

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

EDMUND MURPHY III, individually and on behalf
of all others similarly situated,

Plaintiff,

v.

JBS S.A.,

Defendant.

Case No.: 1:17-cv-03084-ILG-RER

Hon. Judge I. Leo Glasser

Hon. Magistrate Judge Ramon E. Reyes, Jr.

NOTICE OF
(1) PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION AND
(2) HEARING ON PROPOSED SETTLEMENT

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

NOTICE OF PENDENCY OF CLASS ACTION: Your rights may be affected by a class-action lawsuit (the “Lawsuit”) pending in this Court if you purchased or otherwise acquired American Depository Receipts (“ADRs”) for shares of JBS S.A. (“JBS”) during the period from June 1, 2013 through July 5, 2017, inclusive (the “Class Period”). This Settlement relates only to ADRs of JBS and does not affect any rights arising from or relating to Ordinary Shares of JBS.

NOTICE OF SETTLEMENT: Lead Plaintiff GWI Enterprise Ltd., on behalf of itself and the Class, has reached a settlement (the “Settlement”) to resolve all claims asserted in the Lawsuit. The Settlement calls for JBS to pay a Settlement Amount of \$5,466,600 for the benefit of the Class, as well as a Settlement Expense Amount of \$400,000 to cover the expenses associated with implementing the Settlement (“Settlement Expenses”) and a waiver of payment of any mediation fees and expenses arising out of mediation that occurred before the Settlement Agreement was executed. Any portion of the Settlement Expense Amount not used to pay Settlement Expenses will be added to the Settlement Amount.

This Notice explains important rights you may have, including your possible receipt of cash from the Settlement. Your legal rights will be affected whether you act or not. Please read this Notice carefully!

1. **Description of the Lawsuit and Class:** The Lawsuit is a securities class action filed against JBS. Lead Plaintiff and JBS reached an agreement to settle the Lawsuit, subject to Court approval. The proposed Settlement, if approved, will provide relief to all persons and entities who purchased JBS ADRs during the Class Period and who qualify for a distribution under the Plan of Allocation described below.

2. **Statement of Class’s Recovery:** The proposed Settlement provides for a payment of \$5,466,600 in cash (the “Settlement Amount”) and \$400,000 in cash (the “Settlement Expense Amount”), both of which have been deposited into an Escrow Account. The Settlement Expense Amount will be used to pay Settlement Expenses associated with implementation of the Settlement, including, (i) the costs of providing notice of the Settlement, (ii) the costs of administering the Settlement, (iii) any mediation fees and expenses incurred in finalizing the Settlement and (iv) any incentive award approved by the Court for payment to the Lead Plaintiff. If the Settlement Expenses turn out to be less than \$400,000, the balance of the Settlement Expense Amount will become part of the Net Settlement Amount; if the Settlement Expenses turn out to be more than \$400,000, the excess of those expenses will be paid out of the Settlement Amount. These amounts do not include any Pre-Agreement Mediation Fees and Expenses. Although the parties had agreed to split such fees and expenses, JBS agreed to pay all of the total amount of such fees and expenses (\$66,800) as part of the proposed Settlement.

3. The Net Settlement Amount (meaning the Settlement Amount (i) plus any portion of the Settlement Expense Amount that is not needed to cover Settlement Expenses, (ii) plus any interest that accrues on the monies in the Escrow Account, (iii) less taxes, (iv) less any portion of the Settlement Amount that is needed to pay Settlement Expenses in excess of the Settlement Expense Amount, and (v) less attorneys’ fees and expenses awarded by the Court to counsel representing Lead Plaintiff and the Class) will be distributed in accordance with a Plan of Allocation approved by the Court. The proposed Plan of Allocation is included in this Notice. If the purchasers of all JBS ADRs during the Class Period (estimated to be 9,300,000 ADRs) choose to participate in the Settlement, the average per-ADR recovery from the Net Settlement Amount will be approximately \$0.59 per affected ADR before the payment of attorneys’ fees and expenses and as approved by the Court. This estimate is based on the Settlement Amount and does not consider whether some part of the Settlement Expense Amount might be available for distribution to Class Members or, alternatively, that some portion of the Settlement Amount might have to be used to pay Settlement Expenses in excess of the Settlement Expense Amount.

4. **Statement of Potential Outcome of Case:** Lead Plaintiff and JBS do not agree on the average amount of damages per ADR that would be recoverable if Lead Plaintiff were able to prove its Claims. Lead Plaintiff’s damages consultant would argue that the aggregate damages for the Class could be up to approximately \$11.9 million. JBS would expressly deny that any ADRs were damaged as alleged. Instead, JBS would contend that the price of JBS ADRs was not inflated by any allegedly false or misleading public statements and that the price decline alleged in the Lawsuit did not result from any misconduct.

5. **Statement of Attorneys’ Fees and Expenses and Incentive Award Sought:** Class Counsel (Levi & Korsinsky, LLP) will ask the Court for an award of attorneys’ fees and expenses of \$1,966,666.67, with all amounts to be paid from the Settlement Amount held in the Escrow Account. If the Court approves Class Counsel’s application, the average cost per affected ADR attributable to attorneys’ fees and expenses will be approximately \$0.21. In addition, Lead Plaintiff will seek an incentive award of not more than \$35,000 for the time and expenses incurred in connection with the Lawsuit, which amount, if approved, will be paid out of the Settlement Expense Amount. As discussed above, it is also possible that expenses attributable to the implementation and administration of the Settlement will be deducted from the Settlement Amount if the Settlement Expense Amount does not fully cover such expenses.

6. **Reasons for Settlement:** Lead Plaintiff believes that its claims have merit and that it would win at trial. JBS believes that the claims are without merit and that Lead Plaintiff would lose at trial. Nevertheless, the parties have agreed to settle the case to avoid the risks, burdens and expense of continued litigation, to provide relief to the Class, and to end the Lawsuit.

7. **Identification of Lawyers' Representatives:** Lead Plaintiff and the Class are being represented by Levi & Korsinsky LLP, the Court-appointed Class Counsel. Any questions about the Settlement should be sent to: Levi & Korsinsky, LLP, 55 Broadway, 10th Floor, New York, NY 10006. The telephone number is (212) 363-7500. Inquiries should be addressed to Nicholas I. Porritt, Esq., or Adam M. Apton, Esq.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
REMAIN A MEMBER OF THE CLASS AND SUBMIT A CLAIM FORM TO OBTAIN SETTLEMENT RELIEF	This is the only way you will be eligible for a settlement payment. If you want to obtain a payment as a Class Member, you must submit a Claim Form (included with this Notice) <i>postmarked or received no later than July 8, 2019.</i>
EXCLUDE YOURSELF FROM THE CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION <i>POSTMARKED OR RECEIVED NO LATER THAN JUNE 6, 2019</i>	You will not receive any settlement payment. This is the only option that allows you to be part of any other lawsuit against JBS or any related persons or entities concerning the claims in this case.
OBJECT TO THE SETTLEMENT BY SUBMITTING WRITTEN OBJECTIONS <i>POSTMARKED OR RECEIVED NO LATER THAN JUNE 6, 2019</i>	Write to the Court and explain why you do not like any aspect of the Settlement, including the proposed Plan of Allocation or the request for attorneys' fees and expenses or an incentive award for Lead Plaintiff. You can object to the Settlement only if you are a Class Member and do not exclude yourself.
GO TO THE HEARING ON JULY 18, 2019, AT 11 A.M. ET, AND FILE A NOTICE OF INTENTION TO APPEAR, <i>RECEIVED NO LATER THAN JUNE 6, 2019</i>	Ask to speak in Court about the fairness of any aspect of the Settlement, including the proposed Plan of Allocation, or the request for attorneys' fees and expenses or an incentive award for Lead Plaintiff.
DO NOTHING	You will not receive a settlement payment, but you will remain a Class Member and will give up your right to pursue any claim that is covered by the Settlement.

INQUIRIES: Please do not contact the Court regarding this Notice. All inquiries concerning this Notice, the Claim Form or any other questions about the Settlement should be directed to either the Claims Administrator or Class Counsel:

JBS SA Settlement Claims Administrator
 c/o A.B. Data, Ltd.
 P.O. Box 173067
 Milwaukee, WI 53217
 1-800-949-1484
info@JBSADRSettlement.com
www.JBSADRSettlement.com

Levi & Korsinsky, LLP
 Nicholas I. Porritt
 Adam M. Apton
 55 Broadway, 10th Floor
 New York, NY 10006
 Tel: 212-363-7500, Fax: 212-363-7171
nporritt@zlk.com
www.zlk.com

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WHY DID I GET THIS NOTICE?

8. This Notice is being sent to you by order of the United States District Court for the Eastern District of New York (the “Court”), because you or someone in your family may have purchased JBS ADRs during the Class Period. As a potential Class Member, you should know about your options and how a class action and a class-action settlement may affect your legal rights.

9. A class action is a type of lawsuit filed by a person or entity called a “plaintiff” against a “defendant” (in this case JBS). The lawsuit asks the court to resolve the claims of a number of persons and entities together, to provide consistency and efficiency. The court selects a person or entity, known as a “class representative” or “lead plaintiff,” to sue on behalf of all persons and entities with similar claims (the “class” or the “class members”). Once the class is certified, the court resolves all issues on behalf of the whole class, except for any persons or entities who exclude themselves from the class. (For more information on excluding yourself from the Class, see “What If I Do Not Want To Be A Part Of The Settlement? How Do I Exclude Myself?,” located below.)

10. In this Lawsuit, which is known as *Murphy v. JBS S.A.*, GWI Enterprise Ltd. has been appointed as “Lead Plaintiff” and the law firm of Levi & Korsinsky, LLP has been appointed as “Class Counsel” under the federal law governing lawsuits such as this one.

11. This Notice explains the Lawsuit, the proposed Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. The Notice tells you how you might be affected by the Lawsuit and how to exclude yourself from the Settlement if you want to do so. The Notice also describes the hearing that the Court will hold to consider whether the Settlement is fair, reasonable and adequate (the “Fairness Hearing”).

12. The Fairness Hearing will be held on July 18, 2019, at 11 A.M. EST, before United States District Judge I. Leo Glasser, at the United States District Court for the Eastern District of New York, located at 225 Cadman Plaza East, Brooklyn, New York 11201, to determine, among other things:

- i. whether the proposed Settlement is fair, reasonable and adequate and should be approved, and whether the claims against JBS should be dismissed with prejudice and a permanent injunction entered;
- ii. whether the proposed Plan of Allocation (which allocates the settlement money among eligible Class Members) is fair and reasonable and should be approved; and
- iii. whether Class Counsel’s request for fees and expenses and Lead Plaintiff’s request for an incentive award should be approved.

13. This Notice does not express the Court’s opinion about the merits of any claims in the Lawsuit. The Court has not yet decided whether to approve the Settlement. If the Court approves the Settlement, payments will be made after any appeals have been resolved and all claims have been processed. Please be patient.

WHAT IS THIS CASE ABOUT? WHAT HAS HAPPENED SO FAR?

14. JBS is a Brazilian corporation based in São Paulo, Brazil. It is the world’s second-largest food company and maintains global operations.

15. In May and July 2017, putative class actions were filed in the Court by purchasers of JBS ADRs alleging violations of the federal securities laws. The actions were consolidated, and Lead Plaintiff and Class Counsel were appointed.

16. Lead Plaintiff provided JBS with a draft consolidated Complaint in June 2018. The Complaint charges that JBS’s public filings and statements included materially false statements and/or omitted material facts about alleged bribery payments made to Brazilian governmental officials, employees or political parties by individuals affiliated with JBS. The Complaint asserts that the alleged misstatements and omissions inflated the price of JBS ADRs. A final version of the Complaint was filed on August 29, 2018.

17. After receiving the draft Complaint, the parties engaged in settlement discussions – with the assistance of a mediator (a retired United States District Court Judge for the District of New Jersey) – and were able to reach the proposed Settlement discussed in this Notice.

HOW DO I KNOW WHETHER I AM AFFECTED BY THE SETTLEMENT?

18. If you are a Member of the Class, you are subject to the Settlement unless you timely ask to be excluded from it. The Class consists of all persons, entities or legal beneficiaries, or participants in any entities who purchased or otherwise acquired ADRs for JBS shares during the Class Period of June 1, 2013 through July 5, 2017, inclusive. If you did not purchase ADRs during the Class Period, you are not a Member of the Class and your rights will not be affected by this Settlement. If you purchased only Ordinary Shares for JBS, you do not need to take any action in response to this Notice because you are not a Member of the Class.

19. The Class does *not* include:

- i. such persons or entities from the Class (see “What If I Do Not Want To Participate In The Settlement? How Do I Exclude Myself?” below);
- ii. persons or entities who, while represented by counsel, settled an actual or threatened lawsuit or other proceeding against one or more of the Releasees (defined below) and released all of the Releasees arising out of or related to the Released Class Claims; and
- iii. JBS and all of its (i) current and former officers, directors and employees, (ii) parents (including J&F Investimentos S.A.), Affiliates, subsidiaries, successors and predecessors, (iii) any entity in which JBS or any of its current and former officers, directors or employees has, or had during the Class Period, a Controlling Interest and (iv) for the individuals identified in (i), (ii) and/or (iii), their Family Members, legal representatives, heirs, successors or assigns.

RECEIPT OF THIS NOTICE DOES NOT NECESSARILY MEAN THAT YOU ARE A CLASS MEMBER OR ARE ENTITLED TO RECEIVE MONEY FROM THE SETTLEMENT. IF YOU WANT TO PARTICIPATE IN THE SETTLEMENT, YOU MUST SUBMIT THE CLAIM FORM ENCLOSED WITH THIS NOTICE. THE CLAIM FORM MUST BE POSTMARKED OR RECEIVED NO LATER THAN JULY 8, 2019.

WHY HAS JBS AGREED TO THE SETTLEMENT?

20. JBS expressly denies that it engaged in any wrongdoing, violated any law, or breached any duty, and denies that the claims in the Complaint have any merit. JBS believes that it has substantial defenses to all of those claims and would prevail in the Lawsuit. Nevertheless, JBS decided that settling the Lawsuit would be better than continuing to litigate, because a settlement would bring to an end the substantial expenses, burdens, and uncertainties of litigation, avoid further disruption of the company's management and operations, and provide benefits to Class Members. The Settlement is not evidence of or an admission by JBS of any fault or liability whatsoever, or of any weakness in any defenses that it has asserted or would assert in the Lawsuit.

WHY HAS LEAD PLAINTIFF AGREED TO THE SETTLEMENT?

21. Lead Plaintiff and Class Counsel believe that the claims have merit and that Lead Plaintiff would prevail in the Lawsuit. But Lead Plaintiff and Class Counsel also recognize the expense and length of continued proceedings necessary to pursue the claims through trial and appeals, the difficulties in establishing liability in complex actions such as this one (especially when dealing with a non-US company such as JBS), and the difficulties in collecting money from a judgment.

22. If approved, the proposed Settlement will provide cash compensation to eligible Class Members. In light of the risks and expenses of continued litigation, the cash relief that will be available pursuant to the Settlement and the immediacy of recovery to the Class, Lead Plaintiff and Class Counsel believe that the proposed Settlement is fair, reasonable and adequate and in the best interests of the Class. Lead Plaintiff and Class Counsel also recognize the risk that continued litigation of the claims in the Lawsuit could produce a similar or smaller recovery (or potentially no recovery at all) after motions to dismiss, motions for summary judgment, trial and appeals – and that a recovery (if any) might not be available until years in the future.

WHAT MIGHT HAPPEN WITHOUT A SETTLEMENT?

23. If there were no Settlement, and if Lead Plaintiff failed to establish any essential legal or factual element of its claims, neither Lead Plaintiff nor the Class would recover anything from JBS. Also, if JBS were successful in proving any of its defenses, the Class would likely recover substantially less than the relief provided in the proposed Settlement, or nothing at all.

HOW MUCH WILL MY PAYMENT BE?

24. The proposed Settlement provides for two payments by JBS: a Settlement Amount of \$5,466,600 for the benefit of the Class and a Settlement Expense Amount of \$400,000 to cover certain of the expenses (described above) associated with implementing and administering the Settlement. The amount of relief available for distribution to eligible Class Members (the "Net Settlement Amount") will consist of the Settlement Amount (i) plus any portion of the Settlement Expense Amount not needed to cover Settlement Expenses, including Lead Plaintiff's incentive award, (ii) plus any interest that accrues on the monies in the Escrow Account, (iii) less taxes, (iv) less any portion of the Settlement Amount needed to pay Settlement Expenses in excess of the Settlement Expense Amount, and (v) less attorneys' fees and expenses awarded by the Court to counsel representing Lead Plaintiff and the Class.

25. If the Court approves the Settlement, and if all other conditions have been satisfied, the Net Settlement Amount will be distributed to Authorized Claimants – that is, Class Members who timely submit valid Claim Forms that show Recognized Claims pursuant to the Plan of Allocation and are approved by the Court.

26. The Net Settlement Amount will not be distributed unless and until the Court has approved the proposed Settlement and the Plan of Allocation (or some other allocation plan) and the Court's approval becomes "final" (meaning that the time to appeal the Order approving the Settlement has expired, or, if the Order has been appealed, it is upheld in all material respects and is no longer subject to any further type of appellate review).

27. Any decision by the Court concerning the Plan of Allocation will not affect the validity or finality of the Settlement itself. The Court may approve the Plan of Allocation with or without modifications agreed to among the parties, or another plan of allocation, without further notice to Class Members. Any orders that modify the Plan of Allocation will be posted to the Claims Administrator's website, www.JBSADRSettlement.com.

28. Payments under the Court-approved Plan of Allocation will be conclusive as to all Authorized Claimants. No person shall have any claim against Lead Plaintiff, Class Counsel, JBS, JBS's counsel, the Claims Administrator, or anyone else arising from distributions made substantially in accordance with the Settlement Agreement, the Plan of Allocation, or the Court's Orders.

29. **Please Note:** The Recognized Claim Amount formula set forth below is not an estimate of either the amount that a Class Member might have been able to recover after a trial or the amount that will be paid to Authorized Claimants under the Settlement. The Recognized Claim Amount formula is simply the basis upon which the Net Settlement Amount will be proportionately allocated to Authorized Claimants. Each Authorized Claimant shall be paid the percentage of the Net Settlement Amount that each Authorized Claimant's Recognized Claim bears to the total Recognized Losses of all Authorized Claimants (i.e., the Authorized Claimant's "pro rata share"). Because of the fees and expenses associated with printing and mailing payments, no distribution will be made if the potential distribution amount is less than ten dollars (\$10.00) in cash.

30. The Plan of Allocation is designed to distribute the settlement proceeds fairly to those Class Members who suffered economic loss as a result of the alleged misconduct, as opposed to loss caused by general market conditions or other factors. The Plan reflects analyses conducted by Lead Plaintiff's damages consultant.

31. If any of the Net Settlement Amount remains (because of uncashed checks or otherwise) six (6) months after the initial distribution of settlement relief, and after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants cash their initial distribution checks, the balance remaining in the Net Settlement Amount shall be (i) used for the payment of any unpaid Settlement Expenses and then (ii) distributed in an economical fashion to Authorized Claimants who have cashed their initial distribution checks. If any funds remain in the Escrow Account after the payment of all Settlement Expenses and such redistribution(s), or if any such redistribution is not

economically feasible, the residue in the Escrow Account shall be given to a non-profit organization to be agreed upon by Lead Plaintiff and JBS and approved by the Court.

THE BASIS FOR CALCULATING YOUR RECOGNIZED CLAIM:

32. The Claims Administrator will calculate a “Recognized Loss Amount” for each purchase or acquisition of JBS ADRs listed in the Class Member’s Claim Form and for which adequate documentation is provided. **If you did not purchase JBS ADRs, you do not need to complete a Claim Form. This Settlement applies only to JBS ADRs, not to Ordinary Shares.** The Recognized Loss Amount will depend upon several factors, including (i) when the ADRs were purchased or acquired and (ii) whether the ADRs were held until the conclusion of the Class Period or sold during the Class Period, and, if so, when they were sold and the price at which they were sold.

33. Each Authorized Claimant shall be allocated a *pro rata* share of the Net Settlement Amount based on his, her or its Recognized Claim Amount as compared to the total Recognized Claim Amount of all Authorized Claimants.

34. The Recognized Claim Amount for JBS ADRs purchased between June 1, 2013 through July 5, 2017, inclusive, will be calculated in accordance with the table in Addendum A at the end of this Notice.

35. The table in Addendum A provides the Recognized Claim Amount per ADR depending on the date you purchased it and the date you sold it. To determine your Recognized Claim Amount, identify the box which corresponds to the dates on which you purchased and sold your ADRs. Purchase dates are listed along the left side of the table. Sale dates are listed along the top side of the table. If you purchased and sold ADRs on more than one day, then you may have different Recognized Claim Amounts for your ADRs.

36. The sale dates listed along the top side of the table correspond to dates on which the public received various disclosures about JBS that, according to the allegations in the Complaint, caused the price of JBS ADRs to decline. The various disclosures include the disclosures listed in the Complaint as well as additional disclosures relevant to the Litigation. For example, on January 27, 2016, the price of JBS ADRs declined in response to reports that Brazilian federal prosecutors had indicted a JBS official for “crimes against the financial system” related to illegal loans.

37. The following examples illustrate how to use the table in Addendum A to calculate your Recognized Claim Amount:

- Example: if you purchased 100 JBS ADRs between July 1, 2016 and September 5, 2016 and then sold all 100 JBS ADRs between May 22, 2017 and June 19, 2017, then your Recognized Claim Amount will be \$532 (100 JBS ADRs multiplied by \$5.32).
- Example: If you purchased 100 JBS ADRs between July 1, 2016 and September 5, 2016 and then sold 50 JBS ADRs between May 22, 2017 and June 19, 2017 and then the remaining 50 JBS ADRs at some point after July 5, 2017, then your Recognized Claim Amount will be \$266 (50 JBS ADRs multiplied by \$5.32) plus \$287 (50 JBS ADRs multiplied by \$5.74), or a total of \$553.
- Example: If you purchased 100 JBS ADRs between June 1, 2013 and January 27, 2016 but sold all 100 JBS ADRs before January 27, 2016, then your Recognized Claim Amount will be \$0. This is because you sold the ADRs before they were damaged in connection with the alleged wrongdoing. Although the value of your ADRs may have declined and you may have suffered an out-of-pocket market loss, this loss is not causally related to the alleged wrongdoing and is therefore not recoverable.
- Example: If you purchased 100 JBS ADRs between July 1, 2016 and September 5, 2016 but sold all 100 JBS ADRs before September 6, 2016, then your Recognized Claim Amount will be \$0. Like the previous example, any loss you sustained was not causally related to the alleged wrongdoing.

38. For purposes of calculating your Recognized Claim, all purchases, acquisitions and sales shall be matched on a First In, First Out (“FIFO”) basis in chronological order. Thus, in filling out the enclosed Claim Form, please provide all of your purchases and acquisitions of JBS ADRs during the Class Period of June 1, 2013 through July 5, 2017, inclusive.

39. For purposes of the calculating of your Recognized Claim, the date of purchase, acquisition or sale – not the “settlement” or “payment” date – is the “contract” or “trade” date. The receipt or grant of JBS ADRs by gift, inheritance or operation of law shall not be deemed a purchase, acquisition or sale of such ADRs for the calculation of Recognized Claim. The covering purchase of a short sale is not an eligible purchase. Options are not eligible securities.

40. To the extent a claimant had an out-of-pocket trading gain from his, her or its overall transactions in JBS ADRs during the Class Period, the value of the Recognized Claim will be zero, and the claimant will not be entitled to a share of the Net Settlement Amount. To the extent a claimant suffered an out-of-pocket trading loss on his, her or its overall transactions in JBS ADRs during the Class Period, but that trading loss was less than the recognized loss amount, the Recognized Claim will be limited to the amount of the claimant’s actual out-of-pocket trading loss. For claimants who held JBS ADRs throughout the end of the Class Period, the Recognized Claim will be limited to the lesser of the recognized lost amount of the claimant’s actual purchase price. A Recognized Claim calculation that yields a negative number will be treated as a Recognized Claim of zero.

41. All persons involved in the review, verification, calculation, tabulation, or any other aspect of the processing of the claims submitted in connection with the Settlement, or otherwise involved in the administration or taxation of the Net Settlement Amount, shall be released and discharged from any and all claims arising out of such involvement, and all Class Members, whether or not they receive payment from the Net Settlement Amount, will be barred from making any further claim against the Net Settlement Amount beyond the amount allocated to them as provided in any distribution orders entered by the Court.

WHAT RIGHTS AM I GIVING UP BY AGREEING TO THE SETTLEMENT?

42. If the Court approves the Settlement, it will enter an Approval Order and a Judgment. The Judgment will dismiss the claims brought against JBS with prejudice. Once the Approval Order and Judgment are final and no longer subject to appeal, Lead Plaintiff and all other Class Members will be deemed to have – and by operation of law shall have – fully, finally and forever released, relinquished, settled and discharged any and all Released Class Claims, including “Unknown Claims,” against the Releasees and any claims or potential claims that were, could have been, or could be asserted in connection with the Lawsuit or Released Class Claims.

43. “Released Class Claims” means each and every Claim that Lead Plaintiff or any other Class Member (i) asserted against any of the Releasees in the Action (including all claims alleged in the Original Complaints and in the Complaint) or (ii) could have asserted or could assert against any of the Releasees in connection with any of the Operative Facts, whether arising under any federal, state, or other statutory or common-law rule or under any foreign law (including Brazilian law), in any court, tribunal, agency or other forum, that both (A) arises out of or relates to the purchase or other acquisition of Relevant Securities, or to any other Investment Decision, during the Class Period, and (B) relates directly or indirectly to any of the Operative Facts and/or any alleged statements about or characterizations of – or alleged failures to disclose information about – any of the Operative Facts. An “Investment Decision” is any decision about an investment in JBS ADRs during the Class Period, including a decision to hold those securities. The complete definitions of Released Class Claims and Operative Facts are printed in the Claim Form. You should read both definitions carefully.

44. The term “Releasee,” which is also printed in full in the Claim Form, includes JBS, its affiliates and its current and former officers, directors, employees, agents, representatives and counsel, as well as all other related persons and entities.

45. The Approval Order and Judgment will also state that Releasees will be deemed to have – and by operation of law shall have – fully, finally and forever released, relinquished, settled and discharged all claims, whether known or Unknown, that Releasees have or could have asserted, or could assert, against Lead Plaintiff, Lead Plaintiff’s counsel and/or any of their agents, if such claims arise out of or relate in any way to the institution, prosecution or settlement of the Lawsuit, except claims relating to the enforcement of the Settlement.

46. JBS has asked the Court to enter “bar orders” barring any person or entity from suing the Releasees – and barring the Releasees from suing any other person or entity – for contribution, indemnification or any other injury that relates to a Released Class Claim and arises from the barred person’s or entity’s alleged liability to the Class or any Class Member. The “bar orders” do not interfere with rights relating to JBS’s Ordinary Shares.

47. Pending approval of the Settlement, the Court has entered a “preliminary injunction” against Lead Plaintiff and all other Class Members. The preliminary injunction bars Lead Plaintiff and all other Class Members, or anyone acting on their behalf, from filing or participating in any other lawsuit or other proceeding as to the Releasees based on or relating to the Released Class Claims. The preliminary injunction also bars all persons from filing a class action on behalf of any Class Member as to the Releasees if the lawsuit is based on or related to the Released Class Claims. The “preliminary injunction” does not interfere with rights relating to JBS’s Ordinary Shares.

48. If the Settlement is approved, the Court will enter a “permanent injunction.” The permanent injunction will bar all Class Members, or anyone acting on their behalf, from filing, participating in, or receiving any benefit from any other lawsuit as to the Releasees that is based on or related to the Released Class Claims. The permanent injunction will also bar all people from filing a class action or other proceeding on behalf of any Class Member as to the Releasees that is based on or related to the Released Class Claims. The “permanent injunction” does not interfere with rights relating to JBS’s Ordinary Shares.

**WHAT PAYMENT ARE THE ATTORNEYS FOR THE CLASS SEEKING?
HOW WILL THE LAWYERS BE PAID?**

49. Lead Plaintiff’s counsel has not received any payment for its services or expenses in connection with the Lawsuit. Class Counsel will therefore apply to the Court for an award of attorneys’ fees in an amount not to exceed \$1,966,666.66, which represents one-third (or 33%) of the total monetary benefits obtained under the Settlement, including one-half of the Pre-Agreement Mediation Fees and Expenses that JBS agreed to pay in connection with the Settlement. Class Counsel will also apply for an award reimbursing it for expenses in an amount not to exceed \$60,000. The Court will determine the amount of the award.

50. The requested attorneys’ fees and expenses will be the only payment to Class Counsel for its efforts in achieving this Settlement and for its risk in undertaking this representation on a wholly contingent basis. Class Counsel has committed significant time and expenses in litigating this case for the benefit of the Class. The Court will decide what is a reasonable fee and expense award and may award less than the amount requested by Class Counsel.

51. As a Class Member, you are represented by Lead Plaintiff and Class Counsel, unless you enter an appearance through counsel of your own choice at your own expense. **You do not need to hire your own lawyer**, but, if you choose to do so, he or she must file a notice of appearance on your behalf with the Court and must serve copies of that notice on the attorneys listed in paragraph 64 below.

HOW DO I PARTICIPATE IN THE SETTLEMENT? WHAT DO I NEED TO DO?

52. If you purchased or otherwise acquired JBS ADRs during the Class Period (from June 1, 2013 through July 5, 2017, inclusive) and are not excluded from the definition of the Class, and if you do not exclude yourself from the Class, then you are a Class Member. As a Class Member, you will be bound by the proposed Settlement if the Court approves it, and by any judgment or determination of the Court affecting the Class. This Settlement does not apply to you if you purchased only JBS Ordinary Shares.

53. If you are a Class Member and want to claim money from the settlement fund, you must submit a Claim Form and supporting documents. A Claim Form is included with this Notice, or you may go to the website to download a Claim Form or ask that one be mailed to you. The website is www.JBSADRSettlement.com. You may also request a Claim Form by calling toll-free 1-800-949-1484 or by e-mailing info@JBSADRSettlement.com. Those who exclude themselves from the Class, and those who do not submit timely and valid Claim Forms with adequate supporting documentation, will not be entitled to share in the settlement distribution.

54. The Claim Form and the required documents must be sent to the address printed in the Claim Form and must be **received or postmarked no later than July 8, 2019**. Unless the Court otherwise orders, any Class Member who fails to submit a timely Claim Form will be forever barred from receiving payments from the Settlement, but will remain a Class Member and be subject to the provisions of the Settlement Agreement and the Court’s Orders and Judgment. This means that each such Class Member will release the Released Class Claims against JBS and the other Releasees and will be enjoined and prohibited from filing, prosecuting, or pursuing any of the Released Class Claims against JBS or any of the other Releasees regardless of whether such Class Member submits a Claim Form.

55. The Claim Form asks you to provide information and documentation about your purchases, holdings and sales of JBS ADRs before the Class Period, during the Class Period, and at the end of the Class Period. Please retain all records of your ownership of, or transactions in, such ADRs, so you can document your claim.

56. If you submit a Claim Form that is rejected in whole or in part, and if you want to dispute that decision, the Court will make a final, binding, non-appealable decision on the dispute.

57. To ensure that you receive copies of future notices, you may contact the Claims Administrator at the following mailing address or email address to ask to be added to the mailing list for notices:

JBS SA Settlement
Claims Administrator
c/o A.B. Data, Ltd.
P.O. Box 173067
Milwaukee, WI 53217
Tel.: 1-800-949-1484
info@JBSADRSettlement.com

**WHAT IF I DO NOT WANT TO BE A PART OF THE SETTLEMENT?
HOW DO I EXCLUDE MYSELF?**

58. If you do *not* want to participate in the proposed Settlement and be bound by all rulings and judgments in this Lawsuit, you must exclude yourself from the Class. To do so, you must submit a written Request for Exclusion by first-class mail (or its equivalent outside the U.S.) or other delivery to JBS Securities Litigation - EXCLUSIONS, c/o A.B. Data, Ltd. P.O. Box 173001 Milwaukee, WI 53217. The exclusion request must be **postmarked or received no later than June 6, 2019**. You will not be able to exclude yourself from the Class after that date, unless the Court otherwise determines.

59. Each Request for Exclusion must provide the potential Class Member's (i) name, (ii) address, (iii) telephone number, (iv) email address, if available, (v) a statement that the potential Class Member wishes to request exclusion from the Class in *Murphy v. JBS S.A.*, Case No.: 1:17-cv-03084-ILG-RER, (vi) the number of shares of Relevant Securities purchased or otherwise acquired and/or sold during the Class Period, (vii) price(s) paid or value at receipt, and, if sold, the sales price(s), (viii) the date of each such transaction involving each such Relevant Security, (ix) account statements verifying all such transactions and/or the number of Relevant Securities still held (if any) and (x) the reason(s) why the Class Member is requesting exclusion. If you want to exclude yourself from the Class, you must follow these instructions even if you have pending, or later file, another lawsuit, arbitration, or other proceeding relating to any Released Class Claims.

60. If you request exclusion from the Class, you will not receive any benefits from the proposed Settlement, and you cannot object to it.

**WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?
DO I HAVE TO COME TO THE HEARING? CAN I OBJECT TO THE SETTLEMENT?
MAY I SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?**

61. The Fairness Hearing will be held on July 18, 2019, at 11 a.m. ET, before United States District Judge I. Leo Glasser, at the United States District Court for the Eastern District of New York, located at 225 Cadman Plaza East, Brooklyn, New York 11201. The Court reserves the right to approve the Settlement, the Plan of Allocation, Class Counsel's request for attorneys' fees and expenses and/or Lead Plaintiff's request for an incentive award at or after the Fairness Hearing without further notice to the Class. Class Counsel intends to file papers in support of final approval of the proposed Settlement, the Plan of Allocation, and the request for attorneys' fees and expenses on or before July 8, 2019. The papers will be posted at www.JBSADRSettlement.com.

62. You do not need to attend the Fairness Hearing. You can participate in the Settlement without attending the Fairness Hearing. Even if you wish to object to the Settlement, you do not need to attend the Fairness Hearing to have the Court consider your objection. As long as you follow the procedure for submitting objections as set out below, your objection will be part of the record before the Court.

63. Any Class Member who does not submit a timely request for exclusion as described above may object to any aspect of the proposed Settlement, including the Plan of Allocation, Class Counsel's request for an award of attorneys' fees and expenses or Lead Plaintiff's request for an Incentive Award. Objections or oppositions must be in writing. The objection must state the specific reason(s), if any, for each objection, including any legal support you wish to bring to the Court's attention and any evidence you wish to introduce in support of your objection. In addition to the reason(s) for the objection, an objection must also include the following information: (i) your name, (ii) your address, (iii) your telephone number, (iv) your email address, if available, (v) the number of shares of Relevant Securities purchased or otherwise acquired and/or sold during the Class Period, (vi) the price(s) paid or value at receipt, and, if sold, the sales price(s), (vii) the date of each such transaction involving each such Relevant Security and (viii) account statements verifying all such transactions and/or the number of Relevant Securities still held (if any).

64. Objections must be timely filed with the Clerk of Court at the United States District Court for the Eastern District of New York, 225 Cadman Plaza East, Brooklyn, New York 11201. Objections must also be served on the Settling Parties' counsel by first-class mail, e-mail, or hand-delivery at:

Class Counsel	JBS's Counsel
Nicholas I. Porritt Levi & Korsinsky, LLP 55 Broadway, 10th Floor New York, NY 10006 nporritt@zlk.com	Ralph C. Ferrara, Esq. Proskauer Rose LLP 1001 Pennsylvania Avenue, N.W. Suite 600 South Washington, DC 20004 rferrara@proskauer.com

65. All objections must be **postmarked or received by the Court and the attorneys no later than June 6, 2019.**

66. You may file a written objection without appearing at the Fairness Hearing. However, unless otherwise ordered by the Court, you may not appear at the Fairness Hearing to present your objection unless you first file and serve a timely, written objection in accordance with the procedures described above.

67. If you wish to speak at the Fairness Hearing, and if you have filed and served a timely written objection as described above, you must also file and serve a notice of intention to appear. The notice of intention to appear must include (i) name and docket number of the Lawsuit (*Murphy v. JBS S.A.*, 1:17-cv-03084-ILG-RER); (ii) your name, address, telephone number, and e-mail address (if available); and (iii) your attorney's contact information, if you have an attorney. You must file and serve your notice of intention to appear with the Court and the Settling Parties' counsel, at the addresses listed in paragraph 64 above, so that it is **postmarked or received on or before June 6, 2019.**

68. You do not need to hire an attorney to represent you in making written objections or in appearing at the Fairness Hearing. However, if you decide to hire an attorney at your own expense, he or she must file a notice of appearance with the Court and serve it on the Settling Parties' counsel, at the above addresses, so that the notice is **postmarked or received on or before June 6, 2019.**

69. The Court may change the date of the Fairness Hearing without further written notice to the Class. If you (or your attorney) intend to attend the hearing, you should confirm the date and time with Class Counsel or by checking the settlement website.

Unless the Court orders otherwise, any Class Member who does not object in the manner described above will be deemed to have waived any objection and will be forever foreclosed from objecting to any aspect of the proposed Settlement, including the Plan of Allocation or Class Counsel's request for attorneys' fees and expenses. Class Members do not need to appear at the Fairness Hearing or take any other action to indicate their approval.

WHAT IF I BOUGHT AMERICAN DEPOSIT RECEIPTS FOR JBS SHARES ON SOMEONE ELSE'S BEHALF?

70. If you purchased or otherwise acquired JBS ADRs during the Class Period as a nominee or for the beneficial interest of a person or organization *other than yourself*, **YOU MUST** – WITHIN FOURTEEN (14) CALENDAR DAYS after you receive this Notice – **EITHER** (i) request from the Claims Administrator sufficient copies of this Notice and Claim Form to forward to all such beneficial owners and WITHIN FOURTEEN (14) CALENDAR DAYS after receipt of the copies, forward the Individual Notice and Claim Form to each such beneficial owner; **OR** (ii) provide a list of the names and addresses of such persons to the Claims Administrator. If you mail the Notice and Claim Form to the beneficial owners, **YOU MUST**, upon making such mailing, send a statement to the Claims Administrator confirming that the mailing was made as directed, and retain the list of names and addresses for use in connection with any possible future notices to the Class. Upon full compliance with this directive, including the timely mailing of the Notice and Claim Form to each beneficial owner, you may seek reasonable reimbursement of your expenses actually incurred in the mailing by providing the Claims Administrator with proper documentation supporting the reasonable expenses for which reimbursement is sought and reflecting compliance with these instructions, including timely mailing of the Notice and Claim Form.

71. In addition, you may download the Notice from the settlement website, www.JBSADRSettlement.com, where you also can view other documents relating to the proposed Settlement.

CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?

72. This Notice contains only a summary of the terms of the proposed Settlement. More detailed information about the Lawsuit is available at www.JBSADRSettlement.com, including copies of the Settlement Agreement, the Claim Form, the Complaint, the Court's orders regarding the Settlement and relevant motion papers.

73. All inquiries about this Notice should be directed to:

Claims Administrator	Class Counsel
JBS SA Settlement Claims Administrator c/o A.B. Data, Ltd. P.O. Box 173067 Milwaukee, WI 53217 Tel.: 1-800-949-1484 info@JBSADRSettlement.com www.JBSADRSettlement.com	Nicholas I. Porritt Levi & Korsinsky, LLP 55 Broadway, 10th Floor New York, NY 10006 Telephone: 212-363-7500 Facsimile: 212-363-7171 nporritt@zlk.com www.zlk.com

PLEASE DO NOT CALL OR WRITE THE COURT OR THE CLERK OF COURT ABOUT THIS NOTICE.

Dated: March 29, 2019

By Order of the Clerk of Court
United States District Court for the
Eastern District of New York

ADDENDUM A

SOLD BOUGHT	Before Jan. 27, 2016	Jan. 27, 2016 to Jun. 30, 2016	Jul. 1, 2016 to Sept. 5, 2016	Sept. 6, 2016 to Oct. 25, 2016	Oct. 26, 2016 to Mar. 16, 2017	Mar. 17, 2017 to May 11, 2017	May 12, 2017 to May 15, 2017	May 16, 2017 to May 17, 2017	May 18, 2017 to May 21, 2017	May 22, 2017 to Jun. 19, 2017	Jun. 20, 2017 to Jul. 4, 2017	On or After Jul. 5, 2017
Before Jan. 27, 2016	\$0.00	\$0.80	\$1.25	\$2.13	\$3.06	\$3.57	\$3.94	\$4.51	\$4.96	\$6.57	\$6.77	\$6.99
Jan. 27, 2016 to Jun. 30, 2016		\$0.00	\$0.45	\$1.33	\$2.26	\$2.77	\$3.14	\$3.71	\$4.16	\$5.77	\$5.97	\$6.19
Jul. 1, 2016 to Sept. 5, 2016			\$0.00	\$0.88	\$1.81	\$2.32	\$2.69	\$3.26	\$3.71	\$5.32	\$5.52	\$5.74
Sept. 6, 2016 to Oct. 25, 2016				\$0.00	\$0.93	\$1.44	\$1.81	\$2.38	\$2.83	\$4.44	\$4.64	\$4.86
Oct. 26, 2016 to Mar. 16, 2017					\$0.00	\$0.51	\$0.88	\$1.45	\$1.90	\$3.51	\$3.71	\$3.93
Mar. 17, 2017 to May 11, 2017						\$0.00	\$0.37	\$0.94	\$1.39	\$3.00	\$3.20	\$3.42
May 12, 2017 to May 15, 2017							\$0.00	\$0.57	\$1.02	\$2.63	\$2.83	\$3.05
May 16, 2017 to May 17, 2017								\$0.00	\$0.45	\$2.06	\$2.26	\$2.48
May 18, 2017 to May 21, 2017									\$0.00	\$1.61	\$1.81	\$2.03
May 22, 2017 to Jun. 19, 2017										\$0.00	\$0.20	\$0.42
Jun. 20, 2017 to Jul. 4, 2017											\$0.00	\$0.22