



BM&FBOVESPA TRADE REPOSITORY RULEBOOK

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DEFINITIONS

The acronyms and terms listed below have the following meanings when used in this Rulebook:

ACRONYMS

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| BCB | Central Bank of Brazil |
| BSM | BM&FBOVESPA Market Supervision (BSM Supervisão de Mercados) |
| CVM | Securities and Exchange Commission of Brazil (Comissão de Valores Mobiliários) |

TERMS

The definitions of the following terms are valid specifically for this Rulebook:

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| ACCESS MANUAL [<i>MANUAL DE ACESSO</i>] | Document issued by BM&FBOVESPA containing the procedures for access to the Trade Repository by Registration Participants. |
| ASSETS [<i>ATIVOS</i>] | Securities, receivables, debt obligations, certificates, and credit claims or contracts representing credit claims admitted for Registration in the Trade Repository. |
| BM&FBOVESPA | BM&FBOVESPA S.A. – Securities, Commodities & Futures Exchange. |

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| BLOCKING [<i>BLOQUEIO</i>] | Restriction on Movement in the Trade Repository. |
| CENTRAL SECURITIES DEPOSITORY (CSD) [<i>CENTRAL DEPOSITÁRIA</i>] | Department of BM&FBOVESPA responsible for providing CSD services. |
| CONFIRMATION [<i>CONFIRMAÇÃO</i>] | Action whereby a Registration Participant electronically confirms data for a Transaction or Asset registered in the Trade Repository by another Registration Participant. |
| CUSTODY AGENT [<i>AGENTE DE CUSTÓDIA</i>] | Institution responsible to its customers and to BM&FBOVESPA Clearinghouse for managing proprietary and customer custody accounts with the CSD, acting as a full custody agent, proprietary custody agent or special custody agent in accordance with the rules and procedures issued by BM&FBOVESPA. |
| DEFAULT [<i>INADIMPLÊNCIA</i>] | Failure to discharge obligations at the time and place and in the manner established. |
| DUAL COMMAND [<i>DUPLO COMANDO</i>] | Procedure designed to avoid duplication or creation of Assets while maintaining ownership rights and integrity when the Registration Participations involved in a Transaction enter the relevant data in |

the Trade Repository.

INFORMATION
[INFORMAÇÕES]

Information relating to: (i) collateral related to credit transactions based on movable and immovable assets, or (ii) transactions with derivatives financial instruments held abroad.

MIGRATION
[MIGRAÇÃO]

Registration of Assets, Transactions, or Information originally registered by other trade repositories authorized by the competent regulatory bodies.

MOVEMENT
[MOVIMENTAÇÕES]

Insertion in the Trade Repository's Registration system of information relating to (i) Transfers of Ownership, (ii) Position Transfers, (iii) alterations to the characteristics or conditions of Assets, Transactions, or Information including changes to associated credit claims, (iv) security interests on Assets or Transactions, (v) Asset trades, (vi) total or partial Settlement of rights and obligations in cash or by delivery of underlying assets deriving from Registration of Assets or Transactions with the Trade Repository, (vii) cancellation of early Settlement, (viii) Removal of Registration, and (ix) Migration of Registration

OPERATIONAL
DEBTOR [DEVEDOR
OPERACIONAL]

Registration Participant that for operational reasons or for any other reason not linked to its solvency fails wholly or partially to discharge obligations at the time and place and in the manner established by BM&FBOVESPA, owing to circumstances that BM&FBOVESPA deems not to affect the possibility

of full discharge.

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| PARTICIPANT [PARTICIPANTE] | Accredited entity authorized to trade in the environments managed by BM&FBOVESPA, performing functions established in BM&FBOVESPA's rulebooks and manuals. |
| POSITION [POSIÇÃO] | Set of registered Assets and/or Transactions for which a Registration Participant is responsible. |
| POSITION TRANSFER [TRANSFERÊNCIA DE POSIÇÃO] | Insertion of information into the Trade Repository system reflecting transfer of a Registered Participant's Position to another Registration Participant. |
| PRODUCT MANUAL [MANUAL DE PRODUTO] | Document issued by BM&FBOVESPA containing the functionalities and procedures for Registration. |
| REGISTRATION [REGISTRO] | Insertion of data relating to Assets, Transactions, and Information solely for reporting purposes. |
| REGISTRATION PARTICIPANT [PARTICIPANTE DE REGISTRO] | Participant holding authorization access for Registration in accordance with the Rulebook. |
| REMOVAL [RETIRADA] | Inactivation of a Registration in the Trade Repository due to (i) cancellation or (ii) migration to another trade repository authorized by competent regulatory |

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| | bodies. |
| RULEBOOK [REGULAMENTO] | BM&FBOVESPA Trade Repository Rulebook. |
| SETTLEMENT [LIQUIDAÇÃO] | Extinction of rights and obligations due to their fulfillment. |
| SETTLEMENT SYSTEM [SISTEMA DE LIQUIDAÇÃO] | Clearing and settlement system managed by BM&FBOVESPA. |
| SINGLE COMMAND [COMANDO SIMPLES] | Insertion of data relating to Assets and Transactions into the Trade Repository by the Registration Participant involved in a given trade with its customer. |
| SUPPORTING ACTIVITY [ATIVIDADE DE SUPORTE] | Activity relating to the performance of functions that enable information to be obtained on Registration and Movement of Assets and Transactions via access to physical or electronic environments. |
| TRADE REPOSITORY [SISTEMA DE REGISTRO] | Computer system managed by BM&FBOVESPA for the Registration of Assets, Transactions, and Information. |
| TRANSACTION [OPERAÇÃO] | Transaction or trade previously executed by a Registration Participant and its customer or by two Registration Participants. |
| TRANSFER OF | Insertion of information into the Trade Repository |

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| OWNERSHIP [<i>TRANSFERÊNCIA DE TITULARIDADE</i>] | reflecting Transfer of Ownership from one owner to another. |
| UNBLOCKING [<i>DESBLOQUEIO</i>] | Lifting of a Blocking restriction on movement in the Trade Repository. |

CHAPTER I

INTRODUCTION

- 1.1. This Rulebook consolidates the rules and norms published by BM&FBOVESPA regarding the Registration entries in the Trade Repository.
- 1.2. Whenever there is a connection between the BM&FBOVESPA Registration activities and other activities performed by BM&FBOVESPA, this Rulebook will be complemented by the following:
 - a) Product Manuals that establish the operational procedures and additional technical criteria related to the Registration;
 - b) BM&FBOVESPA access rules and access manual;
 - c) Operational procedures rules and manual and BM&FBOVESPA Clearinghouse risk management manual;
 - d) Central Securities Depository operational procedures rules and manual;
 - e) Specifications for the contracts admitted for Registration in the Registration environments managed by BM&FBOVESPA; and
 - f) Circular letters and external communications in effect published by BM&FBOVESPA.
- 1.2.1. Changes to this Rulebook, and to the Product Manuals and Access Manual, will be disclosed to the market by means of Circular Letters. Updated versions of all these documents will be publicly available on BM&FBOVESPA's website.

CHAPTER II

PURPOSE

- 2.1.** The purpose of this Rulebook is to establish (i) the rules and procedures for Registration; and (ii) the organization and functioning of the Trade Repository as regards:
- a)** Administration of the Trade Repository;
 - b)** Registration of Assets Transactions, and Information;
 - c)** Registration of Blocking, Unblocking, and Movement;
 - d)** The responsibilities of Registration Participants;
 - e)** The account structure;
 - f)** Admission of Assets, Transactions, and Information to the Trade Repository, their suspension, and their exclusion therefrom;
 - g)** Surveillance and supervision to enforce this Rulebook; and
 - h)** Relations with BM&FBOVESPA's Settlement System for cash settlement of the rights and obligations arising from Registration of Assets and Transactions in the Trade Repository and with the Central Securities Depository in cases where the settlement of rights and obligations involve delivery of the underlying asset.

CHAPTER III

ACCESS TO TRADE REPOSITORY

- 3.1.** Access to the Trade Repository will be granted by BM&FBOVESPA's Board of Directors by means of the issuance of an access authorization to the applicant once the rules and procedures established in the BM&FBOVESPA access rules and access manual have been observed.

CHAPTER IV

TRADE REPOSITORY

- 4.1.** The Trade Repository is a platform for recording and maintaining data relating to the Registration entries, which are not the object of a central securities depository, for the purpose of centralizing and reporting information to the regulators in accordance with the applicable laws, rules and regulations.
- 4.2.** The Trade Repository's mission is to contribute to the security and efficiency of the National Financial System.

REGISTRATION

- 4.3.** Registration will be performed:
- a)** By Single Command and by the Registration Participant, when they involve a Registration Participant and its customer; and
 - b)** By Dual Command and Confirmation, when they involve two Registration Participants.

- 4.4. After Registration is performed, BM&FBOVESPA will send the Registration Participant concerned a message confirming effective Registration in the Trade Repository in the manner established by the Product Manuals.
- 4.5. Corrections to the characteristics of the Registration entries in the Trade Repository may be made by BM&FBOVESPA only in the event of mistakes made when entering information for Registration purposes, and even in such cases only in response to a justified request from the Registration Participant concerned, which request must first be accepted by BM&FBOVESPA, in the manner established in the Product Manuals.
- 4.6. The procedures for Removal and Migration of Registration entries will be defined in the Product Manuals.

RECONCILIATION

- 4.7. BM&FBOVESPA will supply Registration Participants on a daily basis with information that enables them to reconcile the Positions and Movement in Assets, Transactions and Information registered in the Trade Repository and primary information maintained by the Registration Participant, in the manner established in the respective Product Manuals.
- 4.8. Based on the information supplied to the Registration Participant to enable them to reconcile the Positions and Movement in the Assets, Transactions, and Information registered in the Trade Repository, the Registration Participant will make a declaration on a monthly basis to BM&FBOVESPA stating that the Registration made by such Participant reflects the Positions and Movement maintained in their records, in the manner established in the respective Product Manuals.
- 4.9. The declaration concerning the reconciliation must:

- a) be related to the Positions and Movement on the last business day of each month;
 - b) be made by the Registration Participant by the fifth business day of the following month; and
 - c) contain, if applicable, the description of the procedures adopted for the regulation of any discrepancies and evidence with criteria liable to be verified so that they can be monitored by BM&FBOVESPA.
- 4.10.** In cases where any discrepancies are found in the reconciliation declaration, the Registration Participant will define a schedule and action plan to rectify the discrepancy in the Trade Repository.

ASSET AND TRANSACTION VALUATION AND MARKING TO MARKET

- 4.11.** The Assets and Transactions registered in the Trade Repository will have their values updated considering (i) the type of compensation defined, and (ii) the period from the date of issue in accordance with the provisions of the respective Product Manuals.
- 4.12.** The Assets and Transactions registered in the Trade Repository may be marked to market under the terms of the Product Manuals.
- 4.13.** The calculation methodology and criteria applicable to Assets and Transactions will be defined in the Product Manuals.

TRANSFER OF OWNERSHIP

- 4.14.** Any Transfer of Ownership must be reflected in the Trade Repository by the Registration Participant concerned in the manner established in the respective Product Manuals.

4.14.1. The following may result in Transfer of Ownership in the Trade Repository:

- a) Assignment;
- b) Execution of Assets pledged as collateral;
- c) Gift;
- d) Execution of a court order;
- e) Succession;
- f) Merger, amalgamation, stock split, sale of controlling shares held by owners of Assets or other kinds of corporate reorganization; or
- g) Negotiation between the parties.

4.14.2. The above list is not exhaustive and does not limit the possibilities that may result in Transfer of Ownership.

4.14.3. During the process of Transfer of Ownership in the Trade Repository, Movement in the Trade Repository will be blocked.

POSITION TRANSFER

4.15. The Trade Repository will permit Position Transfers between Registration Participants, in the manner established by the Product Manuals.

4.16. In Position Transfers, the receiving Registration Participant will undertake sole responsibility for transfers held, in the manner established by this Rulebook.

4.17. Position Transfers between Registration Participants will not necessarily entail Transfer of Ownership.

4.18. During the process of Position Transfer in the Trade Repository, Movement in the Trade Repository will be blocked.

SECURITY INTERESTS

4.19. Registration Participants must reflect in the Trade Repository the relevant information relating to all security interests of which they are aware on Assets they register.

4.19.1. Registration Participants must name the beneficiaries of security interests, the Registration Participants that represent them, and the justification.

4.20. The Trade Repository will reflect a Blocking restriction while information on security interests is pending.

4.21. Security interests on Assets must be reflected in the Trade Repository in order to:

- a)** guarantee obligations of the owners of Assets to third parties;
- b)** link them as credit claims to other Assets registered in the Trade Repository or another repository and settlement system approved by the competent regulators;
- c)** comply with court or administrative orders; and
- d)** comply with margin calls in clearinghouses approved by BCB.

4.22. In any of the situations specified in 4.14.1 and 4.21 above, the Registration Participant will be directly responsible for:

- a)** entering and updating the entries relating to the events in question;

- b) maintaining the receipts and related documents proving the security interests on the Assets concerned, as well as their extinction, and any Transfers of Ownership; and
 - c) the associated rights and obligations.
- 4.23. When a security interest on an Asset is extinguished, the Trade Repository must reflect the Unblocking information.
- 4.24. Information reflecting the Blocking and Unblocking of Assets in the situation specified in 4.20 above is the responsibility of Registration Participants.
 - 4.24.1. In an Unblocking situation, the beneficiary of the security interest or its representative as per **Erro! Fonte de referência não encontrada.** above is responsible for recording the Unblocking of Assets in the Trade Repository, in accordance with the relevant Product Manual.
- 4.25. If Assets are blocked on the date of expiration or maturity owing to security interests, payment must be made to the Registration Participants that represent the beneficiaries of the security interests, designated in accordance with **Erro! Fonte de referência não encontrada.** above.

ADMINISTRATION OF THE TRADE REPOSITORY

- 4.26. Administration of the Trade Repository is performed by BM&FBOVESPA, which will:
 - a) define operational aspects of Registration Participants' activities;
 - b) identify any inconsistencies in the information entered in the Trade Repository;

- c) establish rules and procedures designed to detect discrepancies between registered Assets and Transactions and other Assets and Transactions deemed by BM&FBOVESPA to have similar characteristics in order to identify indications of fraud or market manipulation, as detailed in Chapter XIV;
 - d) define by Circular Letter the times at which the Trade Repository is open;
 - e) admit Registration entries to the Trade Repository, as well as exclude and suspend them;
 - f) suspend the operation of the Trade Repository totally or partially, for a specific period or indefinitely, in which case Registration will cease for the duration of the suspension;
 - g) publish the charges, fees and other costs to be billed to Registration Participants for use of the Trade Repository, and collect payment thereof;
 - h) report to the regulators the information required by the applicable legislation;
 - i) provide the means to access the Trade Repository and assure its normal functioning;
 - j) enforce the terms and conditions established by this Rulebook and all other applicable laws and regulations;
 - k) store information relating to Registration entries in the Trade Repository so as to allow its traceability;
 - l) perform any other actions necessary to assure the regular functioning of the Trade Repository.
- 4.26.1.** BM&FBOVESPA's Executive Board is responsible for any decision to suspend the functioning of the Trade Repository.

4.26.2. BM&FBOVESPA's Executive Board may deny Registration of Assets and Transactions to preserve the regular functioning of the market.

4.26.3. BM&FBOVESPA may, at its sole discretion and whenever it deems necessary, submit queries on the Registration entries and Registration Participants to regulatory bodies and to administrative, judicial and governmental bodies, as well as any others it considers appropriate.

HIRING OF THIRD PARTIES

4.27. BM&FBOVESPA may hire third parties to perform instrumental or additional tasks to the activities described in this Rulebook.

4.28. Hiring third parties does not change BM&FBOVESPA's obligations and responsibilities and it remains responsible for fulfilling the obligations assumed by it, in the manner established by this Rulebook.

CHAPTER V

REGISTRATION PARTICIPANTS

- 5.1.** The rights and duties of Registration Participants, in accordance with the roles established in the Product Manuals, are as follows:
- a)** Entering data into the Trade Repository for Registration, Movement, Blocking and Unblocking;
 - b)** Verifying compliance by the Registration entries with the applicable laws, rules and regulations;
 - c)** Safeguarding and conserving the legally and regularly formalized original documents representing the Registration;
 - d)** Verifying and being accountable for the authenticity, ownership, existence, validity, legality and conformity of (i) registered Assets Transactions, and Information as well as the credit claims and guarantees linked to them, if applicable, and (ii) the information on the Registration entries filed with BM&FBOVESPA;
 - e)** Verifying the authenticity and legitimacy of the chain of endorsements of registered Assets;
 - f)** Verifying the authenticity, legitimacy and powers of representation of the signatories of registered Assets and of the documents that represent registered Transactions and Information;
 - g)** Overseeing and implementing procedures that assure the continuous updating of information on the Registration entries;
 - h)** Keeping a register of Assets issued in book-entry form, as per the applicable legislation;

- i)** Controlling payment flows relating to registered Assets and Transactions, including cash Settlement of the rights and obligations in cash or by delivery of underlying asset arising from Registration of such Assets and Transactions in the Trade Repository;
- j)** Immediately notifying the owner, other parties involved in its Registration, and BM&FBOVESPA of an event that may affect its regularity, authenticity or validity of Assets, Transactions, and Information registered in the Trade Repository;
- k)** Paying the charges, fees and other costs billed for use of the Trade Repository;
- l)** Keeping on file and at the disposal of BM&FBOVESPA and BSM the documents relating to the Registration for ten (10) years after their expiration. early Settlement or Removal, as appropriate, or for a longer period if so required by the applicable rules and regulations or by BM&FBOVESPA, by BSM or regulators and judicial bodies;
- m)** Keeping up to date all documents and information filed with BM&FBOVESPA;
- n)** Performing their duties diligently and in good faith;
- o)** Notifying BM&FBOVESPA if they fail or are unable to discharge any of the obligations described in this Rulebook and in the Product Manuals and Access Manual, and if any errors or inaccuracies in the information filed on the Registration should come to their notice.
- p)** Performing regular reconciliation procedures of information on Assets, Transactions, and Information registered in the Trade Repository with updated legal documents representing such Assets, Transactions, and Information. In the event of discrepancies, (i) BM&FBOVESPA must be

notified immediately, and (ii) all applicable measures should be taken to promote the regularization of the information in the Trade Repository.

- 5.2.** Registration Participants may not register the same Asset, Transactions, and Information simultaneously in more than one trade repository and cash settlement system approved by the competent regulatory bodies.

CHAPTER VI

ACCOUNT STRUCTURE

- 6.1.** Registration Participants may maintain a structure of individualized and non-individualized accounts, as described in the Product Manuals and in the applicable legislation.
- 6.2.** In cases where a structure of individualized and non-individualized accounts is not applicable, Assets and Transactions will be registered in the Trade Repository by identification of the Owner, as described in the Product Manuals and in the applicable legislation.

CHAPTER VII

**TRANSFER OF OWNERSHIP DERIVING FROM TRADING IN REGISTERED
ASSETS**

- 7.1.** Assets registered in the Trade Repository may be traded outside the environments operated by BM&FBOVESPA, in accordance with the terms, conditions and procedures described in the Product Manuals.
- 7.2.** Registration Participants must reflect in the Trade Repository the Transfer of Ownership of the Asset resulting from such trading, immediately after notifying the Asset's owner that a trade has been executed.

CHAPTER VIII

SETTLEMENT

- 8.1.** Settlement of rights and obligations in cash or by delivery of the underlying assets arising from Registration of Assets and Transactions in the Trade Repository will be performed:
- a) directly between the parties when the Registration involves a single Registration Participant;
 - b) via the Settlement System when the Registration involves different Registration Participants.
- 8.1.1.** In the event the Settlement is done by means of the Settlement System, it will occur within the rules and procedures provided for in the applicable rulebook and manual published by BM&FBOVESPA, which include, among other provisions, the obligations of the Clearinghouse and its participants, including the provisions related to risk management and containment.
- 8.2.** In cases where the Settlement of the rights and obligations involve the delivery of the underlying asset, Settlement will occur in accordance with the rules and specific procedures governing the Central Securities Depository published by BM&FBOVESPA.
- 8.3.** While Settlement is in progress in the Settlement System or Central Securities Depository, Movement of the Asset or Transaction in the Trade Repository will be blocked.
- 8.4.** When Settlement of the rights and obligations arising from Registration of an Asset or Transaction in the Trade Repository is completed in the Settlement System or Central Securities Depository, the Trade Repository will receive an

electronic message to this effect, so that the appropriate procedures can be executed.

8.5. Failure to discharge obligations relating to Settlement of the rights and obligations arising from Registration of an Asset or Transaction in the Trade Repository may entail a declaration of default against the Registration Participant concerned, whether or not it has previously been declared an Operational Debtor, in the situations specified in the Product Manuals. In this case, the defaulting Registration Participant will bear sole liability for any resulting losses, and will also be subject to the appropriate administrative, financial, normative and legal sanctions.

8.5.1. In case the Settlement Default is performed directly between the parties as per 8.1 a) above, the Registration Participant must notify BM&FBOVESPA for this information to be updated in the Trade Repository.

8.5.2. In the event of any such failure to discharge obligations relating to the Settlement of the rights and obligations specified in 8.5 b) and 8.2 above, the Settlement System or Central Securities Depository will inform the Trade Repository so that the Trade Repository reflects this information and can execute the appropriate procedures.

CHAPTER IX

ADMISSION, SUSPENSION AND EXCLUSION OF ASSETS, TRANSACTIONS, AND INFORMATION

ADMISSION

- 9.1. The admission of Assets, Transactions, and Information to the Trade Repository must be approved by BM&FBOVESPA's Chief Executive Officer.
- 9.2. The Assets, Transactions, and Information eligible for Registration in the Trade Repository will be specified in the Product Manuals and are liable for Registration as of the respective publication date.

SUSPENSION

- 9.3. BM&FBOVESPA may approve the suspension of the acceptance of the Registration of a certain category of Assets, Transactions, and Information and the suspension of the Registration entries in the Trade Repository.
 - 9.3.1. The suspension of the acceptance of new Registration entries of a certain category of Assets, Transactions, and Information implies the impossibility of any Registration being performed within that category during the suspension period.
 - 9.3.2. The suspension of the Registration performed in the Trade Repository implies:
 - a) The impossibility of any Movement relating to that Registration;
and
 - b) The suspension of another Registration, which is linked to that Registration in some way.

9.3.3. Once the irregularity is corrected or the grounds for the suspension are removed, the Registration will revert back to its regular functioning.

9.3.4. The suspension will occur in any of the following situations:

- a) Irregularities detected in terms of non-compliance with the legal requirements applicable for Registration, provided such irregularities are remediable; and
- b) Problems that affect the regular and efficient functioning of the market.
- c) If required by competent regulatory bodies or by judicial order.

EXCLUSION

9.4. The exclusion of the Registration from the Trade Repository must be approved by BM&FBOVESPA's Executive Board.

9.5. The Registration will be excluded from the Trade Repository by BM&FBOVESPA in any of the following situations:

- a) If admission requirements are not met, provided such irregularities are irremediable;
- b) If the irregularities deriving from non-compliance with legal requirements applicable to Registration that justified suspension as per **Erro! Fonte de referência não encontrada.** above are not remedied in the time frame established by BM&FBOVESPA;
- c) If BM&FBOVESPA detects the occurrence of fraud; or
- d) If BM&FBOVESPA determines exclusion for prudential reasons;
- e) If required by competent regulatory bodies or by judicial order.

- 9.5.1.** If the Registration is excluded from the Trade Repository for prudential reasons, BM&FBOVESPA will notify BSM, CVM and BCB, as appropriate, with detailed reasoning for the exclusion.

CHAPTER X

LIMITATION OF BM&FBOVESPA'S LIABILITY

10.1. BM&FBOVESPA cannot be held liable for:

- a) Fulfillment of the obligations of Registration Participants, or of issuers or debtors of the Assets, Transactions, and Information registered in the Trade Repository;
- b) The veracity, authenticity and/or regularity of the information furnished by Registration Participants and/or the entities that manage the trading systems, except when otherwise established in BM&FBOVESPA's rules and regulations;
- c) Flaws, omissions, deficiencies or irregularities in the issuance of Assets, in the execution of Transactions, or in the trades that resulted in the Information;
- d) Evaluating whether the Trade Repository is suited to the objectives of Registration Participants;
- e) The terms and conditions negotiated in Transactions, Assets and in the trades that resulted the Information; and
- f) Financial flows, payment or settlement of debts, charges, guarantees and all other amounts represented by the Assets registered in the Trade Repository.

10.2. BM&FBOVESPA cannot be held liable for any loss, damage or expense due to failures of Registration Participants' technology infrastructures, communications lines, computer programs or databases, or for misuse of the Trade Repository.

10.3. BM&FBOVESPA provides no implied warranty of merchantability and fitness for a particular purpose, title or specific non-infringement.

CHAPTER XI

INTERNAL CONTROLS

- 11.1.** BM&FBOVESPA has an internal control structure for the systematic verification of compliance with the procedures required for use of the Trade Repository and monitoring of the associated risks.
- 11.2.** BM&FBOVESPA must oversee the processes associated with the Trade Repository in order to (i) verify the risks inherent in the system and (ii) appraise the efficiency of the applicable controls by adopting any measures necessary to enable the regular functioning of the Trade Repository.

CHAPTER XII

TECHNOLOGY INFRASTRUCTURE AND BUSINESS CONTINUITY POLICY

- 12.1. BM&FBOVESPA has a technology infrastructure compatible with its accreditation as a Trade Repository administrator.
- 12.2. As established in its business continuity policy and other related norms, BM&FBOVESPA guarantees the continuity of its activities via its secondary data center in the event of a disaster at its primary data center, in accordance with current legislation.
- 12.2.1. The secondary data center is equipped with the same systems as the primary data center, uninterruptible power supply (UPS) units and emergency power generators, and a link enabling data to be copied in real time between BM&FBOVESPA's data centers.
- 12.3. Under the BM&FBOVESPA's access rules, Participants must maintain contingency procedures for critical processes related to their activities.

CHAPTER XIII

EMERGENCY MEASURES

- 13.1. BM&FBOVESPA may take emergency measures to assure the regular and efficient functioning of its activities and these measures may be applied in situations such as:
- a) Declaration of a state of defense, state of siege, or state of calamity;
 - b) War, internal unrest or strikes;

- c) Events of any kind, including those due to unforeseeable circumstances or force majeure, that pose a hazard to the regular functioning of the BM&FBOVESPA's activities and that may cause damage or their discontinuity; and
- d) Interruption of BM&FBOVESPA's communications systems with the participants' and regulators' systems due to operational failure, power failure, or any other factor that may affect the reception, transmission and remittance of instruction, and which may lie outside the scope of BM&FBOVESPA's contingency procedures.

13.2. In accordance with BM&FBOVESPA's articles of incorporation and bylaws, the Chief Executive Officer is empowered:

- a) To define the situations or facts that require the implementation of emergency measures; and
- b) To convene BM&FBOVESPA's Executive Board to deliberate on the measures to be implemented and also to determine their incidence on Registration Positions.

13.2.1 If it is impossible for the Executive Board to meet, BM&FBOVESPA's Chief Executive Officer may take the emergency measures he or she considers necessary.

13.3. The following emergency measures may be implemented upon prior notice to regulatory bodies:

- a) Temporary alteration of the rules and procedures for BM&FBOVESPA's activities, including time frames and schedules;
- b) Suspension of the activities of Registration Participants;
- c) Suspension of Registrations; and
- d) Suspension of BM&FBOVESPA's activities.

- 13.4. The implementation of emergency measures does not exempt or relieve Registration Participants from their obligations provided for in this Rulebook and in the respective Product Manuals.

CHAPTER XIV

CONTROL MECHANISMS

- 14.1. BM&FBOVESPA will analyze the information associated with the Assets, Transactions, and Information registered in the Trade Repository using control mechanisms designed to detect discrepancies, inconsistencies and evidence of fraud.
- 14.2. The parameters for the control mechanisms will be defined before the admission of new categories of Assets, Transactions and Information to the Trade Repository and may be periodically reviewed based on (i) the applicable legislation and regulation; (ii) BM&FBOVESPA's rules and internal procedures; (iii) market conditions; and (iv) other appropriate criteria.
- 14.3. The control mechanisms will be applied after Registration entries are effected in the Trade Repository.
- 14.4. If any irregularity is detected by the control mechanisms, BM&FBOVESPA will notify the Registration Participant concerned to provide clarification. If the clarification is unsatisfactory, the Registration Participant must take appropriate steps to remedy the irregularities within the time frame stipulated by BM&FBOVESPA in the notification.
- 14.4.1. If the Registration Participant fails to remedy the irregularities, BM&FBOVESPA's Executive Board may proceed to exclude the Assets and/or Transactions concerned, as per 9.5 above.

- 14.5. To assure the regular functioning of the market, BM&FBOVESPA's Chief Executive Officer may temporarily suspend a Registration Participant's access authorization for a maximum of ninety (90) days, without prejudice to the specific powers and penalties that fall within BSM's jurisdiction, under the terms of BM&FBOVESPA's access rulebook and manual.
- 14.6. Oversight and inspection of (i) the Registration entries in the Trade Repository and (ii) compliance by Registration Participants with the terms and conditions established in this Rulebook will be performed by BSM, which will observe the procedures described by Registration Participants' Bylaws and internal rules, including the application of penalties.
- 14.6.1. The Registration entries maintained in the Trade Repository may be analyzed using computational resources that issue alerts when cases requiring investigation are detected.
- 14.7. BSM is responsible for direct supervision of Registration Participants at any time to verify compliance with their obligations under this Rulebook as well as the following items, among others:
- a) Infrastructure and processes of Registration Participants;
 - b) Safekeeping and conservation of the documents representing the Registration entries in the Trade Repository; and
 - c) Other points to be determined by BSM's work plan.
- 14.8. Without prejudice to the aforementioned measures being adopted, BM&FBOVESPA will report any discrepancies, irregularities and evidence of fraud to BCB and to CVM, in accordance with their respective spheres of supervision.

CHAPTER XV

PENALTIES

- 15.1. Without prejudice to BSM's jurisdiction, in accordance with the provisions of Chapter XIV, to investigate and punish infringements of this Rulebook, as well as any complementary norms and the applicable laws and regulations, BM&FBOVESPA may apply the following penalties, singly or cumulatively, in the event of infringements of this Rulebook:
- a) A warning;
 - b) A monetary fine;
 - c) Suspension of access to the Trade Repository; and
 - d) Cancellation of access to the Trade Repository.
- 15.2. Default by a Registration Participant may temporarily prevent it from registering Assets, Transactions, and Information in the Trade Repository, until the defaulted obligation is discharged with payment of the resulting losses.
- 15.3. The penalties must be applied by BM&FBOVESPA's Executive Board, who will base their decision on a detailed analysis of the facts that led to the infringement.
- 15.4. BM&FBOVESPA's Executive Board may be requested to reconsider a decision to apply a penalty. A request for reconsideration will have suspensive effect and must be filed within fifteen (15) days following notice of the decision.
- 15.5. If the decision to apply a penalty is not reconsidered, it can be appealed with suspensive effect to BSM. Any such appeal must be filed within fifteen (15) days following notice of the decision.

- 15.6. Default by a Registration Participant will be communicated to BCB, CVM and/or BSM, according to the respective spheres of supervision, and publicly disclosed in an appropriate manner by BM&FBOVESPA.

CHAPTER XVI

GENERAL PROVISIONS

- 16.1. In the event of a conflict between BM&FBOVESPA's other rules and procedures and the rules established in this Rulebook specifically for the Trade Repository, the Rulebook will prevail.
- 16.2. BM&FBOVESPA's Chief Executive Officer may delegate the powers assigned to him by this Rulebook to other executive officers of BM&FBOVESPA whose functions relate directly to the activities provided for herein.
- 16.3. BM&FBOVESPA will establish a pricing policy for use of the Trade Repository in formal communications. This policy may be reviewed and any changes will be communicated to the market in Circular Letters.
- 16.4. BM&FBOVESPA will resolve any matters not covered by this Rulebook.
- 16.5. This Rulebook takes effect on the date of publication.

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