

Gafisa S.A.  
Form SC 13D  
October 21, 2008

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**SCHEDULE 13D**

**Under the Securities Exchange Act of 1934  
(Amendment No. )\***

Gafisa S.A.  
(Name of Issuer)  
Common Shares, without par value  
(Title of Class of Securities)  
P4408T158  
(CUSIP Number)  
Alceu Duílio Calciolari  
Av. Nações Unidas No. 8,501, 19th Floor  
05425-070 - São Paulo, SP - Brazil  
Tel. + 55 (11) 3025-9000  
(Name, Address and Telephone Number of Person Authorized to  
Receive Notices and Communications)

Copy to:

Michael L. Fitzgerald, Esq.  
Milbank, Tweed, Hadley & McCloy LLP  
One Chase Manhattan Plaza  
New York, NY 10005  
(212)530-5224

October 20, 2008  
(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. o

**Note:** Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

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\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 ( Act ) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP No. P4408T158

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NAMES OF REPORTING PERSONS

1 EIP Brazil Holdings, LLC  
[00-0000000]

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2 (a)   
(b)

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4 OO

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6 United States

SOLE VOTING POWER

7

NUMBER OF 0

SHARED VOTING POWER

8 SHARES BENEFICIALLY OWNED BY

18,229,607

SOLE DISPOSITIVE POWER

9 EACH

REPORTING

PERSON 0

WITH SHARED DISPOSITIVE POWER

10

18,229,607

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

18,229,607

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

12

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

14.03%

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

14

CO

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CUSIP No. P4408T158

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NAMES OF REPORTING PERSONS

1 EI Fund II, L.P.  
[98-0485417]

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2 (a)   
(b)

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4 OO

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6 Cayman Islands

SOLE VOTING POWER

7

NUMBER OF 0

SHARED VOTING POWER

SHARES BENEFICIALLY OWNED BY 8

18,229,607

SOLE DISPOSITIVE POWER

EACH 9

REPORTING

PERSON 0

WITH SHARED DISPOSITIVE POWER

10

18,229,607

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

18,229,607

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

12

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

14.03%

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

14

PN

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CUSIP No. P4408T158

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NAMES OF REPORTING PERSONS

**1**  
EI Fund II GP, LLC  
[76-0819336]

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

**2**  
(a)   
(b)

SEC USE ONLY

**3**

SOURCE OF FUNDS (SEE INSTRUCTIONS)

**4**  
OO

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

**5**

CITIZENSHIP OR PLACE OF ORGANIZATION

**6**  
United States

SOLE VOTING POWER

**7**

NUMBER OF 0

SHARED VOTING POWER

SHARES BENEFICIALLY OWNED BY **8**

18,229,607

SOLE DISPOSITIVE POWER

EACH **9**

REPORTING

PERSON 0

WITH SHARED DISPOSITIVE POWER

10

18,229,607

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

18,229,607

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

12

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

14.03%

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

14

CO

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CUSIP No. P4408T158

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NAMES OF REPORTING PERSONS

1 Equity International, LLC  
[26-2627964]

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2 (a)   
(b)

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4 OO

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6 United States

SOLE VOTING POWER

7

NUMBER OF 0

SHARED VOTING POWER

8 SHARES BENEFICIALLY OWNED BY 24,829,607

SOLE DISPOSITIVE POWER

EACH 9

REPORTING

PERSON 0

WITH SHARED DISPOSITIVE POWER

10

24,829,607

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

24,829,607

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

12

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

19.11%

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

14

CO

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CUSIP No. P4408T158

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NAMES OF REPORTING PERSONS

1 EI Fund IV GP, LLC  
[26-1753063]

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2 (a)   
(b)

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4 OO

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6 United States

SOLE VOTING POWER

7

NUMBER OF 0

SHARED VOTING POWER

8 SHARES BENEFICIALLY OWNED BY 6,600,000

SOLE DISPOSITIVE POWER

EACH 9

REPORTING

PERSON 0

WITH SHARED DISPOSITIVE POWER

10

6,600,000

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

6,600,000

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

12

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

5.08%

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

14

CO

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CUSIP No. P4408T158

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NAMES OF REPORTING PERSONS

1 EI Fund IV, L.P.  
[98-0566279]

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2 (a)   
(b)

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4 OO

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6 Cayman Islands

SOLE VOTING POWER

7

NUMBER OF 0

SHARED VOTING POWER

8 SHARES BENEFICIALLY OWNED BY 6,600,000

SOLE DISPOSITIVE POWER

EACH 9

REPORTING

PERSON 0

WITH SHARED DISPOSITIVE POWER

10

6,600,000

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

6,600,000

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

12

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

5.08%

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

14

CO

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CUSIP No. P4408T158

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NAMES OF REPORTING PERSONS

1 EI Fund IV Pronto, LLC  
[80-0273905]

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2 (a)   
(b)

SEC USE ONLY

3

SOURCE OF FUNDS (SEE INSTRUCTIONS)

4 OO

CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS  
2(d) OR 2(e)

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6 United States

SOLE VOTING POWER

7

NUMBER OF 0

SHARED VOTING POWER

8 SHARES BENEFICIALLY OWNED BY 6,600,000

SOLE DISPOSITIVE POWER

EACH 9

REPORTING

PERSON 0

WITH SHARED DISPOSITIVE POWER

10

6,600,000

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

6,600,000

CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

12

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

5.08%

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

14

CO

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**Item 1. Security and Issuer.**

This statement relates to Common Shares, without par value, and American Depositary Shares (ADSs), as evidenced by American Depositary Receipts, each representing two Common Shares, without par value, of Gafisa S.A. (Gafisa or the Company), a corporation (*sociedade anônima*) organized under the laws of the Federal Republic of Brazil. The Common Shares, including the Common Shares underlying the ADSs, are collectively referred to herein as the Shares.

The principal executive offices of the Company are located at Av. Nações Unidas No. 8,501, 19<sup>th</sup> floor, 05425-070, São Paulo, SP, Brazil, and the Company's general telephone and fax numbers are + 55 (11) 3025-9000 and + 55 (11) 3025-9348, respectively.

**Item 2. Identity and Background.**

This Schedule 13D is being jointly filed pursuant to Rule 13d-1 promulgated by the Securities and Exchange Commission pursuant to Section 13 of the Securities and Exchange Act of 1934, as amended (the Act)(a)-(f). The reporting persons for the purposes of this Statement (each, a Reporting Person and collectively, the Reporting Persons) are as follows:

(1) EIP Brazil Holdings, LLC, a Delaware limited liability company ( EIP Brazil )

Business Address: c/o Equity International

Two North Riverside Plaza, 1700

Chicago, IL 60606

Principal Business: invest in entities in the real estate industry such as the Company

Criminal Proceedings: None

Applicable Civil, Judicial or Administrative Proceedings: None;

(2) EI Fund II, LP, a Cayman Islands limited partnership (the EI Fund II )

Business Address: 87 Mary St.

George Town

Grand Cayman

Cayman Islands, KY1-9001

Principal Business: invest in entities in the real estate industry such as the Company

Criminal Proceedings: None

Applicable Civil, Judicial or Administrative Proceedings: None;

(3) EI Fund II GP, LLC, a Delaware limited liability company ( EI Fund II GP )

Business Address: c/o Equity International

Two North Riverside Plaza, 1700

Chicago, IL 60606

Principal Business: serve as, and perform the functions of, the general partner of EI Fund II

Criminal Proceedings: None

Applicable Civil, Judicial or Administrative Proceedings: None;

(4) EI Fund IV Pronto, LLC, a Delaware limited liability company ( EI Pronto )

Business Address: c/o Equity International

Two North Riverside Plaza, 1700

Chicago, IL 60606

Principal Business: invest in entities in the real estate industry such as the Company

Criminal Proceedings: None

Applicable Civil, Judicial or Administrative Proceedings: None;

(5) EI Fund IV, LP, a Cayman Islands limited partnership (the EI Fund IV )

Business Address: 87 Mary St.

George Town

Grand Cayman

Cayman Islands, KY1-9001

Principal Business: invest in entities in the real estate industry such as the Company

Criminal Proceedings: None

Applicable Civil, Judicial or Administrative Proceedings: None;

(6) EI Fund IV GP, LLC, a Delaware limited liability company ( EI Fund IV GP )

Business Address: c/o Equity International

Two North Riverside Plaza, 1700

Chicago, IL 60606

Principal Business: serve as, and perform the functions of, the general partner of EI Fund IV

Criminal Proceedings: None

Applicable Civil, Judicial or Administrative Proceedings: None;

(7) Equity International, LLC, a Delaware limited liability company ( EI ),

Business Address: c/o Equity International

Two North Riverside Plaza, 1700

Chicago, IL 60606

Principal Business: invest in entities in the real estate industry such as the Company.

Criminal Proceedings: None

Applicable Civil, Judicial or Administrative Proceedings: None;

EI together with EIP Brazil, EI Fund II and EI Fund II GP are sometimes collectively referred to herein as the EI Fund II Reporting Persons. EI together with EI Pronto, EI Fund IV and EI Fund IV GP are sometimes collectively referred to herein as the EI Fund IV Reporting Persons.

The Reporting Persons have entered into a Joint Filing Agreement, a copy of which is filed with this Schedule 13D as Exhibit A, pursuant to which the Reporting Persons have agreed to file this statement jointly in accordance with the provisions of Rule 13d-1(k) under the Act.

18,229,607 Shares reported in this Schedule 13D are owned directly by EIP Brazil. EIP Brazil is wholly owned by EI Fund II and EI Fund II GP is the general partner of EI Fund II. EI Fund II and EI Fund II GP may be deemed to have beneficial ownership of the shares owned directly by EIP Brazil.

3,300,000 ADSs representing 6,600,000 Shares reported in this Schedule 13D are owned directly by EI Pronto. EI Pronto is wholly owned by EI Fund IV and EI Fund IV GP is the general partner of EI Fund IV. EI Fund IV and EI Fund IV GP may be deemed to have beneficial ownership of the Shares owned directly by EI Pronto. Each of EI Fund II GP and EI Fund IV GP is indirectly wholly owned by EI and EI may be deemed to have beneficial ownership of the shares owned directly by EIP Brazil and EI Pronto.

**Item 3. Source and Amount of Funds or Other Consideration.**

The EI Fund II Reporting Persons became the beneficial owners of 18,229,607 Shares reported in this Schedule 13D prior to the initial public offering by the Company as previously

reported on a Schedule 13G filed with the Securities and Exchange Commission on February 14, 2008.

On October 7, 2008, EI Pronto purchased 750,000 ADSs representing 1,500,000 Shares in open market transactions. In consideration for the purchase of the ADSs, EI Pronto paid \$15.99 per ADS representing an aggregate consideration of \$12,030,900 (including commissions).

On October 8, 2008, EI Pronto purchased 850,000 ADSs representing 1,700,000 Shares in open market transactions. In consideration for the purchase of the ADSs, EI Pronto paid \$15.37 per ADS representing an aggregate consideration of \$13,110,400 (including commissions).

On October 9, 2008, EI Pronto purchased 400,000 ADSs representing 800,000 Shares in open market transactions. In consideration for the purchase of the ADSs, EI Pronto paid \$15.86 per ADS representing an aggregate consideration of \$6,364,040 (including commissions).

On October 13, 2008, EI Pronto purchased 600,000 ADSs representing 1,200,000 Shares in open market transactions. In consideration for the purchase of the ADSs, EI Pronto paid \$13.66 per ADS representing an aggregate consideration of \$8,228,160 (including commissions).

On October 14, 2008, EI Pronto purchased 300,000 ADSs representing 600,000 Shares in open market transactions. In consideration for the purchase of the ADSs, EI Pronto paid \$16.79 per ADS representing an aggregate consideration of \$5,053,560 (including commissions).

On October 15, 2008, EI Pronto purchased 200,000 ADSs representing 400,000 Shares in open market transactions. In consideration for the purchase of the ADSs, EI Pronto paid \$12.88 per ADS representing an aggregate consideration of \$2,586,040 (including commissions).

On October 16, 2008, EI Pronto purchased 200,000 ADSs representing 400,000 Shares in open market transactions. In consideration for the purchase of the ADSs, EI Pronto paid \$12.99 per ADS representing an aggregate consideration of \$2,607,460 (including commissions).

In acquiring 3,300,000 ADSs representing 6,600,000 Shares, EI Pronto expended approximately \$49,980,560 (including commissions). The funds used in connection with these transactions were contributed by affiliates for investment purposes.

**Item 4. Purpose of Transaction.**

The Reporting Persons from time to time intend to review their investment in the Company on the basis of various factors, including the business of the Company, financial condition, results of operations and prospects, general economic and industry conditions, the securities markets in general and those for the stock of the Company in particular, as well as other developments and other investment opportunities. Based upon such review, the Reporting Persons will take such actions in the future as the Reporting Persons may deem appropriate in light of the circumstances existing, from time to time, which may include further acquisitions of Shares or disposal of some or all of the Shares. In addition, the

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Reporting Persons may engage in communications with one or more shareholders, officers or directors of the Company, including discussions regarding potential changes in the operations of the Company and strategic direction that, if effected, could result in, among other things: (a) the acquisition by the Reporting Persons of additional securities of the Company, or the disposition of securities of the Company; (b) a sale or transfer of a material amount of assets of the Company or any of its subsidiaries; (c) a change in the present board of directors or management of the Company, including any plans or proposals to change the number or term of directors or to fill any vacancies on the board; (d) other material changes in the Company's business or corporate structure; or (e) any action similar to any of those enumerated above. Except to the extent that the foregoing may be deemed to be a plan or proposal, the Reporting Persons do not currently have any plans or proposals that relate to or would result in any of the actions specified in clause (a) through (e) of Item 4 of this Schedule.

The Reporting Persons reserve the right, based on all relevant factors and subject to applicable law, at any time and from time to time, to review or reconsider their position, change their purpose, take other actions (including actions that could involve one or more of the types of transactions or have one or more of the results described in paragraphs (a) through (e) of Item 4 of this Schedule) or formulate and implement plans or proposal with respect to any of the foregoing.

**Item 5. Interest in Securities of the Company.**

As of October 20, 2008, the EI Fund II Reporting Persons owned directly or indirectly an aggregate of 18,229,607 Shares reported in this Schedule 13D representing 14.03% of the outstanding Shares. As of October 20, 2008, the EI Fund IV Reporting Persons owned directly or indirectly an aggregate of 6,600,000 Shares representing 5.08% of the outstanding Shares.

As to each separate Reporting Person:

18,229,607 Shares reported in this Schedule 13D are owned directly by EIP Brazil. EIP Brazil is wholly owned by EI Fund II and EI Fund II GP is the general partner of EI Fund II. EI Fund II and EI Fund II GP may be deemed to have beneficial ownership of the shares owned directly by EIP Brazil.

3,300,000 ADSs representing 6,600,000 Shares reported in this Schedule 13D are owned directly by EI Pronto. EI Pronto is wholly owned by EI Fund IV and EI Fund IV GP is the general partner of EI Fund IV. EI Fund IV and EI Fund IV GP may be deemed to have beneficial ownership of the Shares owned directly by EI Pronto. Each of EI Fund II GP and EI Fund IV GP is indirectly wholly owned by EI and EI may be deemed to have beneficial ownership of the shares owned directly by EIP Brazil and EI Pronto. Accordingly EI may be deemed to own an aggregate of 24,829,607 Shares representing 19.11% of the outstanding Shares.

The percentages of Common Stock owned for the Reporting Persons, as reported above, are based on an aggregate of 129,962,546 Shares outstanding as of October 1, 2008, as reported in the Company's current report on Form 6-k filed with the Securities and Exchange Commission.

(b) The responses of the Reporting Persons to Items 7 through 11 of the portions of the cover page of this Statement which relate to beneficial ownership of Shares are incorporated herein by reference.

(c) Not applicable.

(d) Not applicable.

(e) Not applicable.

**Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Company.**

None.

**Item 7. Material to be Filed as Exhibits.**

7.01 Joint Filing Agreement

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

October 20, 2008

EIP BRAZIL HOLDINGS, LLC

By: /s/ Brian Richter  
Name: Brian Richter  
Title: General Counsel

EI FUND II, L.P.

By: /s/ EI FUND II GP, LLC  
Name: EI FUND II GP, LLC  
Title: General Partner

EI FUND II GP, LLC

By: /s/ Brian Richter  
Name: Brian Richter  
Title: General Counsel

EQUITY INTERNATIONAL, LLC

By: /s/ Brian Richter  
Name: Brian Richter  
Title: General Counsel

EI FUND IV PRONTO, LLC

By: /s/ Brian Richter  
Name: Brian Richter  
Title: General Counsel

EI FUND IV, L.P.

By: /s/ EI FUND IV GP, LLC  
Name: EI FUND IV GP, LLC  
Title: General Partner

EI FUND IV GP, LLC

By: /s/ Brian Richter

Name: Brian Richter

Title: General Counsel

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EXHIBIT INDEX

7.01 Joint Filing Agreement