

BRAZILIAN DISTRIBUTION CO COMPANHIA BRASILEIRA DE DISTR CBD

Form 6-K

August 28, 2015

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## FORM 6-K

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

### Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16 of  
the Securities Exchange Act of 1934

For the month of August, 2015

Brazilian Distribution Company

(Translation of Registrant's Name Into English)

Av. Brigadeiro Luiz Antonio,  
3142 São Paulo, SP 01402-901

Brazil

(Address of Principal Executive Offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F)

Form 20-F  Form 40-F

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101 (b) (1)):

Yes  No

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101 (b) (7)):

Yes  No

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes  No

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**SHAREHOLDERS' AGREEMENT**

**among**

**SEGISOR S.A.S.**

**CASINO, GUICHARD-PERRACHON S.A.**

**OREGON LLC**

**PINCHER LLC**

**BENGAL I LLC**

**and**

**ALMACENES EXITO S.A.**

**and, as Intervening Parties,**

**WILKES PARTICIPAÇÕES S.A.**

**COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO**

**and**

**ONPER INVESTMENTS 2015, S.L.**

**dated as of August 20<sup>th</sup>, 2015**

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**SHAREHOLDERS' AGREEMENT**, dated as of August 20<sup>th</sup>, 2015 among:

**SEGISOR S.A.S.**, *société anonyme* organized under the laws of France, having its registered office at Esplanade de France, 1, 42000 Saint-Etienne, France, registered with Brazilian Corporate Taxpayer Registry (“**CNPJ/MF**”) under No.05.710.423/0001-19 (hereinafter referred to as “**Segisor**”);

**CASINO, GUICHARD-PERRACHON S.A.**, a *société anonyme* organized under the laws of France, having its registered office at 1, Esplanade de France, 42000 Saint-Etienne, France, enrolled with CNPJ/MF under No. 47.508.411/0001-56 (hereinafter referred to as “**CGP**”);

**OREGON LLC**, a limited liability company organized and existing in accordance with the laws of the United States of America, with head offices located at 1209 Orange Street, Wilmington Delaware 19801, enrolled with the CNPJ/MF under No. 18.888.086/0001-04 (hereinafter referred to as “**Oregon**”);

**PINCHER LLC**, a limited liability company organized and existing in accordance with the laws of the United States of America, with head offices located at 1209 Orange Street, Wilmington Delaware 19801, United States of America, enrolled with the CNPJ/MF under No. 18.888.087/0001-40 (hereinafter referred to as “**Pincher**”);

**BENGAL I LLC**, a limited liability company organized and existing in accordance with the laws of the United States of America, with head offices located at 1209 Orange Street, Wilmington Delaware 19801, United States of America, enrolled with the CNPJ/MF under No. 18.888.085/0001-51 (hereinafter referred to as “**Bengal**” and together with Oregon and Puncher, the “**LLCs**”)

and

**ALMACENES ÉXITO S.A.**, a company organized under the laws of Colombia, headquartered in Envigado, Department of Antioquia, Colombia, enrolled with the CNPJ/MF under No. 23.041.875/0001-37 (hereinafter referred to as “**ÉXITO**”),

and, as Interventent Parties,

**WILKES PARTICIPAÇÕES S.A.**, a closely held corporation duly organized under the laws of Brazil, with registered head offices in the city of São Paulo, State of São Paulo, at Avenida Brigadeiro Luiz Antônio, No. 3.126, and enrolled with the CNPJ/MF under No. 04.745.350/0001-38 (hereinafter referred to as “**WILKES**”);

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**COMPANHIA BRASILEIRA DE DISTRIBUIÇÃO**, *sociedade anônima* organized under the laws of Brazil, with registered head offices in the City of São Paulo, State of São Paulo, at Avenida Brigadeiro Luiz Antônio, 3.142, and enrolled with the CNPJ/MF under No. 47.508.411/0001-56 (hereinafter referred to as “**CBD**”); and

**ONPER INVESTMENTS 2015 S.L.**, a company organized under the laws of Spain, headquartered in 19 calle Prim, 28004 Madrid, Spain, registered with the trade register under number B-87319471 (hereinafter referred to as “**ONPER**”),

### **RECITALS**

**WHEREAS**, on the date hereof both CGP and ÉXITO (through ONPER) own shares representing 50% of the capital stock of SEGISOR, a French company which owns, directly and through the LLCs, 99,99% of all shares issued by WILKES, a Brazilian corporation which owns 99,994% of the common shares issued by CBD;

**WHEREAS** each of CGP and EXITO owns one (1) common share of WILKES and of CBD;

**WHEREAS** ONPER is wholly owned by EXITO;

**WHEREAS** on the date hereof CGP, ÉXITO and ONPER executed SEGISOR Shareholders Agreement, through which CGP, ÉXITO and ONPER established the terms and conditions for the exercise of Control of SEGISOR, WILKES and CBD, as well as agreed to certain equity transfer rights and obligations related to their interest in SEGISOR (hereinafter referred to as the “**SEGISOR Shareholders Agreement**”);

**WHEREAS** on the date hereof WILKES, EXITO and CGP executed the CBD Shareholders Agreement, through which WILKES, EXITO and CGP established means by which WILKES, EXITO and CGP shall Control CBD, as provided in the SEGISOR Shareholders Agreement and WILKES Shareholders Agreement (hereinafter referred to as the “**CBD Shareholders Agreement**”);

**WHEREAS** EXITO and CGP agreed to establish an arrangement that would govern their relationship to Control SEGISOR, WILKES and, indirectly CBD, structured by means of the SEGISOR Shareholders Agreement, this Agreement, CBD Shareholders Agreement, WILKES By-Laws and CBD By-Laws;

**WHEREAS** in view of the governance arrangement agreed, WILKES Shareholders decide to execute the present Agreement in order to reflect the exercise of Control of CBD by EXITO and CGP through SEGISOR and WILKES, and set out the terms upon which they will conduct their activities as the Controlling shareholders of CBD;

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**WHEREAS** WILKES Shareholders agreed that WILKES shall implement, and cause its representatives to implement, the resolutions to be taken by CGP and EXITO (through ONPER) as per the SEGISOR Shareholders Agreement at both the level of WILKES and CBD;

**NOW, THEREFORE**, in consideration of the premises and of the covenants and obligations hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound, the Parties hereby agree to sign, execute and abide by this Agreement under the terms and pursuant to Article 118 of the Brazilian Corporations Law (as defined herein), in accordance with the clauses and conditions set forth hereinbelow, which they undertake to fulfill and cause to be fulfilled:

#### **ARTICLE I DEFINITIONS**

1.1. The following capitalized terms shall have the following meanings:

- (i) “Affiliate” means, in relation to any Party, any Person which directly or indirectly, in Brazil or abroad, through one or more intermediates, at any time, Controls, is Controlled by, or is under common Control of that Party;
- (ii) “Agreement” means this Shareholders’ Agreement entered into by and among SEGISOR, CGP and EXITO;
- (iii) “Bengal” has the meaning assigned to it in the Preamble of this Agreement;
- (iv) “Board” means the Board of Directors of each of WILKES Board, CBD Board and/or SEGISOR Board;
- (v) “Brazilian Corporations Law” means Brazilian law No. 6,404, of December 15, 1976, as amended;
- (vi) “CBD” has the meaning assigned to it in the Preamble of this Agreement;
- (vii) “CBD Board” means the Board of Directors of CBD;
- (viii) “CBD By-Laws” means the by-laws of CBD;
- (ix) “CBD Shareholders Agreement” has the meaning assigned to it in the Recitals of this Agreement;



- (x) “CEO” means the Chief Executive Officer of CBD;
  - (xi) “CGP” has the meaning assigned to it in the Preamble of this Agreement;
  - (xii) “Chairman” means the chairman of the CBD Board or of WILKES Board, as applicable;
  - (xiii) “Common Shares” means the voting common shares of the capital stock of CBD or of WILKES, as applicable;
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- (xiv) “Confidential Information” has the meaning assigned to it in Section 11.2.1 of this Agreement;
- (xv) “Control” means the (direct or indirect) title to shareholder rights that permanently guarantee, directly or indirectly: (i) the majority of votes in General Shareholders’ Meeting deliberations; and (ii) the power to appoint the majority of members of any management body of the Person in question;
- (xvi) “Controlled Companies” means any Person under Control of a certain Person;
- (xvii) “Convertible Securities” means securities or other rights or interests which are convertible or exchangeable into or exercisable for shares, or any other options, warrants, rights, contracts or commitments of any character pursuant to which any company or one of its shareholders is or may be bound to issue, transfer, sell, repurchase or otherwise acquire any shares;
- (xviii) “Éxito” has the meaning assigned to it in the Preamble of this Agreement;
- (xix) “General Shareholders’ Meeting” means any general shareholders’ meeting of WILKES or of CBD, as applicable;
- (xx) “ICC” means the International Chamber of Commerce, with offices in the City of Paris, France;
- (xxi) “Lien” shall mean any lien, pledge, security interest, claim, lease, charge, option, right of first refusal, transfer restriction under any shareholder or similar agreement, encumbrance or any other restriction or limitation whatsoever that may affect the free full ownership or may impair the disposal at any time whatsoever;
- (xxii) “LLCs” has the meaning assigned to it in the Preamble of this Agreement;
- (xxiii) “ONPER” has the meaning assigned to it in the Preamble of this Agreement;
- (xxiv) “Ordinary Course of Business” means the day-to-day performance of acts including obtaining of funds necessary for the carrying out of the business of a Person;
- (xxv) “Oregon” has the meaning assigned to it in the Preamble of this Agreement;
- (xxvi) “Party” or “Parties” means each of WILKES Shareholders;
- (xxvii) “Person” means an individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof;
- (xxviii) “Pincher” has the meaning assigned to it in the Preamble of this Agreement;
- (xxix) “Preferred Shares” means the non-voting preferred shares of the capital stock of CBD or of WILKES, as applicable;



- (xxx)                    “Rules” has the meaning assigned to it in Section 12.1.
- (xxxi)                   “SEGISOR” has the meaning assigned to it in the Preamble of this Agreement;
- (xxxii)                   “SEGISOR Board” means the Board of Directors of SEGISOR;
- (xxxiii)                   “SEGISOR Previous Meetings” means any shareholders meeting or board of directors’ meeting of SEGISOR that shall occur in accordance with SEGISOR Shareholders Agreement ;
- (xxxiv)                   “SEGISOR Shareholders Agreement” has the meaning assigned to it in the Recitals of this Agreement;
- (xxxv)                   “Third Party” means any Person who is not a Party, an Intervening Party, or an Affiliate of a WILKES Shareholder;
- (xxxvi)                   “Vice-Chairman” means the vice-chairman of WILKES Board;
- (xxxvii)                   “WILKES” has the meaning assigned to it in the Preamble of this Agreement;
- (xxxviii)                   “WILKES Board” means the Board of Directors of WILKES;
- (xxxix)                   “WILKES By-Laws” means the by-laws of WILKES;
- (xl)                       “WILKES Shareholders” means each of SEGISOR, EXITO, CGP and the LLCs and any Person that becomes a party to this Agreement under its terms and conditions;
- (xli)                       “WILKES Shares” means (i) all Common Shares and Preferred Shares issued by WILKES which are held or will be held directly or indirectly by any WILKES Shareholders for any reason and in any manner, including, without limitation, those derived from any stock split, reverse stock split, stock dividend or from any corporate restructuring, or (ii) Convertible Securities into WILKES Shares, or (iii) options to purchase WILKES Shares, or (iv) warrants or bonuses entitling their owner or owners to subscribe for WILKES Shares.
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## **ARTICLE II**

### **PURPOSES AND BASIC PRINCIPLES**

2.1. The purpose of this Agreement is to provide means by which EXITO, on the one hand, and CGP, on the other hand, shall Control WILKES and, consequently, CBD, as provided in the SEGISOR Shareholders Agreement and additionally in the CBD Shareholders Agreement, WILKES By-Laws and in the CBD By-Laws.

2.1.1. Each of the Parties agrees that WILKES, and its representatives in the management bodies (including Board of Directors) of both of WILKES and CBD, shall follow the resolutions taken by CGP and ONPER, as per the SEGISOR Shareholders Agreement.

2.1.2 Each of the Parties agree not to take any action, or omit to take any action, if such action or omission would adversely affect the Control by WILKES, the WILKES Shareholders and, consequently, of CBD, except to the extent such action or omission is expressly permitted or contemplated by the SEGISOR Shareholders Agreement or this Agreement.

2.1.3. WILKES Shareholders hereby agree that they shall exercise the Control of CBD exclusively through WILKES under the terms and conditions provided for in this Agreement and in the CBD Shareholders Agreement.

2.1.4. SEGISOR shall cause the LLCs to act in accordance with its acts and reinforce the obligations undertaken by them herein.

2.2. This Agreement binds all WILKES Shares and all relevant rights shall only be exercised in compliance with the terms and conditions herein provided.

2.3. WILKES Shareholders agree that WILKES shall have as its sole purpose the equity participation in CBD, as its Controlling shareholder and that WILKES shall never be used for any other purpose, except with the written consent of WILKES Shareholders.

2.4. WILKES Shareholders shall, unless otherwise agreed by WILKES Shareholders, cause WILKES to distribute to WILKES Shareholders (i) any and all assets that WILKES may receive or be entitled to in the future, other than Common Shares of CBD, and (ii) not less than one hundred percent (100%) of the amount of its respective net income that is legally available for distribution under applicable law in each fiscal year after provision of the amounts required by Brazilian law or necessary in the Ordinary Course of Business.

2.5. In case of conflict or inconsistency between the resolutions taken as per SEGISOR Shareholders Agreement and this Agreement, the Parties agree that the terms of the resolution taken as per SEGISOR Shareholders Agreement shall prevail.

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### **ARTICLE III**

#### **WILKES SHAREHOLDERS' GENERAL OBLIGATIONS**

3.1. Each WILKES Shareholder agrees that all matters subject to a General Shareholders' Meeting or WILKES Board or CBD Board meetings shall only be made and/or implemented with prior approval of SEGISOR Previous Meeting, unless otherwise agreed by WILKES Shareholders on a case-by-case basis.

3.2. Each WILKES Shareholder agrees to take any and all actions necessary to make its representatives in the management bodies (including the Board of Directors) of WILKES and CBD to act in strict compliance with the provisions of this Agreement. Any and all actions exercised in violation of the provisions set forth herein shall be null and void.

3.3. Each of WILKES Shareholders agrees not to execute with any other shareholder of WILKES or any Third Party any shareholders agreements or any other agreements or instruments establishing provisions on the subject matters hereof or having any direct or indirect relation with the subject matter of this Agreement, the SEGISOR Shareholders Agreement or CBD Shareholders Agreement, unless all WILKES Shareholders are parties to such agreement or instrument. WILKES Shareholders shall cause CBD not to register in its books (or in the relevant custodian bank) any agreement that is in violation of the provision set forth in this Section 3.3. In this respect, WILKES Shareholders shall cause their representatives in WILKES Board to instruct the representatives of CGP and EXITO in the management bodies (including the Board of Directors) of CBD to always act in such a way that the votes and other powers of WILKES (and of, SEGISOR, EXITO and CGP as indirect or direct shareholders of CBD), at the CBD General Shareholders' Meetings and of the representatives of CGP and EXITO in the management bodies (including the Board of Directors) of CBD are exercised following the resolution taken at WILKES Board.

### **ARTICLE IV**

#### **WILKES BY-LAWS**

4.1. Each WILKES Shareholder shall take or cause to be taken all lawful actions necessary to ensure at all times that WILKES By-Laws is not inconsistent with this Agreement or SEGISOR Shareholders Agreement.

4.2. In the event of any conflict or inconsistency between this Agreement or SEGISOR Shareholders Agreement and WILKES By-Laws and/or CBD By-Laws, the provisions of this Agreement and SEGISOR Shareholders Agreement shall prevail among WILKES Shareholders.

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**ARTICLE V**

**CORPORATE GOVERNANCE AND MANAGEMENT**

**5.1. WILKES Board**

**5.1.1. Basic Principle** - Under the spirit of CGP and EXITO controlling CBD, the exercise of voting rights of the members of WILKES Board shall always follow the decision taken at a SEGISOR Previous Meeting.

**5.1.2. Composition** - WILKES Board shall have four (4) Directors, all elected by SEGISOR. Except upon fulfillment of the Prima Facie Nationalization Condition, as defined in the SEGISOR Shareholders Agreement and with due regard to Section 8.1(b) below, WILKES Shareholders shall take all measures necessary to assure that the members of WILKES Board at all times are the same Persons appointed and elected for the SEGISOR Board.

**5.1.3. Chairman and Vice-Chairman of WILKES Board** - WILKES Board shall have one Chairman and one Vice-Chairman appointed by SEGISOR.

**5.1.4 Meetings** - WILKES Board shall meet (a) whenever and simultaneously with any SEGISOR Previous Meetings; and in addition (b) upon call notice as per Section 5.1.5 herein below; but at least once a year. Meetings may take place in Brazil or France, and also virtually, including by video or teleconference.

**5.1.4.1.** Unless agreed differently by WILKES Shareholders, meetings of WILKES Board shall take place at least one (1) calendar day before the date of a General Shareholders' Meeting of WILKES, or of a meeting of the CBD Board or of a General Shareholders' Meeting of CBD.

**5.1.5. Notice of Meetings**

(a) Whenever a SEGISOR Previous Meeting is called, any Director shall call a meeting of WILKES Board, to be convened at the same time and place of the SEGISOR Previous Meeting;

(b) For any other meetings of WILKES Board, the Chairman shall call such meetings of WILKES Board, by his or her own initiative or at the written request of any Director. Failure by the Chairman to call any meeting requested by any Director within seven (7) calendar days from the date of receipt of the request by any Director allows such Director to call the meeting. The meetings of WILKES Board shall be called at least three (3) calendar days prior to the date of each meeting. Notice shall comprise a detailed agenda of the meeting, including any proposal of resolutions and all necessary documentation related thereto.

5.1.6. **Waiver of Notice** – For WILKES Board meetings notice may be waived in writing or by the attendance of Directors either in number necessary for the installation of the SEGISOR Previous Meeting or with all Directors, as the case may be.

5.1.7. **Quorum of Installation** – The quorum for installation of a meeting of WILKES Board shall be either (a) the attendance of Directors in a number necessary for the installation of the SEGISOR Previous Meeting; or (b) with all Directors attending the meeting, except upon fulfillment of the Prima Facie Nationalization Condition, as defined in the SEGISOR Shareholders Agreement and with due regard to Section 8.1(c) where specific rules shall apply.

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5.1.8. **Quorum of Voting** – The resolutions of WILKES Board shall be always taken by unanimous vote of the Directors attending the meeting.

5.1.9. **Powers and Functions** – WILKES Shareholders shall exercise their voting rights to cause WILKES By-Laws to contemplate that the powers and functions of WILKES Board shall be those provided in the Brazilian Corporations Law and at least the following ones:

- (a) the exercise of voting rights of WILKES and of its representatives at CBD's management bodies (including the Board of Directors and Special Committees) or General Shareholders' Meetings always accordingly with the resolution taken at any SEGISOR Previous Meetings;
- (b) appointment and removal of Executive Officers of WILKES;
- (c) approval of any proposal to be submitted to the General Shareholders' Meeting of WILKES;
- (c) the approval of the engagement by WILKES in any activity other than that set forth in Section 2.3 of this Agreement;
- (d) the purchase of any asset as well as the sale, disposal of or creation of Liens on any asset of WILKES; and
- (e) the approval of request by WILKES of liquidation or protection under any bankruptcy or reorganization law.

## 5.2. **Executive Officers of WILKES**

5.2.1. **Composition.** WILKES shall at least two (2) and up to four (4) Executive Officers appointed by WILKES Board.

5.2.2. **SEGISOR Previous Meeting.** The Executive Officers shall always take any and all acts in accordance with the resolution taken at the level of the SEGISOR Previous Meeting, pursuant to SEGISOR Shareholders Agreement, including but not limited to representing WILKES in CBD General Shareholders' Meeting accordingly.

5.2.3. **Representation.** Except upon fulfillment of the Prima Facie Nationalization Condition, as defined in the SEGISOR Shareholders Agreement and with due regard to Section 8.1(c) below, WILKES shall be represented only by two (2) Executive Officers acting together, being possible for both to jointly grant power-of-attorneys to other Persons with specific and detailed powers and for a limited time.

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## ARTICLE VI

### GENERAL Shareholders' MEETINGS OF WILKES AND OF CBD

#### 6.1. General Shareholders' Meetings of WILKES

6.1.1. The General Shareholders' Meetings of WILKES shall be called and held whenever necessary in accordance with the provisions set forth in the Brazilian Corporations Law and in WILKES By-Laws, upon a call notice delivered by any Director, by his or her own initiative or at the written request of any WILKES Shareholder. Failure by the Director to call any such meeting requested by any WILKES Shareholder within seven (7) calendar days from the date of receipt of the pertinent request allows such WILKES Shareholder to call the meeting. Whomever shall be entitled to call any General Shareholders' Meeting of WILKES shall deliver notice in writing to all WILKES Shareholders.

6.1.2. The decisions of the General Shareholders' Meetings of WILKES shall always be taken by majority votes.

6.1.3. In addition to those provided under Brazilian Corporations Law, the General Shareholders' Meeting of WILKES shall have exclusive authority to decide on the following matters:

- (i) the amendment to WILKES By-Laws;
- (ii) the appointment and removal of members of WILKES Board at any time in accordance with the other terms and conditions set forth in this Agreement;
- (iii) the approval of the annual financial statements of WILKES;
- (v) the approval for WILKES to issue Common Shares and/or Preferred Shares and/or any Convertible Securities and the terms and conditions of subscription and payment and approval of any appraisals regarding capital contribution other than cash;
- (vi) the approval of any proposal for the merger (including merger of shares), spin-off, split, change of corporate form, amalgamation or any other form of restructuring of WILKES; and
- (vii) the approval of liquidation or dissolution of WILKES, and appointment or replacement of its liquidator(s) and the approval of the accounts of the liquidator(s).

6.1.4. The Chairman of such General Shareholders' Meeting shall not compute the vote cast contrary to the terms set forth herein, and the voting rights of the Party that attempt to vote in violation to this Agreement may be exercised by the other Party in compliance with the terms of this Agreement.

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## **6.2. General Shareholders' Meetings of CBD**

6.2.1 The General Shareholders' Meetings of CBD shall be called and held whenever necessary in accordance with the provisions set forth in the Brazilian Corporations Law and in the CBD By-Laws upon a call notice delivered by the Chairman of the CBD Board.

6.2.2. As long as this Agreement is in full force and effect, and except for the case of fulfillment of the Prima Facie Nationalization Condition, as defined in the SEGISOR Shareholders Agreement, and with due regard to Article VIII below, WILKES shall be represented by two (2) Executive Officers, acting together, under specific voting instructions given based on a resolution taken at a SEGISOR Previous Meeting and a WILKES Board meeting.

6.2.3. The Chairman of such General Shareholders' Meeting shall not compute the vote cast contrary to the terms set forth herein, and the voting rights of the Party that attempt to vote in violation to this Agreement may be exercised by the other Party in compliance with the terms of this Agreement.

## **ARTICLE VII**

### **FINANCIAL STATEMENTS**

7.1. The financial statements and accounts of WILKES and of CBD shall be audited on an annual basis by internationally recognized independent public accountants.

## **ARTICLE VIII**

### **EVENT OF NATIONALIZATION OF CGP OR EXITO**

8.1. Subject to the fulfillment of the Prima Facie Nationalization Condition, as defined in the SEGISOR Shareholders Agreement, the Parties hereby acknowledge and agree that:

(a) WILKES and WILKES Shareholders shall comply with the procedures provided in SEGISOR Shareholders Agreement and in this Agreement;

(b) a General Shareholders' Meeting of WILKES will be promptly convened and the Parties shall vote to (i) replace and elect new Directors of WILKES so that the representatives of the nationalized party on the SEGISOR Board cease to be Directors of WILKES, and, (ii) in the event the Chairman of WILKES Board is a representative of the nationalized party at the SEGISOR Board, the Parties shall appoint the new Chairman among one of the new Directors of WILKES Board;

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(c) WILKES Board shall replace any Executive Officer related or affiliated to a nationalized party, being that, with regards to this specific meeting, the quorum necessary to install the meeting shall be the attendance of any two (2) Directors; and

(d) automatically and irrespectively of the implementation of WILKES governance changes referred above in this Section, (i) the Directors which are the representatives of the nationalized party on the SEGISOR Board shall follow the votes casted by the other Directors of WILKES Board; and (ii) in the event the Chairman of WILKES Board is a representative of the nationalized party on the SEGISOR Board, the chairmanship of WILKES shall switch to the Vice-Chairman of WILKES Board, who shall take such position during the period between the date of fulfillment of the Prima Facie Nationalization Condition, as defined in the SEGISOR Shareholders Agreement, and the General Shareholders' Meeting of WILKES to be held pursuant to Section 8.1 (b).

## **ARTICLE IX**

### **REPRESENTATIONS, WARRANTIES AND COVENANTS**

9.1. Each WILKES Shareholder hereby represents and warrants to each other as follows:

(i) **Execution and Delivery; Enforceability.** This Agreement has been duly and validly executed and delivered by WILKES Shareholders and constitutes their legal, valid and binding obligation, enforceable against each one of them in accordance with its terms.

(ii) **No Conflicts**