certificates (CRA);;
- iii. Rural Product Notes (CPR).

b) Legal aspects.

Concept: represents the commitment to deliver rural products or settlement upon payment, with or without provide

in the bond.

Scope: Agricultural producers. Most liquid commodities/products: sugar cane. **Soy beans**, coffee, cotton and **corn**.

Issuers: Rural producers, their associations and/or cooperatives.

Buyers: Agro industries, trading companies, input suppliers, mutual funds and financial institutions.

Aval: co-obligor, personal guarantee, joint and several responsibilities.

Insurance: Issued for CRA and LCA.

Bearer bond specifications: product specification, indication of the crop place, description of the place and delivery terms, identification of the price or price index, institution responsible for the index and/or calculation of the price, indication of the place of price formation.

Collateral Management: the collateral management enables the creditor (Decatal) to supervise and monitor the production, from the development of the crop to the delivery of the product, through periodic reports, which shall mention: (1) monitoring of planting, confirmation and control of areas given as collateral; (2) monitoring the crop developing, estimated production, re-harvest; (3) plague and quality control, and identification of breaks; (4) crop failure before the harvest; (5) monitoring the product delivery; and, (6) deterioration or any misire of the product.

Risks Mitigates: (1) Maturity dates of the obligations must follow the harvesting period; (2) previous analysis of the producer, cycle, historic production and applicable collateral; (3) collateral package; (4) duly execution and registration of the documents; (5) collateral monitoring is very important when dealing with crops. Such follow up is the main element towards a successful precautionary measure request. **Compliance: Demarest Lawyers**

- c) The Agricultural Bonds, after appropriate due diligence, will be submitted for listing at Bovespa or Cetip, on behalf of Decatal, by Orla DTVM;
- e) The Treasury Bills may only be replaced by Agricultural Bonds when these bonds have been listed in the Bovespa or Cetip, respecting the maximum percentage of 30% set out in this prospectus.
- f) The agricultural bonds, being securitized, offer the same level of assurance to investors than the Brazilian Treasury Bonds. The possible insolvency of the issuers (Rural Producers) will not affect the liquidity of the Agricultural Bonds, because the credit insurance will guarantee the payment. Therefore, the impact of eventual replacement of assets is minimized and the investors remain assured. **(see the section Description of the Insurance Policy)**
- g) Orla shall inform the Note Trustee about the replacement, if any, of some Treasury Bills by Agricultural Bonds.

The investments in LCA, CRA and CPR represent:

- a) Partnership between Decatal and Rural Producers through the signature of a Joint Venture Agreement.
- b) The terms of the JVA refer to the following: (a) Decatal provides the necessary funds for the project and will be responsible for financial management, trade, purchase of inputs and others that may be necessary (b) Rural Producer will be responsible for all related to the planting and will issue of Agricultural Bonds to ensure the investments from Decatal.

The Rural Producer will issue LCA, CRA, and CPR, to ensure the investments provided. These insured certificates will be held in book-entry custody through electronic registration in an account opened under the name of the holder (Decatal) at Cetip or Bovespa through Orla DTVM. Decatal will have all the rights to negotiate the LCA, CRA and CPR in the market.

Description of the Regulated Market

The **BM&F-BOVESPA:** in short, *Bolsa de Valores, Mercadorias & Futuros de São Paulo*) is a stock exchange located at São Paulo, Brazil. On May 8, 2008, the São Paulo Stock Exchange-(Bovespa) and the Brazilian

Mercantile and Futures Exchange (BM&F) merged, creating *BM&FBOVESPA*. The benchmark indicator of BM&FBOVESPA is the “Índice Bovespa”.

BM&FBOVESPA is a company that manages the organized Securities and Derivatives markets, providing registration, clearing and settlement services. It acts as central counterparty, guaranteeing financial liquidity for the trades executed in its environments.

The Exchange offers a wide range of products and services such as spot FX, Equities and Fixed-Income Securities trading, as well as trading in Derivatives Contracts based among other things on Equities, Financial Securities, Indices, Rates, Commodities and Currencies. It lists companies and other issuers, is a Securities depository, has a Securities lending service and licenses software.

BM&FBOVESPA has a diversified and integrated trading model offering a complete custody system. Trading takes place in an exclusively electronic environment. The Exchange enables customers to trade Equities, to hedge and to execute arbitrage, investment diversification, allocation and the leveraging of positions.

For the corporate fixed income market, BM&FBOVESPA offers deposit, listing and distribution services, electronic trading platforms and settlement/custody functionalities. Below you will find more information on the available services.

CETIP S/A

Cetip is the integrated financial market located at Sao Paulo and Rio de Janeiro. It is a publicly traded company that offers registration services, central depository, trading and settlement of assets and securities. Through technology and infrastructure solutions, provides liquidity, security and transparency for financial operations, contributing to the sustainable development of the market and Brazilian society. The company is also the largest depository of private fixed income securities in Latin America and the largest private asset clearinghouse country.

More than 15,000 participating institutions use the services of Cetip. Among them, investment funds; commercial, multiple and investment banks; brokers and dealers; financial, joint ventures, leasing companies and real estate credit; credit unions and foreign investors; and non-financial companies, such as foundations, car dealers and insurance companies. Millions of individuals are benefiting every day for goods and services provided by the company as processing TEDs and settlement of DOCs, and record CDs and fixed income securities, and electronic service delivery of information necessary for the investor.

Bovespa and Cetip publish in real time, the price quotation of assets, turnover, and other market indexes.

The Market’s Regulatory Authority

National Financial System – Central Bank of Brazil

The national financial system is commonly divided into three components: policy boards, supervisory entities and operators. Policy boards are created by statute with specific responsibilities. They set general guidelines to the financial system, but do not have executive functions. When deciding on an issue, they generally use the technical structures provided by supervisors. After a board sets guidelines, the relevant supervisory entities issue their own regulations thereof and become responsible for enforcing them.

There are currently three policy boards:

1. **CMN – Conselho Monetário Nacional** (National Monetary Council), the highest board within the SFN;
2. **CNSP – Conselho Nacional de Seguros Privados** (National Private Insurance Council); and
3. **CNPC – Conselho Nacional de Previdência Complementar** (National Complementary Pension Council), which sets policies for closed-end pension funds.

There are four supervisory entities in Brazil, which have both executive functions, such as inspections, and standard-setting responsibilities. Standards regulate statutory provisions or guidelines set by the policy boards. The entities are:

- a) CVM (Securities and Exchange Commission of Brazil);
- b) Central Bank (Banco Central do Brasil – BCB);
- c) Private Insurance Regulator (Superintendência de Seguros Privados – SUSEP) and
- d) Complementary Pension Regulator (Superintendência Nacional de Previdência Complementar – PREVIC).

Finally, operators include other public or private institutions directly or indirectly involved in obtaining, intermediating or investing resources within the SFN. It is quite common to subdivide them into monetary institutions, official entities, other financial institutions, other financial intermediaries, supplementary institutions, and insurance or pension institutions.

Below you will find a brief description of the institutions and their main responsibilities.

POLICY BOARDS

National Monetary Council - CMN

SFN's highest body, the CMN was created in 1964 by Law No. 4,595 ("Banking Reform Act"), replacing a former body known as SUMOC – Superintendencia da Moeda e do Crédito (Currency and Credit Body). At that time the financial system underwent profound structural and regulatory changes.

CMN's statutory purpose is to set monetary and credit policies aimed at economic growth and social progress. CMN's policies pursue the following objectives:

- a) Adapt the volume of the means of payment to the economy's needs;
- b) Regulate the currency's value and the equilibrium of the balance of payments;
- c) Set guidelines for the application of financial institutions' funds;
- d) Enable financial institutions and financial instruments to improve;
- e) Ensure financial institutions' liquidity and solvency;
- f) Coordinate monetary, credit, budgetary policies, as well as the policies for internal and external public debt.

The CMN is currently comprised of three members:

1. Minister of Finance (President);
2. Minister of Planning, Budget and Management; and
3. President of the Central Bank.

Working alongside the CMN is the Currency and Credit Technical Commission – COMOC, whose responsibilities include technical consulting services in the formulation of currency and credit policies. Other consultative commissions on specific market segments also operate within the CMN.

Approved regulations are called Resolutions, all of them published in the Brazilian Federal Gazette and in the Central Bank of Brazil's website.

SUPERVISORY ENTITIES

Central Bank of Brazil - BCB

The Central Bank of Brazil was created in 1964 through the Banking Reform Act (Law No. 4,595), the same statute that created the National Monetary Council.

Its main institutional mission is to maintain the purchasing power of the currency and the soundness of the National Financial System – SFN.

BCB's responsibilities include:

- a) Execution of monetary policy through National Treasury bonds;
- b) Determining the reference rate (known as "SELIC") for one-day repo agreements;
- c) Control of the credit operations performed by institutions that comprise the SFN;
- d) Formulating, executing and following up the currency exchange policy and the financial relations policies with foreign countries;
- e) Inspection of commercial banks;
- f) Printing paper money;
- g) Supplying the demand for money needed for economic activities;
- h) Maintaining price levels (inflation) under control;
- i) Maintaining control of currency and credit expansion and of the interest rate;
- j) Operating in the rediscount market and open market, and monitor banks' compulsory deposits;
- k) Execution of inflation targeting system;
- l) Announcing the decisions made by the National Monetary Council;
- m) Keeping gold and foreign currency assets to operate in foreign exchange markets;
- n) Managing of Brazil's international reserves;
- o) Ensure that financial institutions are liquid and solvent;
- p) Authorize the operation of financial institutions.

Securities and Exchange Commission of Brazil – CVM

CVM was created on 7 December 1976 by Law No. 6,385 to inspect and develop the securities market in Brazil. It is an independent agency linked to the Ministry of Finance, but not under hierarchical subordination.

With a view to strengthen its autonomy and its inspecting powers, Law 10,411/2002 (article 5) turned the CVM into a "special independent agency, subject to a special regime, linked to the Ministry of Finance, with its own assets, independent administrative authority, under no hierarchical subordination, with fixed term and stability of its board, and financial and budgetary autonomy" (article 5).

It is managed by the Board of Commissioners, composed of the Chairman and four Commissioners, who are appointed by the President of the Republic and approved by the Federal Senate. Its members serve a five-year staggered mandate, from which they may only be removed "due to renunciation, legal conviction under a final decision or disciplinary administrative procedure" (article 6§2).

Its headquarters are located in Rio de Janeiro and there are regional offices in São Paulo and Brasília.

CVM's statutory responsibilities include:

Ensure that stock exchanges, commodities & futures exchanges and OTC market's operate in an efficient manner;

- a) Protect investors against irregular issuance of securities and illegal actions by public company management and by portfolio managers;
- b) Combat fraud or manipulation schemes that create artificial demand, supply or securities price conditions;
- c) Ensure proper access of the public to information on the trading of securities and on its issuers;
- d) Ensure equitable practices in the securities market;
- e) Ensure that credit use conditions set by the National Monetary Council are complied with in the securities market;
- f) Register and inspect independent auditors, portfolio managers, tied agents, consultants and securities analysts, among others, enforcing applicable regulation;
- g) Supervise and inspect publicly held companies and investment funds, enforcing applicable regulation;
- h) Investigate, through administrative inquiries, illegal actions and non-equitable practices by public company management and other market participants, applying the penalties set forth in the law. Source: <http://www.brazilgovnews.gov.br/invest/doing-business/basic-information-to-know-before-starting-a-business-in-brazil/national-financial-system>

Management of the pool of assets backing the issue

The primary target is, immediately upon receipt of the amount from the sale of notes, the purchase of the Treasury Bills fixed rate income security, **where the interest amount is deducted from the purchase price**. This means that the difference between the purchase price and the end value can be incorporated into the investor and applied in other Investments and projects.

These Brazilian Government Treasury Bonds are ensured by the Brazilian Government and the characteristics of this Treasury Bonds, described in this chapter, demonstrate the liquidity in this type of investment and consequently the security of repayments to investors. We are sure that in this way, interest payments and redemption of principal will be ensured.

The net proceeds from the sale of the Notes will be, primarily, applied in the purchase of: (i) Fixed rate income, long term, Brazilian Treasury Bills and (ii) fixed rate income, short term, Brazilian Treasury Bills.

Our Treasury Bills portfolio will be composed by bonds with total par value of €228.145.180, maturity dates ranging from 2019 to 2021, ensuring €221.450.000 (equal to the amount of the Notes plus interests). The par value of each Public Bonds is R\$1.000,00.

The Treasury Bonds of par value of €228.145.180, are held in favor of the Note Trustee (on behalf the Note-holders) to ensure the payment of interests and the principal (see the table below).

Orla DTVM S/A will act as the Investment Manager responsible for purchasing the Brazilian Government Treasury Bills pursuant to the Investment Management Agreement executed by Decatal and Orla, dated on May 9, 2014. A specific division of this firm will be dedicated exclusively to providing our portfolio with management and administration services, submitting information, and presenting a monthly report to the Note Trustee.

Since its foundation, Orla has been actively engaged in trading assets in primary and secondary markets. It also manages customers' investment portfolio and offers trading public and private securities.

Paulo Dominguez Landeira is the CEO and is responsible for operations in the capital markets and client relationship management. He graduated as an economist from Candido Mendes University and has been operating in the financial markets for over 30 years. Mr. Landeira began his career in the capital markets as an Open Market Controller in Sense DTVM and later, working in the same position at Ponto 3 DTVM, which was a traditional brokerage operating in Boverj (Rio de Janeiro Stock Exchange, currently merged into Bovespa).

Prior to joining Orla, Mr. Landeira worked in the Banco do Estado de Alagoas and was responsible for the implementation and development of the trading desk in the branch Rio de Janeiro. In 1992 he joined Orla as Director Advisor being promoted to CEO in 2009. He is currently the major shareholder of the company and the Chief Executive Officer.

The organization structure consists of: CEO; Administrative Director; Compliance Manager, Commercial Manager and Operations Manager, and more than 20 other employees.

See www.orladv.com.

Pursuant to the Investment Management Agreement, no removal or resignation of the Investment Manager will be effective, and any such resignation may be revoked and any notice to remove the Investment Manager for cause may be revoked at the direction of the Noteholders that directed such removal (in which case, the cause event shall be deemed to have been waived by such Holders), until (a) notice of such removal will have been given to the noteholders and (b) a successor investment manager has been appointed and agreed in writing to assume all of the Investment Manager's duties and obligations pursuant to the Investment Management Agreement.

Brazilian Securities Investments

The pool of assets is governed by Brazilian Law, through of National Financial System, which is a department of Brazilian Central Bank, and Securities and Exchange Commission of Brazil – CVM.

Source : (<http://www.bcb.gov.br/ingles/norms/LAW4595EN.asp>
(http://www.cvm.gov.br/subportal_ingles/index.html).

The Law 4.595 dated December 31, 1964, “Treats of Monetary, Banking and Credit Policy and Institutions” (the Law). The terms of article 1 of the Law, the structure and regulation of the National Financial System is composed of: (I) The National Monetary Council, (II) the Central Bank of Brazil, (III) Banco do Brasil S.A., (IV) the National Bank of Economic Development, and (V) all other public and private financial institutions.

The issuer of the National Treasury Bonds is the National Treasury Secretariat with the authorization of the Ministry of Finance. Domestic public securities are detailed in Decree No. 3,859/2001, which establishes the main characteristics of Domestic Federal Public Debt (DFPD). The Federal Government, through the National Treasury issues bonds to finance the country's debt, i.e. the difference between spending and revenues.

The Federal Public Debt (FPD) is the debt incurred by the National Treasury to finance the Federal Government budget deficit, included the refinancing of its own debt, and to carry out operations with specific purposes defined by law. These Treasury Bills are secured by the Brazilian Government that included the previous authorization for issuance and redemption in the Budgetary Law of the Brazilian Government. These are issued in book-entry custody through electronic registration in the Selic-BCB, or Bovespa and Cetip.

Source: http://www4.bcb.gov.br/pom/demab/selic/introselic_eng.asp?idioma=1
http://www.tesouro.fazenda.gov.br/documents/10180/375692/Part1_Chapter_2.pdf/be7fdbd3-fac0-4326-9895-c30c5b68481e

The main domestic bonds on the market are those issued through public offerings, carried out regularly by the National Treasury. Currently, the bonds offered in the domestic auctions are LTN, NTN-B, NTN-F and LFT with maturities up to 4 years for the LTN and up to 5 years for the others.

Agricultural Investments

The investments in agriculture, specifically in corn crop, will start on January 2017, along with renewable energy investments. The farms are located in the following cities of Mato Grosso' State: Brasnorte, Nova Maringá, Sorriso, Itaúba, Nova Santa Helena, Marcelandia and Paranatinga. The total area of the farms is 20,390 hectares, producing about 1,150,000 bags (1 bag = 60 kg) of grain per crop.

The period of corn crop starts in the month of February/ March and the plan is to invest in the planting of 20,390 hectares of corn, to traditional farmers already registered at Decatal. The period of soy bean crops and corn in the Midwest of Brasil (Mato Grosso) is as follows:

Soy bean : (a) Planting: October/November; (b) Harvest: February/March (c) Corn: February/March; (d) Harvest: July.

The Issuer does not expect that any one investment in the agribusiness sectors will reflect 20% or more of the total underlying assets.

On a semiannual basis, Decatal will prepare an investors report, tracking the performance of the collateral assets and any relevant investment's change, as well as any relevant market change.

The underlying assets hereunder used as guarantees will be charged in favour of the trustee of the notes for the benefit of the Noteholders. Notwithstanding anything to the contrary in these terms and conditions, the notes and any payment obligations of the Issuer hereunder or in relation herewith shall be limited recourse to the Assets and any claims by the Noteholders against the Issuer in relation hereto shall be limited to the Underlying Assets provided as collateral. Once the underlying assets for the notes have been exhausted, such provisions provide that any remaining liability under such notes will be extinguished and the holder will have no further claim against the issuer or its assets.

The Agricultural Bonds: Characteristics:

Agribusiness Letters of Credit - LCA

Legal Aspects: It is a security related to credit rights from business among rural producers, their cooperatives and third parties, including financing or loans. The LCA is a security issued by a financial institution and is used to raise funds for agribusiness. Created by Law No. 11,076, one of the appeals of these securities is the fact that gains for individual investors are tax exempt. Another differential is that LCAs issued as from May 23, 2013 on are covered by the Credit Guarantee Fund (Fundo Garantidor de Crédito - FGC) up to the limit of R\$250,000 per investor.

The primary risk of the LCA is in case of bank failure, but, by law, the underlying asset is pledged to the final investor, who can sue for the property when the bank does not meet the payment obligations under the LCA. The financial institution, as Issuer, shall appropriately register the underlying asset at Bovespa or Cetip.

One of the differences of LCAs registered at the regulated market is the range of underlying assets (collateral) they can be pegged to them. An underlying asset is considered to be the receivables linked to rural producers, their cooperatives and third parties, including loans and financing related to production, sale, processing or industrialization of products, farming inputs or machinery and implements used in this sector.

As a guarantee, farmers deliver to the bank, real assets of the operation such as soy beans, coffee, cattle or other commodities. Thus, in these operations the Rural Product Note (CPR), rural promissory notes, Agribusiness CCB,

Export Credit Note - NCE, Export Credit Bill - CCE, Agricultural Deposit Certificates - CDA/WA, Agricultural Warrant and Farm Credit Note – NCR serve as underlying assets. Trade Contracts can also be used as underlying assets.

Another feature is the revolving asset that enables short cycle asset management as part of the collateral basket. Revolving assets are those maturing on or before the maturity date of the security whose production is exhausted before the deadline of the respective LCAs. Through this feature, some asset management can be optimized by renewal according to the behavior of production and extending the tenor of the security.

The benefit of this list of securities available to serve as LCA underlying assets contributes to the development of this market. *Source: Demarest Legal. <http://www.demarest.com.br/en-us>*

Agribusiness Receivable Certificate – CRA

The CRA is a freely tradable bond representing an expected cash payment. They are exclusively issued by agribusiness credit right securitization companies and linked to credit rights from business among farmers (and their cooperatives) and third-parties, including financing or loans. The CRA operations are IOF-exempt (BR-Tax) for individual investors. The bond may contain a clause regarding nominal value variation, as long as it is the same variation of the respective credit rights. *Source: Demarest Legal. www.demarest.com.br*

Rural Product Notes – CPR

The CPR allows farmers or cooperatives to raise funds for production or projects with or without reserved sales. It is a promise of future delivery of rural products (Product CPR). With this instrument, its issuers, farmers, their associations and cooperatives receive spot payment for their goods. CPRs have been used as a financing instrument, allowing sale of crops without contracting loans referenced to interest rates and the reduction of seasonal pressures on commodities prices.

It is a tradable foreign exchange bond both for OTC market and stock exchange, in the following modalities:

Physical CPR:

Generates an obligation on the maturity date for the established quantity and quality of product.

Financial CPR:

Generates an obligation on the maturity date of the result of the established price multiplied by the amount of the given product. Allows for financial settlement (delivery of funds instead of goods) as long as the contract is explicit regarding price or the price index, the institution responsible for disclosure of said price, the financial center or market and the index name. Before registration, this is a bearer bond, but once it is registered, it is book-entry or electronic. Financial CPR trades are exempt from IOF (Tax on Financial Transactions).

The maturity dates of the investments in Agricultural Bonds such as LCAs, CPRs and CRAs will range from 2019 to 2021

Federative Republic of Brazil

The **Federative Republic of Brazil** is the largest country in both South America and Latin America. As the world's fifth-largest country by both area and population, it is the largest country to have Portuguese as an official language—and the only one in the Americas. Bounded by the Atlantic Ocean on the east, Brazil has a coastline of 7,491 km (4,655 mi).<https://en.wikipedia.org/wiki/Brazil> - cite_note-CIA_Geo-13 It borders all other South American countries except Ecuador and Chile and covers 47.3% of the continent's land area. Its Amazon River basin includes

a vast tropical forest, home to diverse wildlife, a variety of ecological systems, and extensive natural resources spanning numerous protected habitats. This unique environmental heritage makes Brazil one of 17 megadiverse countries, and is the subject of significant global interest and debate regarding deforestation and environmental protection.

Brazil's economy is the world's ninth-largest by nominal GDP and seventh-largest by GDP (PPP) as of 2015. A member of the BRICS group, Brazil until 2010 had one of the world's fastest growing major economies, with its economic reforms giving the country new international recognition and influence. Brazil's national development bank plays an important role for the country's economic growth.[19] Brazil is a founding member of the United Nations, the G20, BRICS, Unasul, Mercosul, Organization of American States, Organization of Ibero-American States, CPLP, and the Latin Union. Brazil is a regional power in Latin America and a middle power in international affairs, with some analysts identifying it as an emerging global power. One of the world's major breadbaskets, Brazil has been the largest producer of coffee for the last 150 years.

http://www4.bcb.gov.br/pom/demab/selic/introselic_eng.asp?idioma=1

http://www.tesouro.fazenda.gov.br/documents/10180/375692/Part1_Chapter_2.pdf/be7fdbd3-fac0-4326-9895-c30c5b68481e