



RAN DON S.A. Implementos e Participações

Listed Company

CNPJ 89.086.144/0011-98

NIRE 43300032680

Minutes nº 850 of the Board of Directors' Meeting

- 1. DATE, TIME AND VENUE:** April 13, 2018, at 4:00 p.m., at the headquarters of RAN DON S.A.- IMPLEMENTOS E PARTICIPAÇÕES (“Company”), located in the City of Caxias do Sul, State of Rio Grande do Sul, at Abramo Randon Ave., no. 770, CEP (Zip Code) 95055-010.
- 2. ATTENDANCE:** Most members of the Board of Directors. The Board member Pedro Ferro Neto, unable to attend the meeting, has sent, I writing, his vote agreeing with the decision made by the remaining members, thus completing the opinion of all Board members;
- 3. PRESIDING BOARD:** Alexandre Randon, Chair, and Ruy Lopes Filho, Secretary.
- 4. AGENDA:** Deliberate on (i) the 2nd (second) issue, by the Company, of commercial promissory notes for public distribution with restricted efforts, in up to 5 (five) years, in the total value of up to R\$ 350,000,000.00 (three hundred and fifty million Reais) (“Commercial Notes”) and “ “Issue”, respectively. The Commercial Notes will be offered pursuant to CVM (Securities Commission) nº 566, of July 31, 2015, as amended (“Instruction CVM 566”), and pursuant to CVM nº 476, of January 16, 2009, as amended (“Instruction CVM 476” and “Offering”, respectively); (ii) authorization to the Executive Board of the Company so that it may take all necessary measures to perform and formalize the item (i) above, as well as the Issuance and Offering; and (iii) ratification of the acts already carried out by the Executive Board of the Company pursuant to the deliberations above;
- 5. RESOLUTIONS:** The Board of Directors members of the Company, without any restrictions, unanimously approved the following:
 - 5.1 approve the main terms and conditions of the Issue and Offering, which will have, among others, the following characteristics:
 - 5.1.1. Date of issue: It shall be, for all legal purposes, the effective date of the subscription and payment of the Commercial Notes, which will contain the instrument of the Commercial Notes, according to article 3rd. of CVM Instruction 566 (“Date of Issue”;



5.1.2. Number of the Issue: This is the 2nd (second) issue of commercial notes by the Company;

5.1.3. Number of Series: The Issue will be held in up to 5 (five) series;

5.1.4. Total Amount of the Issue: The total amount of the Issue will be of R\$ 350,000,000.00 (Three hundred and fifty thousand Reais), on the Date of Issue ("Total Amount of Issue");

5.1.5. Number of Commercial Notes and Unit Par Value: Within the scope of the Issue, 63 (sixty-three) Commercial Notes will be issued for public distribution with restricted distribution efforts, in up to 5 (five) series, being (i) up to 7 (seven) Commercial Notes within the first series, in the amount of up to R\$ 23,999,990.00 (Twenty-three million, nine hundred and ninety-nine thousand, nine hundred and ninety Reais) ("Commercial Notes of the First Series"), with a unit par value corresponding to R\$ 3,428,570.00 (three million, four hundred and twenty-eight thousand, five hundred and seventy Reais) ("Total Par Value of the Commercial Notes of the First Series"); (ii) up to 7 (seven) Commercial Notes within the second series, in the amount of up to R\$ 25,000,010.00 (Twenty-five million and ten Reais) ("Commercial Notes of the Second Series"), with a unit par value corresponding to R\$ 3,571,430.00 (Three million, five hundred and seventy-one thousand, four hundred and thirty Reais) ("Total Par Value of the Commercial Notes of the Second Series"); (iii) up to 21 (twenty-one) Commercial Notes within the third series, in the amount of up to R\$ 162,999,984.00 (One hundred and sixty-two million, nine hundred and ninety-nine thousand, nine hundred and eighty-four Reais) ("Commercial Notes of the Third Series"), with a unit par value corresponding to R\$ 7,761,904.00 (Seven million, seven hundred and sixty-one thousand, nine hundred and four Reais) ("Total Par Value of the Commercial Notes of the Third Series"); (iv) up to 7 (seven) Commercial Notes within the fourth series, in the amount of up to R\$ 13,000,015.00 (thirteen million and fifteen Reais) ("Commercial Notes of the Fourth Series"), with a unit par value corresponding to R\$ 1,857,145.00 (one million, eight hundred and fifty-seven thousand, one hundred and forty-five Reais) ("Total Par Value of the Commercial Notes of the Fourth Series"); and (v) up to 21 (twenty-one) Commercial Notes within the fifth series, in the amount of up to R\$ 125,000,001.00 (One hundred and twenty-five million and one Real) ("Commercial Notes of the Fifth Series"), and, in conjunction with the Commercial Notes of the First Series, the Commercial Notes of the Second Series, the Commercial Notes of the Third series, and the Commercial Notes of the Fourth Series ("Commercial Notes") with a unit par value corresponding to R\$ 5,952,381.00 (Five million, nine hundred and fifty-two thousand, three hundred and eighty-one Reais) ("Total Par Value of the Commercial Notes of the Fifth Series"); and, in conjunction with the Unit Par Value of the Commercial Notes of the First Series, the Unit Par Value of the Commercial Notes of the Second series, with the Unit Par Value of the Commercial Value of the Third series, and with the Unit Par Value of the Commercial Notes of the Fourth series, "Unit Par Value", amounting to up to R\$ 350,000,000.00 (three hundred and fifty million Reais).

5.1.6. Distribution, Trade and Financial Settlement. The Commercial Notes will be deposited for (i) public distribution in the primary market through MDA – Módulo de Distribuição de Ativos (Asset Distribution Module) (“MDA”), managed and operated by B3 S.A. – Brasil, Bolsa Balcão – CETIP UTVM Segment (“B3”), being the distribution financially settled through B3 and (b) Trade, as provided for below, in the secondary market by means of *CETIP21 – Títulos e Valores Mobiliários* (“CETIP21”), managed and operated by B3, being the trades financially settled through B3. Concurrently with the settlement, the Commercial Notes will be electronically deposited in the name of the Holder of the Commercial Notes in the Sistema de Custódia Eletrônica (Electronic Custody System) of B3.

5.1.7. Placement and Distribution Procedures: The Commercial Notes shall be destined for public offering, with restricted placement efforts, pursuant to CVM Instruction 476, under the firm guarantee of placement for the Total Value of the Commercial Notes, by means of MDA, managed and operated by B3, with the intermediation of the financial institution integrating the securities distribution system, being one of them the leading bookrunner of the Offering (“Leading Bookrunner”), and, in conjunction with the other financial institutions, the “Bookrunners”), who may access up to 75 (seventy-five) Professional Investors and for subscription exclusively by, at the most, 50 (fifty) Professional Investors, pursuant to article 3rd of CVM Instruction 476 and pursuant to the terms and conditions provided for in the “Coordination Contract and Public Distribution”, with Restricted Efforts, under the regime of Firm Guarantee of Placement, of Promissory Notes of the 2nd Issue of Randon S.A.- Implementos e Participações, to be signed between the Company and the Coordinators (“Placement Contract”), whose target public are the Professional Investors.

5.1.8. Form, Custodian, Proof of Ownership and Stock Agent. The Commercial Notes shall be issued under the form of an instrument and will be held in custody before a financial institution providing services of physical custody of the Commercial Notes (“Custodian”). The Commercial Notes will circulate as full endorsement, with no guarantee of the endorser, by mere transfer of ownership, as provided for in article 4 of CVM Instruction 566, article 15 of Annex I of the Geneva Uniform Law, enacted by Decree Nº 57.663, of January 24, 1966. The Executive Board of the Company shall hire the Custodian and the Stock Agent (“Stock Agent”). Which will be liable for providing services of stock agent of the Commercial Notes;

5.1.9. Term and Maturity Date: for all legal effects, (i) the Commercial Notes of the First Series will be issued with a term of up to 365 (three hundred and sixty-five) days counted from the Date of Issue (“Date of Maturity of the Commercial Notes of the First Series”); (ii) the Commercial Notes of the Second Series will be issued with a term of up to 730 (seven hundred and thirty) days counted from the Date of Issue (“Date of Maturity of the Commercial Notes of the Second Series”); (iii) the Commercial Notes of the Third Series will be issued with a term of up to 1,095 (one thousand and ninety-five) days counted from the Date of Issue (“Date of Maturity of the Commercial Notes of the Third Series”); (iv) the Commercial Notes of the Fourth Series will be issued with a term of up to 1,460 (one thousand, four hundred and sixty) days counted from the Date of Issue (“Date of Maturity of the Commercial Notes of the Fourth Series”); (v) the Commercial Notes of the Fifth Series will be issued with a term of up to 1,825 (one thousand, eight hundred and twenty-five) days counted from the Date of Issue (“Date of Maturity of the Commercial Notes of the Fifth Series”) and, in conjunction with the Date of Maturity of

the Commercial Notes of the First Series, the Date of Maturity of the Commercial Notes of the Second Series, the Date of Maturity of the Commercial Notes of the Third Series and the Date of Maturity of the Commercial Notes of the Fourth Series, the “Dates of Maturity”);

5.1.10.- Remuneration of the Commercial Notes: Each of the Commercial Notes of each series will be entitled to the payment of interest on the Unit Par Value of each one of the Commercial Notes of each series, from the respective Date of Issue of each series up to the respective Date of Maturity, or the date of maturity in advance of the Commercial Notes, and corresponding to 114% (one hundred and fourteen percent) of the average daily rates of DI - Interbank Deposits of 1 (one) day, “over extra-group”, expressed as a percentage per year, 252 (two hundred and fifty-two) Working Days, calculated and published daily by B3, calculated and published daily by CETIP in the Daily Newsletter available on the internet (<http://www.cetip.com.br>) (“DI Rate” and “Remuneration”, respectively). The Remuneration, in accordance with what will be laid down in each of the Instruments, will be calculated cumulatively and exponentially *pro rata temporis*, by Working Days elapsed, on the Unit Par Value of each one of the Commercial Notes of each series, pursuant to the criteria established in the Formula’s Notebook for Commercial Notes – CETIP21”, available on the website of B3, on the Internet (<http://www.cetip.com.br>), except in the case of acceleration of maturity, in which case the Remuneration will be paid in the form and terms to be established in each one of the Instruments, as applicable, from the Date of Issue to the Date of maturity or date of maturity (accelerated) of the Commercial Notes.

5.1.11.- Date of Payment of the Remuneration. The Remuneration of each one of the Commercial Notes will be fully paid at their respective Dates of maturity, except in the case of redemption of the Commercial Notes or statement of accelerated maturity.

5.1.12. Payment of the Unit Par Value. The Unit Par Value of each one of the Commercial Notes will be fully paid at their respective Dates of Maturity, except in the case of redemption of the Commercial Notes or statement of accelerated maturity.

5.1.13. Adjustment for Inflation of the Commercial Notes. The Commercial Notes will not be adjusted for inflation.

5.1.14. Form of Subscription and Payment: The Commercial Notes will be subscribed and paid up using the procedures of B3, exclusively by means of MDA, being the distribution financially settled by means of B3. The Commercial Notes will be paid at sight, at the Date of Issue, in the national currency, at the time of subscription, by the Unit Par Value of the Commercial Notes;

5.1.15. Place of Payment: The payments relating to the Commercial Notes and any other amounts eventually owed by the Issuer will be (i) by the Issuer, in respect of payments relating to the Unit Par Value of the Commercial Notes, Remuneration, and Interest for Late Payment, concerning the Commercial Notes that are electronically kept in custody

at B3, by means of B3; or (ii) by the Issuer in respect of the Commercial Notes that are not electronically held in custody at B3, by means of the Stock Agent or in its headquarters, as applicable ("Place of Payment");

5.1.16. Optional Early Redemption. Subject to the terms of the Commercial Notes Instruments, the Issuer may, at any time from the Date of Issue of the respective series to be redeemed, carry out the optional early redemption of the total number of Commercial Notes of the respective series (the optional partial early redemption of any of the series is not allowed), with the consequent cancellation of such Commercial Notes ("Optional Early Redemption"). The amount to be paid concerning each one of the Commercial Notes, subject to the Optional Early Redemption, will be the Unit Par Value of the respective series, added of the Remuneration, calculated *pro rata temporis* from the Date of Issue of the respective series to be redeemed, or from the immediately preceding date of payment of the Remuneration of the respective series, as applicable, until the date of the effective payment, added of flat redemption premium, which may vary from 2.55% (two integers and fifty-five percent) and 0.35% (thirty-five hundredths pro cent), depending on the date on which the Optional Early Redemption will be made, as it may be laid down in the Instruments, incident on the value of the redemption (the value of redemption means the Unit Par Value of the respective series added of the Remuneration, calculated *pro rata temporis* from the Date of Issue of the respective series to be redeemed, or from the immediately preceding date of payment of the Remuneration of the respective series, as applicable, until the date of the effective payment, as it may be established in the Instruments of the Commercial Notes. The Company shall, at least 10 (ten) Working Days of the respective date of the Early Optional Redemption, inform the Holders of the Commercial Notes about the event of redemption, and at least 3(three) Working Days of the respective date of the Early Optional Redemption, the Company shall inform the Custodian, the Trustee and B3 about this.

5.1.17. Optional Offering for Early Redemption: There will be no early redemption of the Commercial Notes;

5.1.18. Early Maturity: the Commercial Notes will have their early maturity declared under the cases and terms to be established in the Commercial Notes Instruments.

5.1.19 Trustee: The trustee to be hired for the Issue will be Oliveira Trust Distribuidora de Títulos e Valores Mobiliários S.A. ("Trustee").

5.1.20. Allocation of Funds: The net funds raised by the Company through the Issue shall be allocated to strengthen the Company's working capital;

5.1.21 Default Charges: In case of default in relation to any amount due by the Company to the Holders of the Commercial Notes, the amounts overdue will continue being remunerated in accordance with the respective Remuneration until the date of the effective payment, and , additionally, regardless of notice or judicial or extrajudicial notice, (a) there will be a default interest of one percent (1%) per month, calculated *pro rata temporis*, from the default date until the effective payment date; and (ii) plus a

penalty in arrears, non-compensatory, equivalent to two percent (2%) of the overdue amount (“all together, Default Charges”).

5.1.22 Tax Immunity: In case any Holder of Commercial Notes enjoys any kind of tax immunity or exemption, such holder shall forward to the Company and to the Stock Agent, within the ten (10) Working Days before the scheduled dates to receive the values relating to the Commercial Notes, duly substantiated documentation informing about such condition, under the risk of deducing, from their payments, the amounts due in the terms of the tax legislation in force. As understood by the Stock Agent, in case the tax-immunity substantiated documentation proves not to be enough, the payment will be made with the taxes levied duly discounted. The holder of the Commercial Notes who has submitted the documentation proving his/her condition of immunity or tax exemption, in accordance with the foregoing, whose such condition has changed and/or has been withdrawn by a regulatory provision, or the holder who fails to meet the conditions and requirements prescribed in the applicable legal instrument, or who has had this condition questioned by judicial, regulatory, or fiscal, competent authority, or even who has had this condition amended and/or repealed for any other reason other than those mentioned in this clause, shall communicate that fact, in detail and in writing, to the Stock Agent, with a copy to the Company, as well as provide any additional information in relation to the topic that may be requested by the Stock Agent or by the Company;

5.1.23 Extension of Terms: The payment dates of any obligation foreseen or resulting from the Instruments of the Commercial Notes (including the Holders of the Commercial Notes), shall be considered extended up to the first subsequent business day, if the maturity date of such obligation coincides with a day that is not considered to be a Business Day, and no surcharge/interest or any other charge for late payment will be added, except when payments are to be made through B3, in which case the term of payment will be extended only if the payment dates coincides with Saturday, Sunday or a holiday. Except as expressly provided otherwise in the Instruments, a Business Day will be understood as any day that is not a Saturday, Sunday or Brazilian Holiday, or any day during which Commercial Banks do not operate in the City of Caxias do Sul, State of Rio Grande do Sul, and in the city of São Paulo, State of São Paulo;

5.1.24. Further Conditions: All other specific conditions and rules in respect of this Issue shall be detailed in the Instruments of the Commercial Notes;

5.2.- To authorize the Company’s Executive Board to take all measures and sign any instruments that are necessary for the implementation of the resolutions herein approved pursuant item 5.1. above, related to the Issue and Offering, including, but not limited to the signing of a Placement Agreement and further pertinent documents, including amendments to such documents;

5.3.- To ratify all acts carried out by the Company’s Management in accordance with the aforementioned resolutions.

6. CLOSURE, DRAWING UP AND APPROVAL OF THE MINUTES: There being no further matters to address, the floor was offered to anyone wishing to talk. Considering that no



one offered to talk, these minutes were drawn up, read, found to be in compliance and signed by all attending Board members.

Caxias do Sul, April 13, 2018.

Alexandre Randon

Ruy Lopes Filho

Derci Ancântara