

**Institutional Mission**

The Fundo Garantidor de Créditos - FGC is a non-profit, private civil association, with a private ownership legal personality, member of the Bank Protection Network, with an institutional mission to protect depositors and investors in the area of financial system, up to the limits established by regulation, to foster the stability of the national financial system and to prevent systemic banking crises. Its objective is to provide guarantee to depositors of member-institutions, in the event that a special scheme or insolvency is decreed, in special situations, by means of a prior agreement between the Brazilian Central Bank and the FGC, in accordance with Resolution 4,222, dated May 23, 2013, changed by Resolution 4,087, dated May 24, 2012 from the National Monetary Council (CMN).

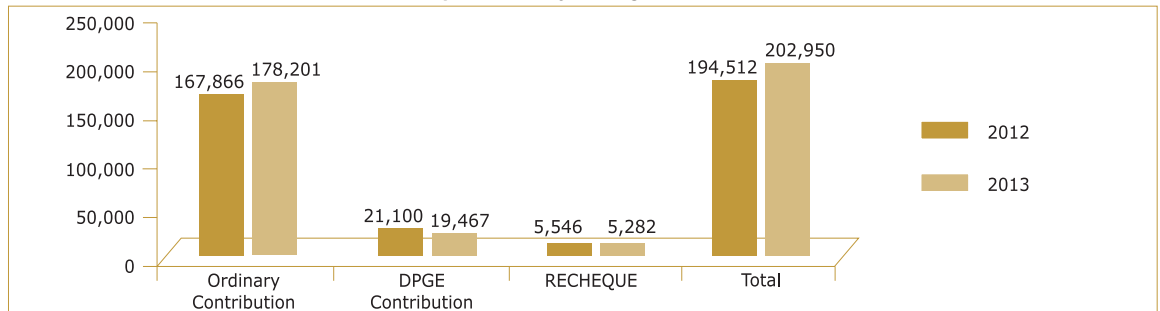
**Outstanding Event**

At the Ordinary General Meeting held on April 30, 2013 the members of the Board of Directors, Fiscal Council and Advisory Council have been elected. As of this mandate the members of the Board of Directors and Fiscal Council become independent, reinforcing the FGC's corporate governance (following international guidance). At the Extraordinary General Meeting held on October 28, 2013 the ordinary guarantee increase to R\$ 250,000.00 has been approved. As of October 30, 2013 the Banking Credit Bills - CCB's became part of the guarantees accepted by the DPGE as receivables guarantees.

**Financial Performance**

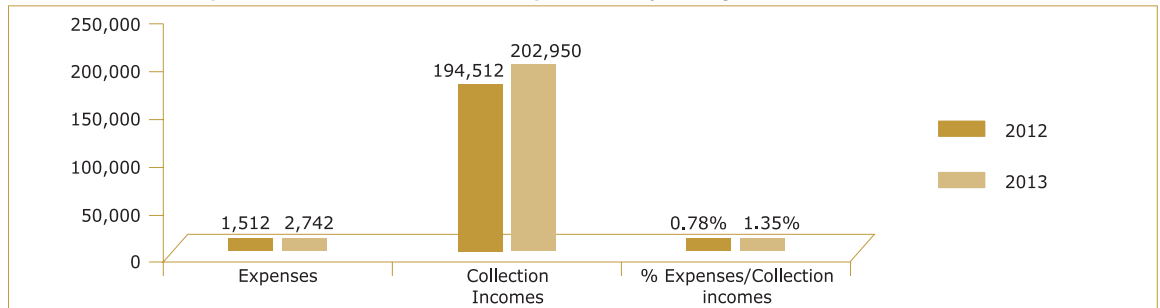
**Receipts** - Receipts to pay for the guarantee to be provided by the FGC, as determined in its statutory and regulatory rulings, derive from ordinary monthly contributions and special contributions from Time Deposits with Special Guarantee (DPGE), made by member-institutions, by the national financial market, including parastatal institutions, private and foreign institutions, and the RECHEQUE - Reserve to Promote Currency Stability and the Use of Checks. On December 31, 2013, ordinary contributions represented a monthly average of R\$ 178,201 thousand (R\$ 167,866 thousand, on December 31, 2012), and special contributions (DPGE), represented a monthly average of R\$ 19,467 thousand (R\$ 21,100 thousand, on December 31, 2012). The collection of RECHEQUE's fees, which are charged for the processing of inclusions and exclusions of names in the national record of closed accounts due to the returning of bad checks, recorded a monthly average of R\$ 5,282 thousand (R\$ 5,546 thousand, on December 31, 2012). The sources of receipts recorded a total monthly average of R\$ 202,950 thousand (R\$ 194,512 thousand, on December 31, 2012), not taking into consideration financial receipts.

**Collection Receipts - Monthly Average - (In thousands of Reais)**



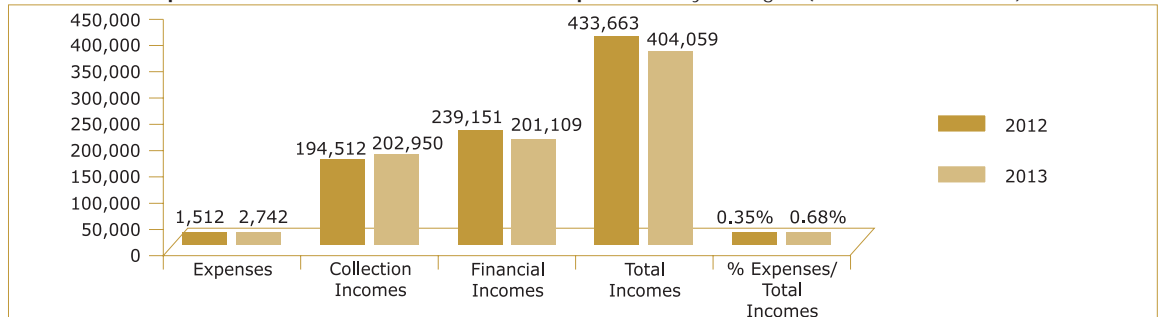
**Expenses:** As to operational expenses (personnel, administrative and overall expenses), the FGC recorded a monthly average expense of R\$ 2,742 thousand, corresponding to 1.35% of the monthly average collection of receipts (R\$ 1,512 thousand, on December 31, 2012, corresponding to 0.78% of the same average amount). The increase of the referred to expenses was mainly due to the implementation of operational processes needed for the controlling of limits and guarantees of the DPGE, to the alienation of receivables and also due to the implementation of the Board of Directors and Fiscal Council, staffed with independent professionals, and also due to the increase of the executive and operational staff.

**Expenses X Total Collection Receipts - Monthly Average - (In thousands of Reais)**



**Expenses X Collection and Financial Receipts:** Expenses represented 0.68% of total receipts (0.35%, on December 31, 2012). Receipts were considered as the monthly average contributions and the fees from the RECHEQUE, in the amount of R\$ 202,950 thousand, (R\$ 194,512 thousand, on December 31, 2012), added by the monthly average of financial receipts in the amount of R\$ 201,109 thousand (R\$ 239,151 thousand, on December 31, 2012), for a total of R\$ 404,059 thousand (R\$ 433,663 thousand, on December 31, 2012).

**Expenses X Collection and Financial Receipts - Monthly Average - (In thousands of Reais)**



**Guarantee Provided**

During this fiscal year, total expenses recorded R\$ 1,359,601 thousand, with R\$ 446,593 thousand from ordinary contributions and R\$ 913,008 thousand from DPGE guarantees. Following are the institutions under special regime whose creditors have received the guaranteed amount: Oboé CFI S.A. - under Extrajudicial Liquidation - R\$ 87 thousand as ordinary guarantee; Banco Morada S.A. - under Extrajudicial Liquidation - R\$ 8 thousand as ordinary guarantee; Banco Cruzeiro do Sul S.A. - under Extrajudicial Liquidation - R\$ 12,231 thousand as ordinary guarantee and R\$ 4,602 thousand as DPGE guarantee; Banco Prosper S.A. - under Extrajudicial Liquidation - R\$ 3,590 thousand as ordinary guarantee; Banco BVA - under intervention - R\$ 277,607 thousand as ordinary guarantee and R\$ 119,684 thousand as DPGE guarantee; Banco Rural S/A - E.L.E. R\$145,741 as ordinary guarantee and R\$ 788,722 as DPGE guarantee.

**Recovery of Guarantee Provided**

Recovered during this fiscal year the total amount of R\$ 539,210 thousand, of which R\$ 538,155 thousand relative to the project approved by the Central Bank of Brazil, aiming at equalizing assets and liabilities of corporations under the Bamerindus Group under the regime of Extrajudicial Liquidation, taking into account the interest of all parties involved in the intervention/extrajudicial liquidation and R\$ 1,055 thousand from Banco Santos S/A under bankruptcy resolved on September 20, 2005.

## Control of Operational Limit for Fund Investments

Control of operations of financial assistance or support, including liquidity operations for member-institutions, directly or through corporations indicated by member-institutions, including their controlling shareholders, in the acquisition of credit rights of financial institutions and leasing companies, in fixed income securities issued by member-institutions provided that they are supported by credit rights constituted or to be constituted with resources from the respective investments and in earmarked operations in accordance with Resolution 2,921, dated January 17, 2002.

Control of Operational Limit - 2013						
	Jul	Aug	Sep	Oct	Nov	Dec
<b>Social Equity (100%)</b>	<b>31,530</b>	<b>31,103</b>	<b>31,404</b>	<b>31,671</b>	<b>33,686</b>	<b>34,164</b>
<b>Total Operational Limit</b>						
Social Equity (75%)	23,648	23,327	23,553	23,753	25,265	25,623
Advanced Contributions (100%)	269	179	90			
<b>Total Operational Limit</b>	<b>23,917</b>	<b>23,506</b>	<b>23,643</b>	<b>23,753</b>	<b>25,265</b>	<b>25,623</b>
<b>Total Performed Operations</b>	<b>12,926</b>	<b>12,674</b>	<b>12,616</b>	<b>12,509</b>	<b>13,688</b>	<b>13,788</b>
<b>Operational Limit Total Available</b>	<b>10,990</b>	<b>10,833</b>	<b>11,027</b>	<b>11,244</b>	<b>11,577</b>	<b>11,835</b>
<b>Individual Operational Limit (Subject to the Operational Limit Total Available)</b>						
Social Equity (50%)	15,765	15,551	15,702	15,836	16,843	17,082
Advanced Contributions (100%)	269	179	90			
<b>Total Individual Limit Performed Operations</b>	<b>16,034</b>	<b>15,731</b>	<b>15,792</b>	<b>15,836</b>	<b>16,843</b>	<b>17,082</b>
<b>Fund Investments</b>						
Banks	2,808	2,814	2,852	2,894	2,629	2,947
Financial Companies	30	25	23	21	18	17
Institution under Special Status		(10)			151	152
<b>Total Fund Investments</b>	<b>2,838</b>	<b>2,830</b>	<b>2,875</b>	<b>2,915</b>	<b>2,798</b>	<b>3,116</b>
<b>Individual Limit Available (Fund Investments)</b>	<b>13,196</b>	<b>12,901</b>	<b>12,917</b>	<b>12,921</b>	<b>14,045</b>	<b>13,966</b>
<b>Special Operations</b>						
<b>Total Special Operations</b>						
<b>Individual Limit Available (Special Operations)</b>	<b>10,088</b>	<b>9,844</b>	<b>9,741</b>	<b>9,594</b>	<b>10,890</b>	<b>10,672</b>
	<b>5,946</b>	<b>5,887</b>	<b>6,051</b>	<b>6,242</b>	<b>5,953</b>	<b>6,410</b>

## System Volumes

Displayed herewith is a comparative statistical chart showing the evolution of products and credits subject to the FGC's guarantee

### System Total - Comparative Dec/2012 versus Dec/2013 by Brackets

Brackets (Amounts in R\$)	Number of Clients	% of Total	Dec/2012		% of Total	Number Clients	% of Total	Dec/2013		% of Total
			From	To				Amounts (R\$ Million)	Amounts (R\$ Million)	
0.01	5,000.00	166,142,440	88.30%	73,201	5.32%	174,497,955	87.65%	77,495	4.87%	
5,000.01	10,000.00	7,816,970	4.15%	55,350	4.02%	8,470,181	4.25%	60,102	3.78%	
10,000.01	15,000.00	3,679,555	1.96%	44,866	3.26%	4,047,556	2.03%	49,411	3.11%	
15,000.01	20,000.00	2,146,031	1.14%	37,106	2.70%	2,380,467	1.20%	41,207	2.59%	
20,000.01	25,000.00	1,479,501	0.79%	32,985	2.40%	1,654,726	0.83%	36,923	2.32%	
25,000.01	30,000.00	1,036,899	0.55%	28,355	2.06%	1,162,942	0.58%	31,838	2.00%	
30,000.01	35,000.00	805,051	0.43%	26,033	1.89%	930,750	0.47%	30,100	1.89%	
35,000.01	40,000.00	607,396	0.32%	22,708	1.65%	690,916	0.35%	25,858	1.62%	
40,000.01	45,000.00	504,833	0.27%	21,388	1.55%	584,519	0.29%	24,784	1.56%	
45,000.01	50,000.00	407,676	0.22%	19,331	1.40%	467,356	0.23%	22,183	1.39%	
50,000.01	60,000.00	647,213	0.34%	35,325	2.57%	753,899	0.38%	41,180	2.59%	
60,000.01	70,000.00	453,290	0.24%	29,320	2.13%	532,686	0.27%	34,480	2.17%	
70,000.01	80,000.00	340,534	0.18%	25,447	1.85%	398,270	0.20%	29,791	1.87%	
80,000.01	90,000.00	265,042	0.14%	22,462	1.63%	312,089	0.16%	26,472	1.66%	
90,000.01	100,000.00	210,711	0.11%	19,977	1.45%	248,805	0.12%	23,608	1.48%	
100,000.01	150,000.00	648,083	0.34%	78,348	5.69%	779,747	0.39%	94,252	5.92%	
150,000.01	200,000.00	296,544	0.16%	51,036	3.71%	358,170	0.18%	61,693	3.88%	
200,000.01	250,000.00	172,323	0.09%	38,332	2.78%	210,948	0.11%	46,930	2.95%	
<b>Subtotal under R\$ 250,000.00</b>		<b>187,660,092</b>	<b>99.73%</b>	<b>661,570</b>	<b>48.06%</b>	<b>198,481,982</b>	<b>99.69%</b>	<b>758,307</b>	<b>47.65%</b>	
<b>Subtotal over de R\$ 250,000.00</b>		<b>501,891</b>	<b>0.27%</b>	<b>714,876</b>	<b>51.94%</b>	<b>608,549</b>	<b>0.31%</b>	<b>833,242</b>	<b>52.35%</b>	
<b>Total Ordinary</b>		<b>188,161,983</b>	<b>100.00%</b>	<b>1,376,446</b>	<b>100.00%</b>	<b>199,090,531</b>	<b>100.00%</b>	<b>1,591,549</b>	<b>100.00%</b>	
<b>Change Dec/12 to Dec/13</b>								<b>15.63%</b>		
<b>Amount Subject to Ordinary Guarantee</b>				<b>787,043</b>			<b>5.81%</b>	<b>910,444</b>		
<b>Change Dec/12 to Jun/13</b>								<b>15.68%</b>		

### Time Deposit with Special Guarantee from the FGC

Brackets (Amounts in R\$)	Number of Clients	% of Total	Dec/2012		% of Total	Number Clients	% of Total	Dec/2013		% of Total
			From	To				Amounts (R\$ Million)	Amounts (R\$ Million)	
1,000.00	1,000,000.00	2,920	33.69%	1,286	4.65%	3,079	33.30%	1,382	5.15%	
1,000,000.01	5,000,000.00	4,000	46.15%	9,495	34.31%	4,502	48.68%	9,362	34.88%	
5,000,000.01	10,000,000.00	1,020	11.77%	6,894	24.91%	978	10.58%	6,365	23.71%	
10,000,000.01	15,000,000.00	472	5.45%	5,676	20.51%	415	4.49%	5,032	18.75%	
15,000,000.01	20,000,000.00	255	2.94%	4,324	15.63%	273	2.95%	4,701	17.51%	
<b>Subtotal</b>		<b>8,667</b>	<b>100.00%</b>	<b>27,675</b>	<b>100.00%</b>	<b>9,247</b>	<b>100.00%</b>	<b>26,843</b>	<b>100.00%</b>	
<b>Amount Subject to DPGE Guarantee</b>				<b>27,675</b>				<b>26,843</b>		
<b>Change Dec/12 to Dec/13</b>								<b>(3.00%)</b>		
<b>Overall Totals</b>				<b>1,404,121</b>	<b>100.00%</b>	<b>199,099,778</b>	<b>100.00%</b>	<b>1,618,392</b>	<b>100.00%</b>	
<b>Change Dec/12 to Dec/13</b>								<b>15.04%</b>		

### Comparative by Product (R\$ Million)

	Dec/2012	% of Total	Dec/2013	% of Total	(Dec-13/Dec-12)
<b>Savings</b>	496,658	35.37%	599,351	37.03%	20.68%
<b>Demand Deposits</b>	194,726	13.87%	201,686	12.46%	3.57%
<b>Time Deposits</b>	615,780	43.85%	563,428	34.82%	(8.50%)
<b>D.P.G.E.</b>	27,675	1.97%	26,843	1.66%	(3.00%)
<b>Investment Deposits</b>	7	0.00%	0	0.00%	(100.00%)
<b>Exchange Letters</b>	3,321	0.24%	2,987	0.19%	(10.05%)
<b>Agrobusiness Credit Letters</b>	0	0.00%	83,405	5.15%	100.00%
<b>Real Estate Credit Letters</b>	62,383	4.44%	96,664	5.97%	54.95%
<b>Mortgage Letters</b>	1,630	0.12%	1,522	0.09%	(6.63%)
<b>Real Estate Letters</b>	230	0.02%	60	0.00%	(73.95%)
<b>Compromised Operations</b>	0	0.00%	40,396	2.50%	100.00%
<b>Deposits not Drawable by Checks</b>	1,711	0.12%	2,050	0.13%	19.79%
<b>Total</b>	<b>1,404,121</b>	<b>100.00%</b>	<b>1,618,392</b>	<b>100.00%</b>	<b>15.26%</b>

Source: DIFIS/DESIG/DIACI/CORAC(BACEN) and CETIP

## Acknowledgements

To our member-institutions, to the public in general and to the monetary authority of our country that have honored us with their trust, we hereby express our appreciation. We would also like to thank our former councilors for their relevant contribution to the FGC administration, and welcome the new independent councilors who are just beginning their role in the administration of the FGC.

## Balance Sheets

Assets	2013	2012
<b>Current assets</b>		
Banks - Checking accounts	49,740	51,946
Financial investments and securities (Note 4)	15,284,766	13,754,934
Contributions receivable (Note 5)	195,709	95,258
Other receivables	157,066	98,228
	<u>15,687,281</u>	<u>14,000,366</u>
<b>Noncurrent assets</b>		
Financial investments and securities (Note 4)	12,944,324	13,284,606
Notes and credits receivable - FCVS (Note 6)	939,764	1,138,887
Other notes and credits receivable (Note 7)	5,223,532	4,748,534
	<u>19,107,620</u>	<u>19,172,027</u>
Property and equipment	808	888
Deferred charges	112	140
	<u>34,795,821</u>	<u>33,173,421</u>
<b>Total assets</b>	<u>34,795,821</u>	<u>33,173,421</u>

Liabilities	2013	2012
<b>Current liabilities</b>		
Accounts payable to suppliers	2,852	1,722
Voluntary advances of contributions (Note 8)	-	895,736
Salaries and social charges	269	174
Provisions for DPGE payments	-	116,062
	<u>3,121</u>	<u>1,013,694</u>
<b>Noncurrent liabilities</b>		
<b>Other liabilities</b>		
Due to third parties (Note 13.a)	78,429	59,793
Contractual liabilities and others (Note 10)	273,206	291,061
Provision for contingences (Note 9)	276,854	276,854
	<u>628,489</u>	<u>627,708</u>
<b>Net equity</b>		
Accumulated surplus	34,164,211	31,532,019
	<u>34,164,211</u>	<u>31,532,019</u>
<b>Total liabilities</b>	<u>34,795,821</u>	<u>33,173,421</u>

## Statement of Surplus and Changes in net Equity

	2013	2012
<b>Statement of income and expenses</b>		
<b>Income (expenses) from collections</b>		
Monthly contributions	2,138,410	2,014,391
DPGE monthly contributions	233,608	253,202
Contributions from RECHEQUE	63,382	66,555
Expenses from collection services	(3,169)	(3,328)
	<u>2,432,231</u>	<u>2,330,820</u>
<b>Net income from collections</b>	<u>2,432,231</u>	<u>2,330,820</u>
<b>Operating income (expenses)</b>		
Recovery of guarantees for subrogated receivables (Note 11.a)	539,210	12,762
With guarantees for subrogated receivables (Note 11.a)	(1,243,539)	(3,109,095)
General and administrative expenses (Note 11.b)	(24,577)	(14,123)
Personnel (Note 11.b)	(8,326)	(4,017)
Expenses from credits with SFH	(81)	(34)
Other operational income	1,523	1,751
Other operational expenses	(7,725)	(16,146)
Provisions and equity adjustments (Note 11.c)	(1,422,087)	1,260,532
Financial expenses (Note 11.d)	(47,735)	(28,452)
Financial income (Note 11.e)	2,413,302	2,869,810
	<u>2,632,196</u>	<u>3,303,808</u>
<b>Non operational expenses</b>	<u>(4)</u>	<u>(24,915)</u>
	<u>2,632,192</u>	<u>3,278,893</u>
<b>Surplus for the year</b>	<u>2,632,192</u>	<u>3,278,893</u>
<b>Statements of changes in net equity</b>		
Opening balance	31,532,019	28,253,126
Surplus for the year	2,632,192	3,278,893
	<u>34,164,211</u>	<u>31,532,019</u>
<b>Closing balance</b>	<u>34,164,211</u>	<u>31,532,019</u>

## Statement of comprehensive income

	2013	2012
<b>Surplus for the year</b>	<u>2,632,192</u>	<u>3,278,893</u>
Others comprehensive income	-	-
<b>Total comprehensive income</b>	<u>2,632,192</u>	<u>3,278,893</u>

## Statement of Cash Flows Indirect Method

	2013	2012
<b>Cash flows from operational activities</b>		
<b>Surplus for the year</b>	2,632,192	3,278,893
<b>Adjustments to reconcile the results with the cash and cash equivalents generated from operational activities</b>		
Depreciation and amortization	200	182
<b>Variations in assets and liabilities</b>		
(Increase) in contributions receivable	(100,451)	(6,486)
(Increase) in other notes and credits receivable	(342,263)	(526,646)
(Increase) in financial investments and securities	148,709	(3,416,255)
(Increase)/decrease in notes and credits receivable - FCVS	199,123	(352,507)
(Decrease) in accounts payable to suppliers	1,130	(197)
Increase in salaries and social charges	95	93
(Decrease)/Increase in provisions for DPGE payments	(116,062)	116,062
(Decrease) in voluntary advances of contributions	(895,736)	(1,074,883)
Increase in due to third parties	18,636	5,081
Decrease/Increase in contractual liabilities	(17,855)	17,331
<b>Net cash generated from operational activities</b>	<u>(1,104,674)</u>	<u>(5,238,407)</u>
<b>Cash flows from investment activities</b>		
Acquisition of fixed assets	(92)	(223)
<b>Net cash applied in investment activities</b>	<u>(92)</u>	<u>(223)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>	<u>1,527,626</u>	<u>(1,959,555)</u>
<b>Changes in net cash and cash equivalents</b>		
Cash and cash equivalents at the beginning of the year	13,806,880	15,766,435
Cash and cash equivalents at the end of the year	15,334,506	13,806,880
<b>Increase/(decrease) in cash and cash equivalents</b>	<u>1,527,626</u>	<u>(1,959,555)</u>

**1 Operations**

The Fundo Garantidor de Créditos - FGC, is a not-for-profit civil association in the legal form of private rights, governed in accordance with the terms of Resolution 4,222, of May 23, 2013 issued by the National Monetary Council (CMN) and by legal and regulatory provisions. It is exempt from income tax and social contribution on any surplus, as set forth in article 4 of Law 9,710/98, and its objectives are to:

- (i) Protect depositors and investors in the financial system, up to limits established in the regulation.
- (ii) Contribute towards maintaining the stability of the National Financial System.
- (iii) Contribute towards preventing systemic banking crisis.

The FGC's associated members comprise the Caixa Econômica Federal and institutions established as multiple service banks, commercial banks, investment banks, development banks, credit, financing and investment companies, real estate credit companies, mortgage companies and savings and loan associations operating in Brazil, which:

- a. Receive demand deposits, in savings accounts or time deposits.
- b. Accept bills of exchange.
- c. Raise funds through the issuance and placement of real estate bonds, mortgage bonds or real estate credit bonds or agribusiness credit bonds
- d. Raise funds through repurchase operations with the object being securities issued, subsequent to March 08, 2012, by related companies.

The FGC's purpose is to provide assurance to depositors of its member institutions in the following situations:

- (a) Decree of intervention or extrajudicial liquidation of the member institution.
- (b) Recognition, by the Central Bank of Brazil (Bacen) of the state of insolvency of a member institution which, pursuant to prevailing legislation, is not subject to the regimes referred to in item (a).

Given that FGC makes payments for the debts incurred by its member institutions, is entitled to be reimbursed for any payment made, under the terms of article 346, clause III, of the Civil Code.

A further activity of the FGC, in order to meet the objectives identified in items ii) and iii) above, is the provision of financial assistance or support, including in the form of liquidity operations with associated institutions, directly or through companies indicated by them, including with their controlling shareholders. These transactions may be contracted for the purpose of promoting the transfer of shareholder control or the transformation, merger, spin-off of the institution or any other form of corporate reorganization legally permitted that would be in the interest of the associated institutions.

The aforementioned operations shall be subject to the following rulings:

- (i) They cannot exceed the values forecast for the guaranteed credits that are the responsibility of each member or members of the same conglomerate, assuming the occurrence of the events stated in the previous paragraph.
- (ii) They shall observe the following limits in relation to net equity, which includes the value of anticipated contributions due from members, stated in the monthly trial balance or annual balance sheet of FGC:
  - a. Up to 25% (twenty-five percent) for all operations realized with one member institution or all of the member institutions from the same financial group.
  - b. Up to 50% (fifty percent) for all operations.

When faced with an adverse economic situation, recognized by the Central Bank of Brazil, and protecting the stability of the national financial system, the limit described above may, exceptionally, be exceeded and the charges may be fixed below market bases.

Provided that it complies with the criteria, limits, diversification requirements, operating format and contractual clauses established by the Board of Directors, the FGC may invest funds, up to the global limit of 50% (fifty percent) of net equity plus the amount of any liabilities arising from the anticipation of regular contributions by associated institutions as per the FGC monthly trial balance or annual balance sheet, in:

- (i) The purchase of credit rights from financial institutions or leasing companies;
- (ii) The purchase of fixed income securities issued by associated institutions, provided that they are collateralised by credit rights originated or that will originate from the funding received; or
- (iii) Linked transactions in conformity with Resolution 2,921, of January 17, 2002.

The FGC can dispose of the assets acquired as a result of the operations described in the previous paragraph.

With the exception of the circumstances provided in its Statutes, FGC is prohibited from investing funds in the acquisition of real estate, or in variable income securities, except when received as liquidation of credits in its name, subsequent to which they have to be sold.

The FGC may invest funds up to a global limit of 75% (seventy-five percent) of its net equity plus the amount of any liabilities arising from the anticipation of regular contributions by associated institutions as per the FGC monthly trial balance or annual balance sheet.

Presented below is the amount of the fund's equity that is invested in associated companies that, as determined by the structure of the transaction, may be classified to 'Other notes and credits receivable' and/or 'financial securities and securities':

Description	In thousands of Reais
(A) - Net equity	34,164,211
(B) - 75% of net equity - (A)	25,623,158
(C) - Voluntary advances of contributions	-
(D) = (B) + (C)	25,623,158
<b>Amounts linked to transactions</b>	
Financial investments and securities	11,814,327
Others notes and credits receivable	5,242,146
Highly-liquid transactions	(3,356,356)
(E) - Total	13,700,117
(F) - Use of net equity - (F = E/D)	53%

For an individual or legal entity the FGC guarantees up to R\$ 250 (two hundred and fifty thousand Reais) of amounts deposited with an institution or, in the case of a financial group, all of the institutions within that group.

The credits certified by associations, condominiums, cooperatives, consortium administrators or groups, complementary pension entities, insurance companies, capitalization entities and other entities and associations that are not legal companies, and similar entities, are entitled to the same guarantee.

Resolution 4.222, which governs the statutes and regulation of FGC, revised the regulations for the norms that govern the raising of term deposits, with special guarantee provided by FGC, and identified two distinct products: DPGE without pledges, with a minimum funding period of twelve months and maximum period of twenty four months, with a decreasing timetable for funding limits, reaching zero in 2016 and Term Deposit with Special Guarantee from FGC with pledges from receivables from credit operations and leasing operations originated by the issuing institution, with a minimum funding period of six months and a maximum period of thirty six months.

Receivables granted to the FGC as guarantees must be registered in registration and financial settlement systems. The FGC will guarantee a maximum value of R\$ 20,000 (twenty million reais) per CPF or CNPJ.

Funding under this new modality of DPGE with pledge of receivables began in December 2012.

As determined in its bylaws and regulatory provisions, the funds to finance the guarantees which the FGC provides, are derived from:

- Regular and special contributions from the associated institutions, based on the balances for the accounts and underlying financing instruments that are the object of the FGC guarantee, as at the last day of each month;
- Service fees from the issuance of checks with insufficient funds;
- Recoveries of credits rights which the FGC has obtained as a result of paying the debts related to guaranteed credits of associated institutions;
- Net result from other services provided by the FGC and earnings from financial investments;
- Remuneration and charges corresponding to receiving amounts owed due to liquidity operations transacted with associated institutions, directly or through companies indicated by them, including with controlling shareholders;
- Income from other sources.

The percentage rate for the regular contribution paid by member institutions to FGC is established by the Board of Directors by means of a specific request, duly justified and submitted to the Central Bank of Brazil for examination by and submitted to the CMN for prior authorization. CMN authorized FGC's Board of Directors to fix the monthly contribution on ordinary guarantees at 0.0125% and the monthly special contribution at 0.0833% for member institutions that opt to raise funds through DPGEs and a monthly contribution of 0.02497% for institutions that opt for DPGEs including guarantees with receivables as collateral.

## 2 Presentation of the financial statements

The financial statements were prepared in accordance with accounting practices adopted in Brazil, including pronouncements from the Accounting Pronouncement Committee (CPC) (consistent with the process to conform with International Financial Reporting Standards - IFRS). These financial statements are presented in Brazilian Reais, which is the Fund's functional currency.

For purposes of preparing the financial statements, estimates and assumptions were adopted, which included the measurement of securities and receivables at fair value; the provision for credit risk on mortgage certificate receivables, credits with the Wages Variations Compensation Fund - FCVS, credits with the Transferor Real Estate Loan Societies and credits with financial institutions undergoing extrajudicial liquidation; and the provision for contingencies arising mainly from contracts with co-obligation. These assumptions and estimates are reviewed periodically by Management.

The Fund's Executive Directors approved the conclusion of FGC's financial statements on March 21, 2014.

### 3 Significant accounting practices

#### a. Determination of surplus/(deficit)

The surplus/deficit is recognized on an accruals basis and ordinary contributions are recognized on a monthly basis by the 25th day of each month, when the amounts are known.

When credits that have been written off as losses and registered in off-balance sheet accounts are subsequently renegotiated, the balances revert to the balance sheet with the respective provision. The amounts are recognized in the statement of income and expenses only when effectively received and/or in the case of the credits received in lieu of payment from the FCVS upon validation by Caixa Económica Federal.

#### b. Cash and cash equivalents

Include cash and bank deposits and short term, highly liquid investments, with maturities not exceeding 90 days from the acquisition date, which are readily convertible to known cash amounts and subject to an insignificant risk of any change in value.

#### c. Financial instruments

##### *Classification and measurement*

(i) The accounting principles adopted by the FGC allow financial instruments to be classified between one of the following categories: (i) financial assets stated at fair value through profit and loss; (ii) loans and receivables; (iii) held to maturity; and (iv) available for sale. The classification depends on the origin of the instruments or the purpose for which the financial instruments were acquired. The classification of financial instruments is made at the time of initial recognition of the operation.

##### (i) Financial assets stated at fair value through profit and loss

These financial assets are stated at fair value, and are held for the purpose of active and frequent trading operations. The assets and liabilities in this category are classified as current assets. Any gains or losses arising from the variations of fair value on the financial assets stated at fair values through profit and loss instruments are recognized in the statement of surplus for the period.

##### (ii) Loans and receivables

This category includes receivables that are financial assets with fixed or calculable payments and are not quoted on an active market. These financial assets are recorded as current assets, except when their maturity date is 12 months subsequent to the balance sheet date, when they are then classified as non-current assets. They are recorded at amortized cost, using the effective interest rate method.

##### (iii) Held to maturity

**Financial assets acquired** when the company has the intention and financial capacity to hold them in portfolio until maturity. They are valued at acquisition cost and any income earned on these instruments is recognized in the statement of surplus for the period.

##### (iv) Available for sale

Financial assets that are not classified in any other category are included in this category. They are registered as non-current assets unless Management intends to sell the investment within 12 months of the balance sheet date. Financial assets classified as available for sale are stated at fair value. Interest on securities available for sale, calculated using the effective interest rate method, is recognized in the statement of surplus as financial income. Variation in the fair value of the instruments is recorded in equity, as a valuation adjustment, and transferred to the statement of surplus when the investments are liquidated or when a loss considered to be permanent is incurred.

##### *Fair value*

The fair values of financial instruments with public quotations are based on the existing purchase prices. For financial assets without an active market, or public quotation, the FGC analyzes the fair value using valuation techniques. These techniques include: (a) the use of recent transactions with third parties; (b) reference to other instruments that are substantially similar; and (c) analysis of discounted cash flows; these techniques use, to the fullest extent possible, information available from the market.

If there is objective evidence that a financial asset or group of financial assets is impaired, a fair-value adjustment provision is established based on the difference between the interest rates of the relevant assets and the interest rates negotiated in the market for assets with similar risk characteristics. The present value adjustment for FCVS credits is calculated based on the net value of these assets at the balance sheet date, which comprises the total value of credits receivable.

#### d. Allowance for doubtful receivables

The allowance for doubtful receivables is recorded based on information available at the balance sheet date, and is considered sufficient by Management to cover probable losses, based on the following guidelines:

- **Allowance for credits with FCVS** - Recorded at the rate of 100% (one hundred percent) of credits with FCVS, that have not been homologated by the Caixa Económica Federal, the FCVS Administrator, considering the effects of Decree 97,222/88 and Law 10,150/00;
- **Allowance for credits with on-lending real estate credit companies** - Recorded based on the expected loss from recovering these credits, considering the ability of the debtors to make the payments; and
- **Allowance for losses on mortgage certificates and contracts** - Recorded based on information obtained from the counterparties, considering, individually, the level of arrears of installment payments and the balances not covered by the FCVS.

#### e. Property and equipment and deferred charges

Originally recorded at cost. Depreciation is provided using the straight-line method at the annual rates that take into account the estimated useful lives of the assets.

#### f. Current and long-term liabilities

Stated at known or estimated amounts, plus, when applicable, the corresponding charges and monetary variations incurred.

#### g. Provision for contingencies

Contingent assets are recognized only when there is evidence that the assets will be realized, and for which no more appeals can be made. Contingent liabilities, both judicial and legal, are classified by management, based on information from legal advisors, between one of the following categories: possible; probable; or remote, and provisions are registered for those contingencies that can be measured and are classified as representing a probable likelihood of loss. The contingent liabilities, both judicial and legal, classified as representing a possible likelihood of loss, are disclosed.

## 4 Financial investments and securities

### a. Composition of financial investments and securities

The financial investments and securities held are classified as available for sale (except when stated otherwise) at December 31, consisted of the following:

	Curve value /Cost	2013 Market value	Curve value /Cost	2012 Market value
<b>Reverse repurchase agreements (i)</b>				
Banco do Brasil S.A.	6,764,188	6,764,188	6,025,469	6,025,469
Caixa Econômica Federal	4,149,454	4,149,454	3,884,841	3,884,841
Banco Bradesco S.A. (for third parties)	29,694	29,694	26,192	26,192
Banco Itaú S.A. (for third parties)	48,139	48,139	42,511	42,511
	<b>10,991,475</b>	<b>10,991,475</b>	<b>9,979,013</b>	<b>9,979,013</b>
<b>Bank Deposit Certificate</b>				
Bank Deposit Certificate - CDB	357,237	357,237	330,128	330,128
	<b>357,237</b>	<b>357,237</b>	<b>330,128</b>	<b>330,128</b>
<b>Public Federal Bills</b>				
CVS (ii)	101,559	101,559	95,273	95,273
	<b>101,559</b>	<b>101,559</b>	<b>95,273</b>	<b>95,273</b>
<b>Shares to pay third parties</b>				
Shares to pay third parties (iii)	5,703	5,703	7,218	7,218
	<b>5,703</b>	<b>5,703</b>	<b>7,218</b>	<b>7,218</b>
<b>Subordinated Financial Bills</b>				
Subordinated Financial Bills (iv)	5,427,045	4,758,436	5,066,715	5,031,479
	<b>5,427,045</b>	<b>4,758,436</b>	<b>5,066,715</b>	<b>5,031,479</b>
<b>Investment fund quotas</b>				
Investment fund (v)	12,014,680	12,014,680	11,596,429	11,596,429
	<b>12,014,680</b>	<b>12,014,680</b>	<b>11,596,429</b>	<b>11,596,429</b>
<b>Total</b>	<b>28,897,699</b>	<b>28,229,090</b>	<b>27,074,776</b>	<b>27,039,540</b>

(i) Operations backed by federal government bonds and remunerated at floating rates identical to the remuneration for the daily average CDI and Selic rates;

(ii) Securities arising from the conversion of credits with the FCVS into CVS securities;

(iii) Shares are valued based on the BM&FBovespa S.A. - Bolsa de Valores, Mercadorias e Futuros quote for the most recent trading day.

(iv) Securities classified at fair value through the statement of surplus/deficit.

(v) Refers to exclusive investment funds, for the amount of R\$ 12,002,826 (R\$ 11,584,710 in 2012), as reported in note 4c, and the other non exclusive investment funds for the amount of R\$ 11,854 (R\$ 11,719 in 2012).

### b. Segregation of current and noncurrent financial investments and securities

Financial investments and securities becoming available or maturing within 360 days are classified as current assets, while those with maturities exceeding 361 days are classified as noncurrent assets, as presented below:

Description	2013	2012
Current assets	15,284,766	13,754,934
Noncurrent assets	12,944,324	13,284,606

Presented below is the portfolio of financial investments and securities segregated by due dates:

	2013						Total market value
	No due date	Up to 3 months	from 3 to 12 months	from 1 to 3 years	from 3 to 5 years	Above 5 years	
Reverse repurchase agreements	-	10,913,642	-	-	77,833	-	10,991,475
Bank deposit certificates	-	-	-	-	65,598	291,639	357,237
Public federal bills	-	-	-	-	-	101,559	101,559
Shares for payment to third parties	-	-	-	-	-	5,703	5,703
Subordinated financial bills	-	-	-	417,384	1,844,915	2,496,137	4,758,436
Investment fund quotas(i)	4,371,124	-	-	-	-	7,643,556	12,014,680
<b>Total 2013</b>	<b>4,371,124</b>	<b>10,913,642</b>	<b>-</b>	<b>417,384</b>	<b>1,988,346</b>	<b>10,538,594</b>	<b>28,229,090</b>
<b>Total 2012</b>	<b>3,844,624</b>	<b>9,910,310</b>	<b>-</b>	<b>-</b>	<b>1,517,803</b>	<b>11,766,803</b>	<b>27,039,540</b>

(i) As reported in Note 4c, the investment funds are exclusive. However, for purposes of presenting the due dates, the possibility of immediate redemption has been considered.

Presented below is a breakdown of cash and cash equivalents that are immediately available:

Description	2013	2012
Banks – checking accounts	49,740	51,946
Financial investments – Reverse repurchase agreements	10,913,642	9,910,310
Financial investments - Investment funds (i)	4,371,124	3,844,624
<b>Total</b>	<b>15,334,506</b>	<b>13,806,880</b>

(i) Financial investments consisting of the funds BB FGC Fundo de Investimento RF LP, Himalaia RF CP - Fundo de Investimento and Top 497 RF – Fundo de Investimento (2012).

### c. Composition of investment fund portfolios

These are exclusive investment funds that invest in federal government bonds, credit receivables funds, Bills of Exchange, Financial Bills (classified as held to maturity) and Bank Deposit Certificates (collateralized by credit rights). An analytical breakdown of these fund portfolios is presented below:

#### FI - Fundo de Investimento Multimercado Crédito Privado

	Assets/(Liabilities)/2013	Assets/(Liabilities)/2012
Cash and cash equivalents	1	1
National Treasury Bills	1,732,739	108,791
Quotas of funds of credit receivables	1,627,395	2,968,883
Bank Deposit Certificate	2,514	7,097
(-) Provision for payables	(10)	(94)
(-) Amounts payable to fund managers	(195)	(85)
<b>Total fund portfolio</b>	<b>3,362,444</b>	<b>3,084,593</b>

#### Omega - Fundo de Investimento Multimercado Crédito Privado

	Assets/(Liabilities)/2013	Assets/(Liabilities)/2012
Cash and cash equivalents	1	1
National Treasury Bills	679,225	1,270
Bank Deposit Certificate	2,135,360	2,562,256
Bills of Exchange	14,912	33,714
(-) Provision for payables	(8)	(107)
(-) Amounts payable to fund managers	(235)	(100)
<b>Total fund portfolio</b>	<b>2,829,255</b>	<b>2,597,034</b>

#### Gama - Fundo de Investimento Multimercado Crédito Privado

	Assets/(Liabilities)/2013	Assets/(Liabilities)/2012
Cash and cash equivalents	1	1
National Treasury Bills	944,392	39,816
Bank Deposit Certificate	493,997	1,999,084
Bills of Exchange	1,741	19,731
(-) Provision for payables	(11)	(90)
(-) Amounts payable to fund managers	(117)	(82)
<b>Total fund portfolio</b>	<b>1,440,003</b>	<b>2,058,460</b>

#### BB FGC Fundo de Investimento em Renda Fixa L P

	Assets/(Liabilities)/2013	Assets/(Liabilities)/2012
Cash and cash equivalents	-	8
National Treasury Bills	750,740	114,322
National Treasury Notes	-	1,415,083
Financial Treasury Bills	957,269	49,986
(-) Provision for payables	(22)	(7)
(-) Amounts payable to fund managers	(70)	(74)
<b>Total fund portfolio</b>	<b>1,707,917</b>	<b>1,579,318</b>

#### BBB (Himalaia) R F Crédito Privado - Fundo de Investimento

	Assets/(Liabilities)/2013	Assets/(Liabilities)/2012
Cash and cash equivalents	5	2
Financial Treasury Bills	628,331	1,462,036
National Treasury Bills	-	399,999
National Treasury Notes	2,035,055	113,873
(-) Provision for payables	(7)	(8)
(-) Amounts payable to fund managers	(177)	(125)
<b>Total fund portfolio</b>	<b>2,663,207</b>	<b>1,975,777</b>

#### Top 497 Renda Fixa - Fundo de Investimento

	Assets/(Liabilities)/2013	Assets/(Liabilities)/2012
Cash and cash equivalents	-	3
National Treasury Bills	-	289,552
(-) Provision for payables	-	(4)
(-) Amounts payable to fund managers	-	(23)
<b>Total fund portfolio</b>	<b>-</b>	<b>289,528</b>
<b>Total exclusive investment funds</b>	<b>12,002,826</b>	<b>11,584,710</b>

### d. Custody of securities, shares and investment fund quotas

The public securities are held in custody with the System for Settlement and Custody - Selic and CETIP S.A. - Mercados Organizados; private securities (CDBs) are held with CETIP; shares are held with Banco Bradesco S.A. and the investment fund units are held with the respective administrators.

## 5 Contributions receivable

The ordinary monthly contributions and those that refer to time deposits with special guarantee - DPGE from FGC member institutions are reported to Banco do Brasil S.A. by the 15th day of the month subsequent to the base month of the calculation and are received on the first working day of the month subsequent to the month in which the information was received. The balance of contributions receivable at December 31, 2013 was R\$ 195,709 (2012 - R\$ 95,258).



## 6 Securities and credits receivable - FCVS

Securities and receivables, classified as loans and receivables, are as follows:

	Value at 31.12.2013	Provision for		Net value at	
		Doubtful receivables	Adjustment to fair value	31.12.2013	31.12.2012
<b>Mortgage certificates</b>	2,793	(1,442)	-	1,351	1,934
<b>Mortgaged contracts</b>	14,196	(5,947)	-	8,249	10,682
<b>Credits with FCVS</b>					
Pre-novated (i)	275,196	-	-	275,196	264,660
Ratified (i)	650,605	-	-	650,605	595,755
Validated (i)	349,522	-	-	349,522	373,868
To be validated (i)	27,420	-	-	27,420	8,878
Provision for adjustment to fair value	-	-	(93,790)	(93,790)	(93,571)
Allowance for doubtful receivables	-	(376,942)	-	(376,942)	(124,681)
<b>Credits with FCVS to be defined</b>	11,600	(11,600)	-	-	-
<b>Credits with real estate credit companies</b>	196,236	(98,118)	-	98,118	97,187
<b>Securities and receivables</b>	12,628	(12,593)	-	35	4,175
<b>Total in 2013</b>	1,540,196	(506,642)	(93,790)	939,764	
<b>Total in 2012</b>					1,138,887

- (i) The variation in the account balances can be attributed to the effects of the adjustment in the valuation of the credit conversion processes with FCVS.
- (ii) During 2013, the Fund reassessed the estimated losses in relation to credits with FCVS - validated and to be validated, and made provisions for the full amounts, considering new information made available.

Interest and amortization of the CVS securities portfolio resulted in the receipt of R\$ 13,921 in 2013 (2012 - R\$ 12,122).

## 7 Other notes and credits receivable

Refers to special financial aid transactions given by the FGC to associated institutions, earning interest mainly at the TMS rate (average Selic rate), for the purpose of company reorganizations, capital increases and to guarantee liquidity, providing protection to the financial system and small savings account holders. Presented below is the amount segregated by due date:

	Up to 1 year	From 1 to 3 years	From 3 to 5 years	Above 5 years	Total 2013	Total 2012
Special operations	157,066	174,554	766,703	4,282,275	5,380,598	4,846,762

In virtue of the decree for extrajudicial settlement of institutions, FGC registered a provision for the total value of the special operations undertaken, amounting to R\$ 103,061, even though a significant amount is covered by guarantees

## 8 Voluntary advances of contributions

In accordance with Circular 3,416 of October 24, 2008, issued by the Central Bank of Brazil, associated institutions made an advance of 60 (sixty) times the value of the ordinary contribution to the FGC, based on the amounts at August 2008. The advance will be deducted on a monthly basis over the number of months equivalent to the number of monthly advances made. At December 31, 2013, the balances for voluntary advances had been fully deducted (2012 - R\$ 895,736).

## 9 Provision for contingencies

The movement in the provision for contingencies is presented below:

Description	2013	2012
Contingencies	276,854	276,854
<b>Total</b>	276,854	276,854

The provision for contingencies is established according to the FGC's best estimates. Contingencies refer mainly to adjustments of positions with Sociedade de Crédito Imobiliário and Associação de Poupança e Empréstimo (onlending entities).

## 10 Contract obligations

On 11.03.2011, the FGC assumed the credits held by Caixa Econômica Federal against Banco Bamerindus do Brasil S.A. - In Extra-Judicial Liquidation deriving from the Contract for Onerous Granting of Credits, Consolidation, Acknowledgment and Payment of Debts, Acquisition of Assets and Other Covenants, in which it committed to make this single payment within a maximum of five years, allowing for extraordinary amortizations R\$ 273,206 (2012 - R\$ 291,061). The contractual liabilities are corrected at the rate of 5.87575% p.a.

## 11 Operating income (expenses)

### a. Guarantees for subrogated receivables

Institutions	Guarantees provided 2013	Recovery of guarantees 2013	Guarantees provided 2012	Recovery of guarantees 2012
Banco Bamerindus do Brasil S.A. - E.L.E.	(7,329)	538,155	(1,084)	4,955
Banco Santos S.A.	-	1,055	(20)	-
Banco Santos Neves S.A.	-	-	-	10
Rótula S.A. - CFI	-	-	-	7,797
Banco Morada S.A. - E.L.E.	(8)	-	(501)	-
Oboé CFI S.A. - E.L.E.	(87)	-	(12,725)	-
Banco Cruzeiro do Sul S.A. - E.L.E.	(16,833)	-	(1,943,092)	-
Banco Prosper S.A. - E.L.E.	(3,590)	-	(129,911)	-
Banco BVA S.A. - E.L.E.	(281,229)	-	(1,021,762)	-
Banco Rural S.A. - E.L.E.	(934,463)	-	-	-
<b>Total</b>	<b>(1,243,539)</b>	<b>539,210</b>	<b>(3,109,095)</b>	<b>12,762</b>

## b. Personnel, General and Administrative expenses

The increase in these expenses is due, mainly, to the implementation of the operational processes necessary for controlling limits and the DPGE guarantees with pledged receivables and also from implanting the management and statutory audit boards, comprising independent professional, and also from the increase in the management and operational personnel.

## c. Provisions and equity adjustments

Description	2013	2012
Provision for losses from program for investing funds (i)	(397,511)	-
Net effect of the movements from allowance for doubtful receivables	(287,924)	8,541
Effect from adjustment to present value of notes and credit receivables	(217)	55,638
Loss from special operations	(103,061)	(24,440)
Provision for adjustment to fair value of subordinated financial bills (ii)	(633,374)	1,220,793
<b>Total</b>	<b>(1,422,087)</b>	<b>1,260,532</b>

(i) Refers to provisions for losses from the program to invest funds, through the Investment Fund where FGC is cited as the exclusive investor, related to Banco BVA S.A. (R\$ 392,155), Banco Prosper S.A. (R\$ 2,327), Oboé CFI S.A. (R\$ 2,090) and Banco Morada S.A. (R\$ 939), part as receivables pledged as guarantee and part as definitive assignment to these funds.

(ii) The provision to present value of financial bills includes the equalization of the nominal income of these bills to the standard FGC return on assets, which is the average Selic rate.

## d. Financial expenses

Description	2013	2012
Interest and inflation restatement - Contractual liabilities	(21,049)	(17,606)
Others	(26,686)	(10,846)
<b>Total</b>	<b>(47,735)</b>	<b>(28,452)</b>

## e. Financial income

Description	2013	2012
Income from financial investments	1,862,495	2,233,356
Inflation restatement of credits with FCVS	101,477	202,363
Monetary correction of special operations	443,348	423,339
Others	5,982	10,752
<b>Total</b>	<b>2,413,302</b>	<b>2,869,810</b>

## 12 Risk management

Risk management is the responsibility of the FGC's executive management and substantially involves credit risk, market risk and liquidity risk.

### Credit risk

Credit risk refers to the possibility of losses being incurred as a result of borrowers or counterparties failing to honour their financial obligations as agreed and from a decrease in the value of a contract as a result of the downgrading of borrowers' risk ratings. Our general policy and rules on extending credit are established in our Bylaws and Internal Regulations, and include standards, procedures and parameters intended to mitigate credit risk. At the FGC, considering its characteristics and especially our essential role in ensuring the liquidity of the financial system, credit formalization and monitoring is strictly managed in accordance with pre-established rules, particularly in relation to the provision and formalization of guarantees.

### Market risk

Market risk is the possibility of financial losses being incurred due to fluctuation in the pricing and interest rates of financial instruments, since asset and liability portfolios can have mismatches in terms of maturities, currencies and indexes. Executive Management is responsible for assessing these risks, although the risk exposure inherent in our business is low considering that there are no currency and maturity mismatches or transactions made with floating rates.

### Liquidity risk

Liquidity risk arises from mismatches between the maturities of assets and liabilities, which could render us incapable of meeting our obligations as they fall due. The measures available to mitigate and control these risks are as follows:

Available funds are invested exclusively in federal government bonds. In the operations referred to as "Resource Application" which aim to ensure liquidity, FGC purchases CDBs from borrowers and sells low value receivables with pre-selected ratings.

## 13 Other information

- The FGC, acting as the commission agent, in an extra-judicial settlement, made a Public Offer for acquiring unsecured credits, offering the creditors of Banco BMD S.A, BMD S.A. Corretora de Câmbio e Valores Mobiliários, BMD S.A. Distribuidora de Títulos e Valores Mobiliários, BMD Leasing S.A. and BMD S.A. Serviços Técnicos e Administrativos, companies from the BMD Group, the opportunity to assign 100% of their credit rights in the respective assets, and, consequently, made a payment of R\$ 180,002, and registered a balance outstanding of R\$ 78,429 registered in the line Due to third parties, representing the creditors that opted to defer the receipt of the amount, with financial settlement on December 14, 2016 and those that had not formalized their adhesion to the offer, by December 31, 2013.

In addition to the amount above, for the third party payments, the FGC received shares from BM&FBovespa S.A. – Securities, Commodities and Future exchange, allocated for payment of the creditors of BMD S.A. Corretora de Câmbio e Valores Mobiliários that had formalized their adhesion to the offer requesting immediate payment. At the end of 2013, the value of these shares amounted to R\$ 5,703.

- b. The FGC keeps a record in off-balance sheet accounts of payments for expenses with credit guarantees to clients of financial institutions, for which extrajudicial liquidation or intervention has been decreed, net of recoveries and at historic amounts, with the accumulated amount up to December 31, 2013 being R\$ 2,439,614 (2012- R\$ 2,532,240) for ordinary guarantees and R\$ 4,070,115 (2012 - R\$ 3,157,055) for DPGE-related special guarantees.

	Start date for payments	Book balance at 31.12.2012	Expense from Guarantees for credits	Recovery of Guarantee for credits	Assets Receivable	Reconcil adjustments	Book balance at 31.12.2013
<b>Ordinary Guarantees</b>							
<b>Historic Values (in thousands of Reais)</b>							
Banco Dracma	15.04.1996	363	-	-	-	-	363
Banco Banorte	24.05.1996	257,162	-	-	-	-	257,162
Banco Universal	14.10.1996	325	-	-	-	-	325
Banco Progresso	21.03.1997	26,817	-	-	-	-	26,817
Banco Bamerindus	26.03.1997	1,924,369	7,329	527,208	10,947	-	1,393,543
Banco Empresarial	27.06.1997	11,725	-	-	-	-	11,725
Banco Banfort	21.07.1997	5,228	-	-	-	-	5,228
Banco Vega	27.11.1997	1,848	-	-	-	-	1,848
Banco BBC	18.06.1998	37,060	-	-	-	-	37,060
Banco BMD	18.06.1998	42,753	-	-	-	-	42,753
Banco Pontual	28.12.1998	3,585	-	-	-	-	3,585
Banco Crefisul	24.05.1999	57,812	-	-	-	-	57,812
Banco Lavra	10.12.1999	5,202	-	-	-	-	5,202
Banco BFI	20.12.1999	1,428	-	-	-	-	1,428
Banco Hexabanco	31.07.2000	220	-	-	-	-	220
Banco Interior de São Paulo	12.03.2001	1	-	-	-	-	1
Banco Araucária	16.05.2001	1,608	-	-	-	-	1,608
Banco Interpart	16.07.2001	43	-	-	-	-	43
Banco Santos Neves	03.09.2001	4,386	-	-	-	-	4,386
Banco Royal de Investimento	28.07.2003	6,935	-	-	-	-	6,935
Banco Santos	27.12.2004	11,486	-	1,055	-	-	10,431
Banco Morada	03.05.2011	19,723	8	-	-	25	19,756
Oboé CFI	21.09.2011	51,634	87	-	-	(43)	51,678
Banco Cruzeiro do Sul	22.11.2012	60,527	12,231	-	-	8	72,766
Banco Prosper	18.02.2013	-	3,590	-	-	-	3,590
Banco BVA	04.03.2013	-	277,607	-	-	-	277,607
Banco Rural	08.11.2013	-	145,741	-	-	-	145,741
<b>Subtotal</b>		<b>2,532,240</b>	<b>446,593</b>	<b>528,263</b>	<b>10,947</b>	<b>(10)</b>	<b>2,439,614</b>
<b>Special Guarantees-DPGE</b>							
Banco Morada	03.05.2011	130,519	-	-	-	-	130,519
Oboé CFI	21.09.2011	108,360	-	-	-	-	108,360
Rótula S.A. CFI	02.12.2011	-	-	-	-	-	-
Banco Cruzeiro do Sul	20.09.2012	1,882,565	4,602	-	-	53	1,887,220
Banco Prosper	26.09.2012	129,910	-	-	-	-	129,910
Banco BVA (i)	25.10.2012	905,701	119,684	-	-	-	1,025,385
Banco Rural	02.08.2013	-	788,722	-	-	-	788,722
<b>Subtotal</b>		<b>3,157,055</b>	<b>913,008</b>	<b>-</b>	<b>-</b>	<b>53</b>	<b>4,070,115</b>
<b>Total Geral</b>		<b>5,689,295</b>	<b>1,359,601</b>	<b>528,263</b>	<b>10,947</b>	<b>43</b>	<b>6,509,729</b>

- (i) A provision was recorded at December /2012 for the remaining balance for the DPGE's from Banco BVA S/A-E.L.E. for the amount of R\$ 116,062,000, and payments were made during 2013.

Credits considered difficult to recover are also registered in memorandum accounts, which derived from the extinct FGDLI, valued until the date FGDLI was incorporated by FGC, for the amount of R\$ 577,577 (2012 - R\$ 522,230).

- c. At December 31, 2013, the amount subject to DPGE guarantees amounted to R\$ 25,089,524, being R\$ 1,562,885 which refers to DPGE with guarantees from receivables. The balance for receivables delivered was R\$ 2,283,230.

#### BOARD OF DIRECTORS

##### Members

**President** - Antonio Carlos Bueno de Camargo Silva

**Vice-President** - Helio Ribeiro Duarte

Marcos de Barros Lisboa

Jairo Sampaio Saddi

José Luiz Majolo

##### Alternates

Adalberto de Moraes Schetttert

#### FISCAL COUNCIL

##### Members

Antonio Luiz Rios da Silva

João Aldemir Dornelles

Luis Gustavo da Matta Machado

##### Alternates

Antonio Carlos Rovai

#### EXECUTIVE DIRECTION

Fabio Mentone  
**Director**

Aparecida do Céu Ferreira Arriaga Santana  
**Director**

### Fiscal Council Opinion

The members of the Fiscal Council of the Fundo Garantidor de Créditos – FGC, in the performance of their legal and statutory responsibilities, have examined the Report from the Board of Directors and the Financial Statements relative to the fiscal year ending on December 31, 2013. Based on their review, and taking also into consideration the Report from the Independent Auditors (KPMG), issued without reservation, on March 26, 2014, as well as supported by the information and explanations received in the course of the fiscal year, are of the opinion that these documents are adequate to be submitted for the review of the Member-Institutions General Meeting.

São Paulo, March 26, 2014.  
 Antonio Luiz Rios da Silva  
 João Aldemir Dornelles  
 Luis Gustavo da Matta Machado  
 Antonio Carlos Rovai

### Independent auditors' report on the financial statements

To  
 The Board of Directors and Executive Directors of  
**Fundo Garantidor de Créditos - FGC**  
 São Paulo - SP

We have examined the financial statements of the Fundo Garantidor de Créditos - FGC, which include the balance sheet at December 31, 2013 and the related statements of income, surplus and changes in net equity, statements of comprehensive income and cash flows, for the year then ended, and a summary of the main accounting practices and other notes to the financial statements.

#### Management's responsibility for the financial statements

Management of the Fundo Garantidor de Créditos - FGC is responsible for the preparation and adequate presentation of these financial statements in accordance with accounting practices adopted in Brazil, as well as for the internal controls that they consider necessary to ensure the financial statements are prepared free of significant distortions, irrespective of whether or not these are caused by fraud or errors.

#### The responsibility of the independent auditors

Our responsibility is to express an opinion on these financial statements based on our audit, undertaken in accordance with Brazilian and international auditing standards. These standards require compliance with ethical requirements by the auditors and that the audit be planned and executed with the objective of obtaining reasonable assurance that the financial statements are free from material distortions.

An audit involves the execution of procedures selected to obtain evidence for the values and disclosures presented in the financial statements. The procedures selected depend on the auditor's judgment, including an evaluation of the risks of significant distortions in the financial statements, irrespective of whether these are caused by fraud or errors. For this risk evaluation the auditor considers the Fundo Garantidor de Créditos - FGC's internal controls relevant for the preparation and adequate presentation of the financial statements to plan the audit procedures that are appropriate in the circumstances, but not for purposes of expressing an opinion on the effectiveness of the Fundo Garantidor de Créditos - FGC's internal controls. An audit also includes an evaluation of the adequacy of the accounting practices adopted and the reasonableness of the accounting estimates made by management, and an evaluation of the presentation of the financial statements taken as a whole.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

#### Opinion

In our opinion, the aforementioned financial statements present fairly, in all material respects, the financial position of the Fundo Garantidor de Créditos - FGC as at December 31, 2013, the results of its operations, and its cash flows for the year then ended, in conformity with accounting practices adopted in Brazil.

São Paulo, March 26, 2014



KPMG Auditores Independentes  
 CRC 2SP014428/O-6

*Original report in Portuguese signed by*  
 Ricardo Anhesini Souza  
 Accountant CRC 1SP152233/O-6

Fernando Antonio Rodrigues Alfredo  
 Accountant CRC 1SP252419/O-0