

CONVERIUM HOLDING AG  
Form SC 13D/A  
February 26, 2007  
UNITED STATES

**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 13D**

Under the Securities Exchange Act of 1934

(Amendment No. 1)\*

**CONVERIUM HOLDING AG**

(Name of Issuer)

**Registered Shares**

(Title of Class of Securities)

**7248256**

(Cusip Number)

**François de Varenne**

**Head of Corporate Finance and Asset Management**

**SCOR S.A.**

**1, avenue du Général de Gaulle**

**92 074 Paris La Défense Cedex**

**France**

**Tel. No.: + 33 1 46 98 00 00**

(Name, Address and Telephone Number of

Person Authorized to Receive Notices

and Communications)

**February 26, 2007**

Edgar Filing: CONVERIUM HOLDING AG - Form SC 13D/A

(Date of Event which Requires Filing of this Statement)

**If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box:** [ ]

**Note:** Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 ( Act ) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

---

1 NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS  
(ENTITIES ONLY)

SCOR S.A.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

(SEE INSTRUCTIONS)

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

WC; OO

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

FRANCE

7 SOLE VOTING POWER

48,320,350(1)

8 SHARED VOTING POWER

NUMBER OF SHARES

BENEFICIALLY OWNED BY

EACH REPORTING PERSON WITH

0

9 SOLE DISPOSITIVE POWER

48,320,350(1)

10 SHARED DISPOSITIVE POWER

0

Edgar Filing: CONVERIUM HOLDING AG - Form SC 13D/A

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
48,320,350(1)

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
32.9%

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)  
IC; CO

(1) After giving effect to the acquisition of Shares pursuant to the Share Purchase Agreements.

---

1 NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)  
SCOR Global P&C S.A.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP  (a) X  
 (b) O  
(SEE INSTRUCTIONS)

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)  
OO

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION  
FRANCE

7 SOLE VOTING POWER  
0

8 SHARED VOTING POWER  
5,400,000

9 SOLE DISPOSITIVE POWER  
0

**NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH**

Edgar Filing: CONVERIUM HOLDING AG - Form SC 13D/A

10 SHARED DISPOSITIVE POWER

5,400,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

5,400,000

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

3.7%

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

CO

---

1 NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

IRP Holdings Limited

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP  (a)  (b)

(SEE INSTRUCTIONS)

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

OO

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

REPUBLIC OF IRELAND

7 SOLE VOTING POWER

0

8 SHARED VOTING POWER

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

6,800,000

9 SOLE DISPOSITIVE POWER

0

# Edgar Filing: CONVERIUM HOLDING AG - Form SC 13D/A

## 10 SHARED DISPOSITIVE POWER

6,800,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

6,800,000

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

4.6%

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

CO

This Amendment No. 1 amends and supplements the Statement on Schedule 13D filed with the Commission on February 20, 2007 (the "Schedule 13D") by SCOR S.A., *société anonyme* organized under the laws of France ( "SCOR"), SCOR Global P&C S.A., *société anonyme* organized under the laws of France and a wholly-owned subsidiary of SCOR ( "SCOR Global P&C"), and IRP Holdings Limited, a single member private company limited by shares organized under the laws of the Republic of Ireland and a wholly-owned subsidiary of SCOR ( "IRP") and, together with SCOR and SCOR Global P&C, the "Reporting Persons"), with respect to the registered shares, par value CHF 5 per share (the "Shares"), of Converium Holding AG, a corporation organized under the laws of Switzerland (the "Issuer"). The principal executive offices of the Issuer are located at Dammstrasse 19, CH-6301, Zug, Switzerland. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Schedule 13D.

### Item 4. Purpose of Transaction

On February 26, 2007, SCOR issued a pre-announcement regarding its intention to launch a tender offer in Switzerland (the "Offer") for all the publicly held outstanding Shares of the Issuer not owned or otherwise secured by SCOR (the "Pre-Announcement"). Pursuant to the Offer, SCOR is offering to acquire each Share for CHF 4 in cash (representing approximately 20% of the consideration per Share) and 0.5 SCOR Share (representing approximately 80% of the consideration per Share). The consideration per Share to be offered by SCOR pursuant to the Offer collectively represents a purchase price of CHF 21.1 per Share based on the closing price per SCOR Share on Euronext Paris on Friday, February 16, 2007. For purposes of calculating the aggregate purchase price, SCOR applied a EUR 1=CHF 1.6212 currency exchange rate as of February 16, 2007. **The Offer will not be made in or into the United States, Canada, Japan and Australia and may only be accepted outside the United States, Canada, Japan and Australia.**

A summary of the terms and conditions of the Offer is set forth in the Pre-Announcement, which is attached hereto as Exhibit 1 and is incorporated herein by reference.

The purpose of the Offer is to acquire the entire share capital in the Issuer. SCOR is also currently assessing all of its options with respect to its ownership interest in the Issuer, including seeking maximum representation on the Issuer's Board of Directors as soon as practicable.

### Item 7. Material to be Filed as Exhibits

The following is filed as an exhibit to this statement:

Exhibit 1: Pre-announcement issued by SCOR S.A. on February 26, 2007, in connection with its tender offer for the Issuer.

**SIGNATURES**

After reasonable inquiry and to the best knowledge and belief of each of the undersigned, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Date: February 26, 2007

SCOR S.A.

By: /s/ Denis Kessler  
Name: Denis Kessler  
Title: Chairman and Chief Executive Officer

SCOR Global P&C S.A.

By: /s/ Denis Kessler  
Name: Denis Kessler  
Title: Chairman and Chief Executive Officer

IRP Holdings Limited

By: /s/ Patrick Thourot  
Name: Patrick Thourot  
Title: Chairman

increase and of amendment to the bylaws, listening to the fiscal council, when the case may be;

- i) proposal of the personnel policy;
- j) the internal regulation of the executive board;

II. approve:

- a) the technical-economic evaluation criteria for investment projects, with the respective responsibility delegation plans for their execution and implementation;
- b) the plan of accounts;
- c) the company's annual insurance plan;
- d) residually, within the statutory limits, everything related to the company's activities which is not of private competence of the CEO, of the board of directors or of the general meeting;
- e) other company's regulations, which are not of the private competence of the board of directors;

III. to authorize, respecting the limits and guidelines established by the Law and by the board of directors, acts of resignation or judicial or extrajudicial transaction, to end litigations or holdovers, establishing amount limits for the delegation of the practice of these acts by the CEO or any other officer;

IV. to previously authorize the execution of any legal businesses when the amount involved exceeds ten million reais (R\$10,000,000.00), without adverse effects to the competence attributed by the bylaws to the board of directors, including the acquisition, sale or encumbrance of assets, the obtainment of loans and financings, the assumption of obligations in general and also the association with other legal entities.

**COMPANY'S GENERAL OFFICE**

April 22, 2013

**Marli Soares da Costa**

Page 9 of 18

---

## **SABESP'S BYLAWS**

**Sole paragraph** – The internal regulation of the executive board may show in details the individual attributions of each officer, as well as to subject the practice of certain acts comprised in the specific competence areas to the previous authorization of the joint executive board.

### **Representation of the company**

**ARTICLE 18** – The company bound before third parties (i) by the signature of two officers, one necessarily the CEO or the officer responsible for the financial area; (ii) by the signature of an officer and one attorney-in-fact, according to the powers in the respective power of attorney; (iii) by the signature of two attorneys-in-fact, according to the powers in the respective power of attorney; (iv) by the signature of one attorney-in-fact, according to the powers in the respective power of attorney, in this case exclusively for the practice of specific acts.

**Sole paragraph** – The powers of attorney will be granted with a determined term, and will specify the powers granted; only the powers of attorney for the forum in general shall have an undetermined term.

## **CHAPTER VII**

### **FISCAL COUNCIL**

**ARTICLE 19** – The company shall have a permanent fiscal council, with the competences and duties provided for by the law.

**ARTICLE 20** – The fiscal council shall be composed of at least three (3) and at most five (5) sitting members, and the same number of deputies, annually elected by the shareholders' general meeting. Reelection is allowed.



**Sole paragraph** – In the event of vacancy or impediment of the sitting member, the respective deputy will assume.

**ARTICLE 21** – The fiscal council will meet, on an ordinary basis, once a month and, on an extraordinary basis, whenever called by any of its member or by the executive board, drawing up the minutes in the company’s records.

## **CHAPTER VIII**

### **COMMON RULES TO THE STATUROT Y BODIES**

#### **Investiture, Impediments and Prohibitions**

**ARTICLE 22** – The members of the statutory bodies shall prove, by means of presentation of their resume to the CODEC, that they have professional, technical or administrative capacity, experience compatible with the position, moral credibility and immaculate reputation.

**Sole paragraph** – The provisions in this article are only applied to the members elected by the controlling shareholder.

### **COMPANY’S GENERAL OFFICE**

April 22, 2013

**Marli Soares da Costa**

Page 10 of 18

## **SABESP'S BYLAWS**

**ARTICLE 23** – The members of the statutory bodies will be invested in their positions upon the execution of the instrument of investiture drawn up in the respective book of minutes, and of the respective Instrument of Consent, according to the model set forth in the *Novo Mercado* Rules, as well as the compliance with the applicable legal requirements.

**Paragraph 1** – The instrument of investiture shall be signed in within thirty (30) days following the election, under penalty of its inefficiency, except for a justification accepted by the body for which the member has been elected, and shall contain the indication of at least one domicile to receive notifications and summons of administrative and judicial procedures, related to acts of his management, and the change of the domicile indicated is allowed only by means of a written communication.

**Paragraph 2** – The investiture will be subject to the presentation of the declaration of assets and values, as provided for in the state legislation, which shall be annually updated and at the end of the term of office.

**ARTICLE 24** – Except in the assumption of resignation or dismissal, the term of office of the members of the statutory bodies is considered automatically postponed, until the investiture of the respective replacements.

### **Compensation and Licenses**

**ARTICLE 25** – The compensation of the members of the statutory bodies shall be established by the general meeting and there shall not be accumulation of earnings or any advantages due to the replacements occurring by virtue of vacancy, absences or temporary impediments, pursuant to these bylaws.

**Sole paragraph** – It is allowed to the officer, who on the date of the investiture belongs to the company's staff, to opt for the respective salary.

**ARTICLE 26** – The officers may request to the board of directors removal by unpaid leave, as long as for a term not longer than three (3) months, which shall be recorded in minutes.

## **CHAPTER IX**

### **FISCAL YEAR AND FINANCIAL STATEMENTS**

#### **PROFITS, RESERVES AND DIVIDEND DISTRIBUTION**

**ARTICLE 27** – The fiscal year shall match the calendar year, and after the closing of the fiscal year, the executive board shall require the preparation of the financial statements, pursuant to the law.

**ARTICLE 28** – Common shares shall be entitled to the minimum mandatory dividends of twenty-five percent (25%) of the fiscal year's net income, after the deductions established or authorized by law.

**Paragraph 1** – Dividends may be paid by the company as interest on equity.

**Paragraph 2** – The company may draw interim balance sheets, quarterly, for purposes of payment of dividends or payment of interest on equity.

#### **COMPANY'S GENERAL OFFICE**

April 22, 2013

**Marli Soares da Costa**

Page 11 of 18

---

## **SABESP'S BYLAWS**

**Paragraph 3** – The approved dividends shall not accrue interest and those that are not claimed within three (3) years as of the date of the Shareholders' General Meeting that approved them, shall lapse in favor of the Company.

**Paragraph 4** – The board of directors may propose to the general meeting that the remaining balance of the income for the year, after the deduction of the legal reserve and of the minimum mandatory dividend, is destined to the creation of an investment reserve, which will comply with the following principles:

I. its balance, jointly with the balance of the other profit reserves, except the reserves for contingencies and of unrealized profits, may not exceed the capital stock;

II. the reserve has as purpose to ensure the investment plan and its balance may be used:

- a) in the absorption of losses, whenever necessary;
- b) in the payment of dividends, at any moment;
- c) in the operations of redemption, reimbursement or purchase of shares, authorized by law;
- d) in the incorporation to the capital stock.

## **CHAPTER X**

### **WINDING UP**

**ARTICLE 29** – The company shall enter into liquidation in the cases provided for by law, and the Shareholders' general meeting shall be responsible, as the case may be, for determining the means of liquidation and appointing the liquidator, fixing his/her remuneration.

## **CHAPTER XI**

## **DEFENSE MECHANISM**

**ARTICLE 30** - The company shall ensure the members of its statutory bodies, through external legal counsel, the technical defense in legal and administrative lawsuits proposed during or after their respective terms of office, for acts related to the performance of their duties.

**Paragraph 1** – The same protection is extended to the company`s employees, representatives and proxies who have acted to the extent of the powers conferred upon them, pursuant to Article 19 of these Bylaws.

**Paragraph 2** – The company shall keep a permanent contract with one or more preeminent reputed law firms, or have preapproved law firms, with the purpose of being ready to undertake, at any time, the technical defense of the agents encompassed by this article.

**Paragraph 3** – The contracting shall seek to ensure that the technical defense is continued by the same law firm that started the defense of an agent until the end of said proceeding, unless the agent elects another law firm that shall be hired by company for the same purpose.

## **COMPANY'S GENERAL OFFICE**

April 22, 2013

**Marli Soares da Costa**

Page 12 of 18

---

## **SABESP'S BYLAWS**

**Paragraph 4** – If, by any reason, no preapproved or hired law firm has been hired by the company, the agent may hire a legal counsel he trusts and have the legal fees or any other expenses incurrent in his technical defense paid to him in advance or reimbursed by the company, after presenting evidence that such expenses have been or will be incurred, provided that the amounts involved have been approved by the Board of Directors as to their reasonableness.

**Paragraph 5** – The company shall ensure the technical defense as well as access in real time to all required documentation for this effect. It shall also bear all legal costs, charges of any nature, administrative expenses and court deposits.

**Paragraph 6** - Agents found guilty or held liable, with a final and unappealable decision, shall be obliged to reimburse the company for the amounts effectively disbursed, except when it is evidenced that they acted in good faith and in pursue of corporate interest.

**Paragraph 7** – The company may contract insurance on behalf of the members of its statutory bodies, as well as of its employees, representatives and proxies, for covering liabilities arising from the performance of their duties.

## **CHAPTER XII**

### **AUDIT COMMITTEE**

**ARTICLE 31** - The Company shall have an Audit Committee composed of three Board of Directors' Members, with a term of office of at most ten (10) years and who shall cumulatively comply with the requirements of (i) independence, (ii) technical expertise, and (iii) availability of time.

**Paragraph 1** – All members of the Audit Committee shall comply with the Independence requirements provided for in the applicable legislation, without prejudice to any allowed exoneration.

**Paragraph 2** - All members of the Audit Committee shall have sufficient technical knowledge in accounting and financial matters, being advisable that at least one member has also good knowledge of the internationally-accepted accounting standards, besides having experience in analysis, preparation and evaluation of financial statements and having knowledge of internal controls and policies for disclosing information to the market.

**Paragraph 3** – The minimum availability required from each member of the Audit Committee shall correspond to thirty (30) hours per month.

**ARTICLE 32** - The Audit Committee’s members may be designated simultaneously with their appointment to the Board of Directors, or by later resolution of the Board of Directors itself.

**Sole paragraph** – The Audit Committee’s members shall exercise their function for the same period as the respective term of office of the Board of Director’s Member, or until otherwise resolved by the Shareholders’ General Meeting or the Board of Directors itself.

**ARTICLE 33** - It shall fall to the Audit Committee:

**COMPANY’S GENERAL OFFICE**

April 22, 2013

**Marli Soares da Costa**

Page 13 of 18

---

## **SABESP'S BYLAWS**

- I. to evaluate the guidelines of the hiring process of an independent audit company, as well as other conditions for service provision, recommending the hiring to the board of directors;
- II. to justifiably propose the replacement of the independent audit company;
- III. to express prior opinion on the hiring of other services from the independent audit company, or companies related thereto, that are not comprised in audit typical activities;
- IV. to express its opinion, at any time, about the performance of the accounting and internal audit departments, proposing to the Executive Board the measures that it deems appropriate;
- V. to deal directly with the internal audit department and the independent auditors, following up on the respective work, together with the Economic-Financial and Investor Relations Office;
- VI. to analyze the internal audit's and the independent auditors' reports before they are submitted to the Board of Directors;
- VII. to see that the material resources made available to the internal audit are adequate;
- VIII. to follow up on the preparation of the quarterly, interim and annual financial statements, seeking to ensure their integrity and quality, informing the board of directors when necessary;
- IX. to constantly evaluate the accounting practices, the internal controls and processes adopted by the Company, seeking to identify critical issues, financial risks and potential contingencies, and proposing such improvements as they deem necessary;
- X. to follow up on Company's compliance activities;
- XI. to request the hiring of specialized services to support the Audit Committee's activities, whose remuneration shall be supported by the Company, within its annual approved budget;
- XII. to receive and handle denunciations and complaints from third parties on issues related to accounting, internal accounting controls and audit.



**Paragraph 1** – Resolutions of the Audit Committee shall made by the majority of its members, without prejudice to the right of its members to individually request information and examine Company’s books, documents and papers.

**Paragraph 2** – Reports made by the internal audit department and by the independent audit company shall always be simultaneously submitted to the Executive Board and the Audit Committee’s members..

**ARTICLE 34** – The Audit Committee shall draft its Internal Regulations, and submit them to Board of Directors’ approval.

**Sole paragraph** – The Internal Regulations may expand the powers of the Audit Committee, and shall also provide for the holding of periodic meetings, the form of registration of its opinions and resolutions, in addition to other issues deemed appropriate to the good development the work.

#### **COMPANY’S GENERAL OFFICE**

April 22, 2013

**Marli Soares da Costa**

Page 14 of 18

---

## **SABESP'S BYLAWS**

**ARTICLE 36** - The remuneration of the Audit Committee's members shall be differentiated from that of the other Board of Directors' Members, by virtue of their greater dedication and responsibilities undertaken.

**ARTICLE 37** - The Audit Committee shall have its own annual budget approved by the Board of Directors.

**Sole paragraph** - The Executive Board shall promptly make available the financial resources requested by the Audit Committee for the performance of its duties, within the limit of the approved budget.

### **CHAPTER XIII**

#### **REGULATORY AFFAIRS COMMITTEE**

**ARTICLE 38** – The Regulatory Affairs Committee is a joint committee composed of the chief executive officer and (1) chief financial officer and investor relations officer (2) metropolitan officer and (3) regional system officer, in charge of defining the guidelines, strategies and regulation recommendations for the Company and coordinating the works of the Regulatory Affairs Department, except for the Board of Directors' authority.

**Paragraph 1** – The CEO shall preside over the Committee and propose its charter to be approved by the joint committee.

**Paragraph 2** – The Head of Regulation shall be the executive secretary of the Committee who shall attend the Committee's meetings.

**Paragraph 3** – This body's resolutions shall have a binding effect, and it shall be incumbent upon the executive boards to implement them within the scope of their authority.

**Paragraph 4** - the executive board not composing the joint committee shall be previously consulted about the issues involving activities under its responsibility.

**ARTICLE 39** – The Regulatory Affairs Committee shall hold ordinary meetings, at least, monthly and extraordinarily, when summoned by any of its members.

## **CHAPTER XIV**

### **ARBITRATION**

**ARTICLE 40** - The Company, its shareholders, Managers and the members of the Fiscal Council undertake to submit to arbitration any and all dispute or controversy that may arise between them, related to or caused by, particularly, the application, validity, effectiveness, interpretation, violation and its effects, of the provisions set forth in Law 6,404/76, in these Bylaws, in the rules issued by the *Conselho Monetário Nacional* (National Monetary Council), by the Central Bank of Brazil, and by the *Comissão de Valores Mobiliários* (“CVM”), as well as in the other rules applicable to the operation of the capital market in general, besides those provided for in the *Regulamento de Listagem do Novo Mercado* (Novo Mercado Listing Regulations), the *Contrato de Participação do Novo Mercado* (Novo Mercado Participation Agreement) and the Arbitration Regulations of the *Câmara de Arbitragem do Mercado* (Market Arbitration Chamber), to be carried out by the *Câmara de Arbitragem do Mercado* instituted by BOVESPA, pursuant to the Regulations of the referred Chamber, subject to the reservation applicable to the inalienable rights.

### **COMPANY’S GENERAL OFFICE**

April 22, 2013

**Marli Soares da Costa**

Page 15 of 18

## **SABESP'S BYLAWS**

### **CHAPTER XV**

#### **CHANGE OF CONTROL AND CANCELLATION OF THE PUBLICLY-HELD COMPANY REGISTRATION**

**ARTICLE 41** - The disposition of the share control of the Company, either through a single transaction or through a number of successive transactions, shall be contracted on the suspensive or resolutive condition that the new controlling shareholder undertakes to make a public offer for the acquisition of the shares held by the other shareholders of the Company, subject to the terms and conditions provided for by the legislation in force and in the *Regulamento de Listagem do Novo Mercado da BOVESPA*, so as to ensure them equal treatment as compared to the Controlling Shareholder.

**Sole paragraph** - The Company shall not register any shares transfer to the Purchaser of the control, or to that (those) that may hold the control, while he/she(they) do(es) not execute the relevant Instrument of Controlling Shareholder's Consent, required by the applicable regulations.

**ARTICLE 42** - The public offer referred to in the previous article shall also take place in the following cases:

- I. onerous assignment of shares' subscription rights and of other titles or rights in connection with securities convertible into shares, that results in the disposition of the Company's control; and
- II. disposition of the control of a company that controls the Company, provided that in that event the Seller Controlling Shareholder shall disclose to BOVESPA the value ascribed to the Company for such disposition and attach the documents that evidence its value.

**ARTICLE 43** - The shareholder that already holds shares of the Company and acquires the control by virtue of a private share purchase agreement entered into with the controlling shareholder, regardless of the number of shares purchased, shall:

I. make the public offer as provided for in Article 41 herein; and

II. reimburse the shareholders from whom it/he/she has purchased shares in a stock exchange within the six (6) month period before the date of the sale of the Company's control, case in which it/he/she shall pay those former shareholders any balance between the amount paid to the seller controlling shareholder and the amounts paid in the stock exchange for company's shares within the same period, monetarily adjusted until the payment date.

**COMPANY'S GENERAL OFFICE**

April 22, 2013

**Marli Soares da Costa**

Page 16 of 18

---

## **SABESP'S BYLAWS**

**ARTICLE 44** - Without prejudice to the legal and bylaws' provisions, the cancellation of Company's registration as a publicly-held company shall be preceded by a shares' public offer, to be made by the shareholder that holds the Control ("Offeror"), whose minimum price must be the economic value assessed in an appraisal report based on a methodology recognized by the CVM or based on criteria further defined by CVM, in accordance with the following article.

**ARTICLE 45** - The appraisal report referred to in the previous article shall be prepared by an expert company with proven background and independent as far as Company's decision power, its managers and controlling parties are concerned, besides meeting the requirements of paragraph 1 of article 8 of Law n. 6,404/76 and it shall include the liability provided for in paragraph 6 of the same article of the Law.

**Paragraph 1** – The choice of the expert company in charge of the assessment of company's economic value shall fall to the Shareholders General Meeting upon the submission of a list of three companies by the Board of Directors, provided that the respective resolution shall be made by absolute majority of votes of the outstanding shares, cast in the Shareholders' General Meeting that makes the resolution on such matter, the blank votes being excluded.

**Paragraph 2** – Without prejudice to the previous paragraph, in case the Shareholder's General Meeting is instituted in first call, the attendance of the shareholders representing at least twenty per cent (20%) of the total of the outstanding shares is required. If instituted in second call, no minimum of shareholders representing outstanding shares is required.

**Paragraph 3** – The costs of preparation of the appraisal reports shall be fully borne by the Offeror.

## **CHAPTER XVI**

### **EXIT FROM THE NOVO MERCADO**

**ARTICLE 46** - The exit of the Company from the Novo Mercado shall be approved in a Shareholder's General Meeting, and such resolution shall specify if the exit is due to the

cancellation of the publicly-held company's registration or because its securities will be registered for trade outside the Novo Mercado, and shall be informed to BOVESPA in writing thirty (30) days in advance.

**Paragraph 1** – The Controlling Shareholder shall make a public offer for the acquisition of shares owned by the other Company's shareholders, for at least the respective economic value, to be assessed pursuant to the provisions of article 45, if the exit of the Company from the Novo Mercado takes place:

I. when the Company's securities will be registered for trade outside the Novo Mercado; or

II. by virtue of a corporate restructuring transaction, in which the resulting company is not admitted to trading in the Novo Mercado.

**COMPANY'S GENERAL OFFICE**

April 22, 2013

**Marli Soares da Costa**

Page 17 of 18

---

## **SABESP'S BYLAWS**

**Paragraph 2** - The news on the public offer shall be informed to BOVESPA and disclosed to the market immediately after the Shareholder's General Meeting that has approved the referred exit or reorganization.

### **CHAPTER XVII**

#### **MISCELLANEOUS**

**ARTICLE 47** – Until April 30 of each year, the Company will publish its table of positions and functions, filled and vacant, related to the previous year, in compliance with the provisions in paragraph 5, of article 115, of the State Constitution.

**ARTICLE 48** – The Company may sponsor private pension plans, under the defined contribution scheme, to employees, being it incumbent upon the Board of Directors to resolve on the conditions set forth in the respective regulations, as well as on the percentage of contribution of the sponsor, regular and extraordinary, pursuant to the governing laws.

**Sole Paragraph** – The Company may remain as sponsor of the private pension plan under the defined benefit scheme, which is under extinguishment phase, forbidding the entry of new participants, as well as the increase of respective benefits.

**ARTICLE 49** – In view of the provisions in Article 101 of the São Paulo State Constitution, regulated by State Decree 56,677 of January 19, 2011, the engagement of attorney liable for heading the Company's legal services shall be subject to the approval of the person appointed by the State Attorney General, observing objective qualification, expertise and professional experience criteria.

**ARTICLE 50** – The Company shall allow the direct dialogue of its attorneys with the State Attorney General or another State Attorney appointed thereby, aiming at ensuring a continued and coordinated performance, observing the limits set forth in Article 101 of the State Constitution, in compliance with the duties and prerogatives inherent to his professional activity.



**COMPANY'S GENERAL OFFICE**

April 22, 2013

**Marli Soares da Costa**

Page 18 of 18

