

Notice to the Market

Increase of Major Shareholding

Porto Alegre, September 21, 2016 – **Banco do Estado do Rio Grande do Sul S.A. (“BANRISUL”)** (B3 S.A., BRASIL, BOLSA, BALCÃO: BRSR3; BRSR5; BRSR6), financial institution headquartered at Rua Capitão Montanha, 177, Porto Alegre, Rio Grande do Sul, Tax Payer’s Id (CNPJ/MF) No. 92.702.067/0001-96, in compliance with the terms established by the Brazilian Securities Exchange (*Comissão de Valores Mobiliários* or “CVM”) Instruction No. 358/02, as amended by CVM Instruction No. 449/07, informs the receipt from **XP Gestão de Recursos Ltda.** of the attached document, regarding its shareholding position and pursuant to current regulation.

IR CONTACT:

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São Paulo, May 16, 2018.

To
Investor Relations Officer
Banco do Estado do Rio Grande do Sul S.A.
Rua Capitão Montanha, n 177 – Centro
Porto Alegre – Rio Grande do Sul
Mr. Júlio Francisco Gregory Brunet

Re: Banco do Estado do Rio Grande do Sul S.A. shareholding

Dear Mr. Investor Relations Officer,
XP Gestão de Recursos Ltda., asset and portfolio manager registered in the Brazilian Securities and Exchange Commission (“CVM”) under Taxpayer’s ID 07.625.200-0001-89 (“XP Gestão”), pursuant to article 12 of CVM Instruction 358 of January 3, 2002, as amended, hereby informs that on May 14, 2018 the funds under management listed in Annex I reached shareholding equivalent to 5.08% (five point zero eight percent) of the preferred shares issued by the Banco do Estado do Rio Grande do Sul S.A. (“Barrisul”) representative of its capital stock (“Shares”).

XP Gestão further clarifies that the shares are held by the funds described below and managed by XP Gestão, and it is certain that the acquisition of such shares does not result and does not intend to change the composition of shareholding control or Barrisul’s administrative structure.

Best regards,



XP GESTÃO DE RECURSOS LTDA.
MARIA ALICE PIERRY AMOROSINO
Procuradora
DIOGO FERRAZ DE ANDRADE
Procurador

Anexo I – Lista de Fundos

Fundo
XP AÇÕES 30 MASTER FUNDOS DE INVESTIMENTO EM AÇÕES
XP INVESTOR FUNDO DE INVESTIMENTO DE AÇÕES
FUNDO DE INVESTIMENTO EM AÇÕES PARATY
XP MACRO PLUS FUNDO DE INVESTIMENTO MULTIMERCADO
XP INVESTOR 30 MASTER FUNDO DE INVESTIMENTO DE AÇÕES
XP LONG BIASED FUNDO DE INVESTIMENTO MULTIMERCADO
XP LONG SHORT MASTER FUNDO DE INVESTIMENTO MULTIMERCADO
FP XP TOTAL RETURN FUNDO DE INVESTIMENTO EM AÇÕES
XP DIVIDENDOS FUNDO DE INVESTIMENTO DE AÇÕES
XP MACRO FUNDO DE INVESTIMENTO MULTIMERCADO
XP DIVIDENDOS 30 MASTER FUNDO DE INVESTIMENTO DE AÇÕES