



BANCO BTG PACTUAL S.A.
Publicly-Held Company
Corporate Taxpayer's ID
(CNPJ/MF):
30.306.294/0001-45

BTG PACTUAL
PARTICIPATIONS, LTD.
Publicly-Held Company
Corporate Taxpayer's ID
(CNPJ/MF):
15.073.274/0001-88

NOTICE TO THE MARKET

BANCO BTG PACTUAL S.A. ("BTG Pactual") and BTG PACTUAL PARTICIPATIONS, LTD. ("BTG Participations" and, jointly with BTG Pactual, the "Companies"), pursuant to CVM Instruction 358, hereby announces, as a follow up to the Notice to the Market provided by the Companies on December 4, 2015, that the Board of Directors of BTG Pactual ("Board of Directors") formed a special committee (the "Special Committee") to oversee and direct an investigation into various matters that have been reported in the orders of arrest against André dos Santos Esteves, as well as, among others, any related matters arising from the arrest of Mr. Esteves (the "Investigation"). The Special Committee will initially consist of Mark Clifford Maletz (who will be Chairman of the Special Committee) and Cláudio Eugênio Stiller Galeazzi, each of whom is an independent member of the Board of Directors (the "Independent Members"), and John Huw Gwili Jenkins (our current Vice Chairman), who is not an Independent Member. Actions by the Special Committee will be taken by a majority vote and Independent Members will always constitute a majority of the voting members of the Special Committee.

The formation of the Special Committee and the structure of its operation and mandate was led by the Independent Members and three other members of the Board of Directors who are independent of management, Jonathan Michael Hausman, Juan Carlos Garcia and John Joseph Oros (the "Specified Directors"). The Independent Members and the Specified Directors received advice from Quinn Emanuel Urquhart & Sullivan, LLP ("Quinn Emanuel") and Sullivan & Cromwell, LLP regarding the structure, scope, mandate and terms of the Special Committee charter. Messrs. Maletz, Galeazzi, Hausman, Garcia and Oros have recommended that the Special Committee engage Quinn Emanuel as special outside counsel (together with a preeminent Brazilian law firm that will be engaged shortly by the Special Committee, "Outside Counsel") to conduct the Investigation (with assistance from consultants or other third parties to be engaged by Outside Counsel) under the direction of the Special Committee. The Special Committee has so engaged Quinn Emanuel. In addition, BTG Pactual and the Board of Directors have engaged Skadden, Arps, Slate, Meagher & Flom LLP. The Board of Directors has placed no limits on the authority of the Special Committee to conduct the Investigation and has agreed

to make the Companies' information and personnel available to the Special Committee, Outside Counsel and their respective advisors.

All of the Independent Members recognize the time and efforts that will be required to serve as a member of the Special Committee and participate in decisions of the Board of Directors. Messrs. Maletz and Galeazzi have informed the Board that they will cancel certain of their existing professional commitments to ensure that they will have the time necessary to perform their respective roles on the Special Committee and participate in decisions of the Board of Directors.

The Specified Directors have each advised the Chairman of the Board of Directors that they intend to resign from their position on the Board of Directors of each Company, effective immediately. In connection with advising the Chairman of their intentions to resign, each indicated to the Chairman that they supported the process by which the Special Committee was formed and believe the Special Committee has been granted the mandate and resources necessary to conduct an effective Investigation. They also advised him that their departures are related to the intense time commitment that would have been needed both to be a member of the Special Committee and to fully consider and participate in the numerous important decisions that need to be made on an expeditious and frequent basis by the Board of Directors as a whole and did not relate to any facts that lead them to believe that the allegations against Mr. Esteves are true or that the Companies have committed any wrongdoing.

São Paulo, December 11, 2015.

BANCO BTG PACTUAL S.A.
JOÃO MARCELLO DANTAS LEITE
Investor Relations Officer

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