

# B3 CENTRAL DEPOSITORY OPERATING PROCEDURES MANUAL

02/05/2024

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## CHANGE LOG

Chapter	Change	Date	Circular Letter*
1. Introduction	04	05/02/2024	064/2024-PRE
2. Assets eligible to be deposited	03	08/31/2020	109/2020-PRE
3. Account structure and investor registration procedures	05	11/21/2022	153/2022-PRE
4. Centralized safekeeping of assets	08	01/24/2024	009/2024-PRE
5. Registration of liens, encumbrances and blockings	08	01/24/2024	004/2024-PRE
6. Processing corporate actions	07	11/21/2022	153/2022-PRE
7. Remote voting	01	11/16/2020	144/2020-PRE
8. Information	05	11/21/2022	120/2021-PRE
9. Costs and charges	02	08/31/2020	109/2020-PRE
10. Special situations	04	01/30/2023	006/2023-PRE
11. Emergency situations	02	08/31/2020	109/2020-PRE
12. Sanctions	02	08/31/2020	109/2020-PRE
13. Time grid	03	11/16/2020	144/2020-PRE

\* *Circular Letter by which the change was disclosed.*

## 1. INTRODUCTION

This **B3 central depository** operating procedures manual describes the procedures and processes involving the activity of centralized deposit of **assets** and related activities carried out by the **B3 central depository** and its **participants**, as well as the safekeeping of gold as a financial asset in fungible book-entry form and other activities performed by the **B3 central depository**.

This manual is organized in chapters and is supplemented by:

- The **B3 central depository** rules;
- The B3 access rules and manual;
- B3's rules for listing issuers and admitting securities to trading, as well as issuers' manual;
- The B3 clearinghouses' rules, operating procedures manuals, and risk management manuals;
- The B3 **registration environment** product rules and manuals; and
- Circular letters and external communications published by B3 and in force; and
- The B3 system user manuals and **message** and file catalogs.

The terms in bold type, both in the singular and plural forms, as well as the acronyms used in this manual are in accordance with the definitions and meanings contained in the B3 glossary of terms, acronyms and formulas, which is independent from other rules and regulations issued by B3. The terms commonly used in the financial and capital markets, as well as legal, economic and accounting terms, and any other technical terms used in this manual and not included in the B3 glossary of terms, acronyms and formulas have the meanings generally accepted in Brazil.

In the event of ambiguity between the provisions contained in this **B3 central depository** operating procedures manual and in other regulations issued by B3 not related to the **B3 central depository**, the more specific regulation shall prevail, considering the matter that is the subject of the ambiguity. If the regulations and the matter are related to rules and procedures concerning **B3's central depository**, **B3's central depository** rules should prevail.

This manual is approved by the B3 Joint Board of Officers and, as applicable, by the competent regulatory bodies, under the terms of the regulations issued by them.

### 1.1. Official communications between B3 and its participants

The official communications between B3 and its **participants** are classified as normative, operational and informational.

Normative communications are documents issued by B3 containing principles, rules and procedures associated with its activities, and deriving from internal resolutions, particularly the **B3 central depository** rules and this manual. B3 publishes normative acts by circular letter and other information by external



communication, which are both made available in printed and electronic forms. Circular letters notify B3's **participants** of decisions and internal rules and regulations with which they must comply. External communications announce to **participants** in general or to **participant** categories certain facts, actions, or measures decided by B3. For the purposes of this manual, external communications are classified as normative, despite the informational function thereof.

Operational communications are transmitted through letters, telephone calls and through the World Wide Web, intranets, electronic mail or messaging systems, among others. When applicable, this manual specifies the means used to convey operational communications associated with any given process.

Informational communications disseminate information of public interest in connection with the activities performed by the **B3 central depository**. Examples include the B3 Daily Bulletin and other information available on B3's website ([www.b3.com.br](http://www.b3.com.br)).

B3 provides all the official communication systems with contingency systems which, when utilized as such, have the same effects as the official communication systems.

## 2. ASSETS ELIGIBLE TO BE DEPOSITED

This chapter identifies the **assets** that are eligible for deposit in the **B3 central depository**, in accordance with the criteria set forth in the **B3 central depository** rules.

### 2.1. Assets accepted by the B3 central depository

Pursuant to applicable legislation, any **assets** are eligible for deposit in the **B3 central depository**.

The acceptance of the **deposit of assets** in the **B3 central depository** is contingent on prior review by B3 of listing or **participant registration** data, as the case may be, associated with the **issuer** of the relevant **assets**. The listing or the registration process for any **issuer** is subject to the rules and regulations listed below, in order the **assets** of its issuance can be accepted for deposit at the **B3 central depository**:

- The B3 access rules and manual, as well as the **B3 central depository** rules and this manual, in case the **assets** issued by the concerned **issuer** are not admitted to trading on B3, or in case the **assets** are admitted to trading, but the concerned **issuer** is exempt from listing, pursuant to the situations contemplated by B3's rules for listing issuers and admitting securities to trading; or
- B3's rules for listing issuers and admitting securities to trading, as well as issuers' manual, in case the **assets** issued by the concerned **issuer** are admitted to trading and the **issuer** is listed, pursuant to rules for B3's listing issuers and admitting securities to trading.

The request for acceptance of the deposit of assets in the central depository when to involve assets not intended for trading (exclusive deposit) on B3 must be formalized into the Issuers Services Office of the B3.

At its sole discretion, the **B3 central depository** may establish special rules for the acceptance and maintenance of **assets** as eligible for **deposit of assets**.

#### 2.1.1. Specification of gold bars

The **B3 central depository** accepts the deposit of gold as a financial **asset** provided gold bar is held in the safekeeping of a **gold depository** previously registered by B3 and produced by a **gold refiner** also previously registered by B3, as well as identified with the **gold refiner's** punch marks, metal fineness, nominal weight and bar number, assaying not less than nine hundred ninety-nine thousandths (.999) or ninety-nine hundred ninety-nine ten-thousandths (.9999) fineness cast in bars weighing two hundred and fifty (250) grams or one (1) kilogram.

B3 publishes periodically on its website a list of the **gold refiners** whose gold bars are accepted for deposit, as well as of the **gold depositories**.

### 3. ACCOUNT STRUCTURE AND INVESTOR REGISTRATION PROCEDURES

The following sections describe the **deposit account** structure maintained by the **B3 central depository** and related procedures, including those regarding opening of new **deposit accounts**, changes to **investor** information and deactivation of **deposit accounts**.

#### 3.1. Account structure at the B3 central depository

The centralized **asset** depository services provided by the **B3 central depository** are based on a structure of individual **deposit accounts** opened for each **investor** held under the **custody agents**.

In order to ensure a complete segregation and identification of the ownership of the **assets** deposited in the **B3 central depository**, the **assets** are registered in the **deposit accounts** on behalf of the **investors**, subject to the confidentiality of **positions** held by each **investor**, pursuant to applicable legislation.

At the discretion of the each **investor** and corresponding **custody agent**, the same **investor** may hold one or more **deposit accounts** under the same **custody agent**, and in this case each **deposit account** will be considered as an independent **deposit account** to all ends.

The **deposit accounts** are identified and numbered by **custody agent** and by **investor**, and are divided into **subaccounts** with specific characteristic and purposes. Whenever a new **deposit account** is created, the corresponding **subaccounts** are also automatically created.

The **B3 central depository** may, at its sole discretion, modify the list of available **subaccounts**.

Some examples of the characteristic and purposes contemplated by the **subaccounts** are:

- “Free movement”: used for the maintenance of **assets** on which no liens, encumbrances, or collateral have been placed, being available for movement, including for **delivery**;
- “Collateral”: used for the maintenance of **assets** posted as **collateral** in favor of the **clearinghouse**;
- “**Securities lending**”: used for moving **assets** as a result of **securities lending transactions** executed in the **securities lending** system managed by B3;
- “Forward **coverage**”: used in the **coverage** of forward sale **transactions**;
- “Options **coverage**”: used in the **coverage** of equities options short **positions** and collateral requirements offset in case is necessary;
- “Liens and encumbrances”: used in the constitution, amendment, rectification and extinction of liens and encumbrances on the **assets** deposited in the **B3 central depository** and derived from (i) court order, (ii) regulatory or administrative agency order and (iii) **custody agent** instruction;
- “Managerial control”: used by the **custody agents** for the purpose of controlling the **assets** deposited in the **B3 central depository** regarding the **deposit accounts** held by the **custody agents**. The **movement**

**of assets** to this **subaccount** does not imply that liens, encumbrances, or **collateral** will be effectively constituted before third parties, pursuant to the B3's rules and regulations and applicable legislation; and

- "Technical reserve": used to maintain **assets** subject to technical provisions deposited by **participants** for visibility and control of competent authorities.

The complete list of available **subaccounts** is disclosed to **custody agents** on a daily basis, through electronic files and related tables, via the B3 file transfer system. The layouts of such files are available on the B3 electronic address with access restricted to its **participants** ([www.bvmfnet.com.br](http://www.bvmfnet.com.br)).

In addition to the individual **deposit accounts** on behalf of the **investors**, the **deposit account** structure of the **B3 central depository** includes:

- The **asset settlement account**;
- The **asset restriction account**; and
- **Accounts** with specific characteristics and purposes.

The **asset settlement account** is used for **settlement** purposes of **transactions** involving **assets** deposited in the **B3 central depository** and cannot hold any **asset** balance at the end of the day. In case **assets** remain in the **asset settlement account**, the **clearinghouse** or **external system** must, before the end of the day, carry out the required **asset transfers** by a single command from the **asset settlement account** to the **asset restriction account** or **deposit account** the **clearinghouse** or **external system** hold under the responsibility of a **custody agent**. The control of the balance of **assets** held in the **asset settlement account** and corresponding **movements of assets** required to meet this obligation are the sole responsibility of the **clearinghouse** or **external system**.

For **settlement** purposes, instructions for the **movement of assets** involving the **clearinghouse asset settlement account** must comply with the provisions of the **clearinghouse** rules and regulations.

Also for **settlement** purposes, instructions for the **movement of assets** involving the **external system asset settlement account** are carried out according to the **asset transfer** procedures described in subsection 4.2.3.2 hereof (Transfer of **assets** between **deposit accounts** with exchange of ownership, or between **external system's asset settlement account** and **investor's deposit account**).

The **asset restriction account** is utilized in the maintenance of **assets** held by the **clearinghouse** or **external system** originating exclusively in the **asset settlement account**, which **assets** are or will be used in the **settlement** and risk management processes of the **clearinghouse** or **external system**. Instructions for the **movement of assets** to the debit of the **asset restriction account** are performed by a single **clearinghouse** or **external system** command and can only have as destination the **clearinghouse** or **external system asset settlement account** or **deposit account** under the responsibility of a **custody agent**.

At the discretion of the **clearinghouse** or **external system**, the **clearinghouse** or **external system** may hold one or more **asset settlement accounts** and **asset restriction accounts**, in which case each **account** will be considered as an independent **account** to all ends.

**Accounts** with specific characteristics and purposes derive from certain operational control needs of both the **B3 central depository** and the **custody agent**. The **accounts** with specific characteristics and purposes are:

- Nonindividual **deposit accounts** held by depository institutions of depository receipt programs;
- Nonindividual **deposit accounts** held by depository institutions of certificates of deposit of securities (units);
- Nonindividual **deposit accounts** held by banking institutions for specific use in the context of **repo transactions** backed by **assets** deposited in the **B3 central depository** and registered in the B3 **registration systems**; and
- **Deposit accounts** for the **movement of assets** as a result of instructions received from the B3 **registration environment**.

The identification of the **investors** and of the **asset** quantities they hold in nonindividual **deposit accounts** for the maintenance of **assets** backing **repo transactions** is made in the B3 **registration environment**, and the reconciliation of the **asset** quantities held in the nonindividual **deposit accounts** with the quantities reported in the **registration environment** is carried out on a daily basis.

At its sole discretion and pursuant to applicable legislation, the **B3 central depository** may create new **accounts** with specific characteristics and purposes.

## 3.2. Investor registration procedures

The **custody agents** must necessarily register the **investors** under their responsibility in the **participant registration** systems provided by B3, in addition to securing the authenticity of the **investor** registration information, as well as any updates thereto whenever changes occur.

### 3.2.1. Deposit account opening

The registration of a new **deposit account** is carried out by the **custody agent** in the **investor registration** systems provided by B3, by recording all the information required to identify the **investor** holding the new **account**. Upon registration of the **investor's** information, the new **deposit account** is created by the **B3 central depository** and numbered. This numbering must be used by the **custody agent** to identify the **investor** in all the processes conducted at the **B3 central depository**.

In the case of nonresident **investors**, without prejudice to other requirements stipulated by B3 it is mandatory for the **custody agent** to indicate the operational code issued by CVM and the specific identification code issued by the Brazilian Internal Revenue Service [*Secretaria da Receita Federal, or SRF*], namely the Corporate Taxpayer (or CNPJ) number or the Individual Taxpayer (or CPF) number.

In order to register a **deposit account** on behalf of a third party, the **custody agent** must include the **participant** institution involved in the list of its **investors** and provide the link thereof with the **deposit account** of the **investor** under the responsibility of said **participant** in the **B3 central depository**.

The **investors** holding **deposit accounts** on behalf of third parties will receive from B3 all the electronic and/or paper-based informational documents it provides, such as the B3 statement, transfer confirmations, and address change notifications.

To perform the process for the creation of a new **deposit account**, the **custody agent** relies on electronic files and system screens.

### **3.2.2. Investor registration data modification**

**Investor** registration information can be freely modified by the concerned **custody agent**, except for the **investor's** basic data. In the event that such data are subject to change, all the **deposit accounts** held by the **investor** are also updated, regardless of the **custody agent** under which the **deposit account** is registered. In this case, a request must also be submitted in writing by the **custody agent** to the B3 Participant Registration Center, and the relevant changes will be implemented as follows:

- (a) Individual name or company name: the change will only be implemented after the SRF database is verified. If the requested change has not yet been updated in the SRF database, the receipt of filing for CPF/CNPJ registration data modification must be attached to the written request;
- (b) Date of birth or date of incorporation: an uncertified copy of the documentation supporting the change must be attached to the written request. If the **investor** is an individual, any public trust document will be accepted; if the **investor** is a legal entity, the articles of association, bylaws, or minutes registered with the State Commercial Registry will be accepted;
- (c) Type of **investor**: an uncertified copy of the documentation supporting the change must be attached to the written request;
- (d) Country of residence, in the case of nonresident **investors**: uncertified copy of the documentation supporting the change must be attached to the written request submitted by the nonresident **investors'** legal representatives; and
- (e) Other information defined by B3: an uncertified copy of the documentation supporting the change, as indicated by B3, must be attached to the written request.

### **3.2.3. Deposit account deactivation**

The **custody agent** may deactivate the **deposit accounts** of the **investors** under its responsibility, provided no balances and/or pending transactions remain at B3. Among the types of balances and/or pending transactions that may prevent a **deposit account** from being deactivated are:

- Balances of **assets** held in custody;
- **Assets** posted as collateral in favor of the **clearinghouse**;
- Provisioned **corporate actions**;

- Brazilian Treasury Direct [*Tesouro Direto*] balances;
- Open **positions** in **derivatives** and/or **securities lending**;
- **Transactions** in the **settlement** process;
- Requests for **withdrawal of assets** pending validation by the **issuer** or by the **registrar** engaged by the **issuer**, as the case may be; and
- **Links** between **deposit accounts**; and
- Other situations.

If the **deposit account** still remains in a pending state, the deactivation thereof will only be completed after the issue is resolved.

After the deactivation is completed, the **custody agent** must formally inform its **investors** that it has ceased providing services to them.

In order to carry out a **deposit account** deactivation process, the **custody agent** relies on system screens and electronic files linked to the B3 **participant registration** systems.

## 4. CENTRALIZED SAFEKEEPING OF ASSETS

The centralized **asset** safekeeping service provided by the **B3 central depository** consists above all of **asset** balance control, and related **movements of assets**, in book-entry form, via electronic **registrations**.

The activities involved in the centralized safekeeping service provided by the **B3 central depository** are:

- **Registration** and control of the balances of deposited **assets**;
- Control of the ownership of deposited **assets** held on behalf of **investors**;
- **Movements of assets**;
- **Registration** of the constitution, amendment, rectification and extinction of liens, encumbrances, **collateral** and blockings on the **assets** in the **asset deposit accounts**, by recording the instrument in the **B3 central depository** systems;
- Reconciliation of the balances of **assets** deposited in the **B3 central depository** with the balances recorded by **issuers** and **registrars** on behalf of the **B3 central depository**, under the fiduciary ownership arrangement; and
- Reconciliation of the balances of fungible book-entry **positions** of gold as a financial **asset**, deposited in the **B3 central depository** environment, with the stock of gold bars registered under B3's fiduciary ownership and stored in **gold depositaries** previously registered with B3.

The following sections describe the operation of the activities associated with the centralized safekeeping of **assets**.

### 4.1. Asset balance registration and control

The centralized **asset** safekeeping service offered by the **B3 central depository** is based on a structure of individual **deposit accounts** for each **investor** held under **custody agents**.

In order to ensure a complete segregation and identification of the ownership of the deposited **assets**, the **asset** balances are recorded in **deposit accounts** on behalf of the **investors**, subject to the confidentiality of **positions** held by each **investor**, pursuant to applicable legislation.

The **asset** balances recorded in the **deposit accounts** are necessarily distributed within **subaccounts**. Therefore, for both **asset** balance control and **corporate action** processing purposes, the **B3 central depository** considers the combination of **custody agent**, **investor's deposit account** and **subaccount** as the actual location of the **asset** balance **registration**.

The **asset** balance can be controlled both synthetically and analytically.



#### 4.1.1. *Synthetical balance control*

The **synthetical balance control** is performed for all the **assets** and presents the consolidated **asset** quantity, regardless of the date and **cost** of acquisition thereof.

Example:

An **investor** buys 100 shares on date T+0. After **settlement** of this **transaction**, the **investor's** balance is shown as follows in the **B3 central depository** systems and reports:

Custody agt. code	Custody acct. code	Subaccount	ISIN	Quantity
12345-6	1-1	2101-6	BRXPTOACNOR3	100

On T+1, the same **investor** buys additional 200 shares of the same **asset** through the same **custody agent** and **deposit account** indicated above. After **settlement** of this **transaction**, the **investor's** balance is shown as follows in the **B3 central depository** systems and reports:

Custody agt. code	Custody acct. code	Subaccount	ISIN	Quantity
12345-6	1-1	2101-6	BRXPTOACNOR3	300

#### 4.1.2. *Analytical balance control*

The **analytical balance control** is used in the case of **assets** for which information on date and cost of acquisition must be stored, so that the **issuer**, **custody agent**, or **registrar**, contingent on the tax features of each **asset**, can make the income tax calculations and collect the amounts due.

Example:

An **investor** buys 100 shares and 50 debentures for BRL150.00 each debenture, both on date T+0. After **settlement** of these **transactions**, the **investor's** balance is shown as follows in the **B3 central depository** systems and reports:

Custody agt. code	Custody acct. code	Subaccount	ISIN	Quantity
12345-6	1-1	2101-6	BRXPTOACNOR3	100
12345-6	1-1	2101-6	BRXPTODBS001	50

However, for this debenture **position** the corresponding acquisition date and price can be verified. In this example, the date and price would be:

Acquisition date	Price
T0	BRL150.00

On T+1, the same **investor** buys additional 200 shares and 75 debentures for BRL152.50 each debenture through the same **custody agent** indicated above. After **settlement** of these **transactions**, the **investor's** balance is shown as follows in the **B3 central depository** systems and reports:

Custody agt. code	Custody acct. code	Subaccount	ISIN	Quantity
12345-6	1-1	2101-6	BRXPTOACNOR3	300
12345-6	1-1	2101-6	BRXPTODBS001	125

In certain reports, files, or system screens the balance continues to be informed synthetically, but for the debenture **position** the corresponding acquisition dates and prices can also be verified. In this example the dates and prices would be:

Acquisition date	Quantity	Price
T0	50	BRL150.00
T1	75	BRL152.50

## 4.2. Movements of assets – Deposit, withdrawal and transfer between deposit accounts

The **deposit of assets**, the **withdrawal of assets** and the **asset transfer** between **deposit accounts** and between **subaccounts** are subject to the time frames established by the **B3 central depository** in the time grid described in this manual, as well as to the time grids for moving **collateral** and for **settlement** when the **asset** balance is used for such purposes.

The movements of **assets** that have encumbrances to comply with court order, including for **settlement** purposes, are the sole control and responsibility of the **custody agents**.

### 4.2.1. Deposit of assets

The **assets** subject to deposit must be free and clear of any lien, encumbrance and **collateral**, except when previously authorized by B3 or for encumbrance whose purpose is to comply with court order.

The **deposit of assets** is done under the instruction of the **custody agents**, based on a formal request submitted by the **investor** under their responsibility, and it may occur under either the automatic deposit mode or the manual deposit mode.

The completion of the **deposit of assets** process at the **B3 central depository** is conditional on the transfer of the **assets** under the **investor** ownership to B3's fiduciary ownership in the records kept by the **issuer** or by the **registrar** engaged by the **issuer**, as the case may be, or by the **gold depository**. Said transfer entails a subsequent restriction upon the practice of disposal associated with the relevant **assets** held in the records

of the **issuers**, of the **registrars** engaged by the **issuers**, or of the **gold depositaries**, as the case may be, as a result of the **deposit of assets** in favor of B3.

The actual **deposit of assets** in the **B3 central depository** environment implies the **registration** of the ownership of the relevant **assets** in a **deposit account** held by the **custody agent** on behalf of the **investor**.

The **B3 central depository** may reject any **custody agent's** instruction for the **deposit of assets** in the following situations:

- improper condition of the **assets** subject to **deposit of assets** is confirmed, in the case of **assets** in non-book-entry form;
- lack or insufficiency of documentation required by the **B3 central depository**;
- The submitted documentation and the characteristics of the **asset** subject to **deposit of assets** are divergent;
- The **deposit of assets** is rejected by the **issuer**, by the **registrar** engaged by the **issuer**, or by the **gold depository**, as the case may be; and
- Other specific situations occur, at the discretion of the **B3 central depository**.

The **custody agent** whose **deposit of assets** instruction is rejected by the **B3 central depository** is promptly notified of the reasons for the rejection, so that appropriate action may be taken.

#### ***4.2.1.1. Automatic deposit of assets, except gold as a financial asset***

The **B3 central depository** provides the automatic deposit mode for all the **assets** whose **issuer**, or the **registrar** engaged by the **issuer**, as the case may be, has been authorized by the **B3 central depository** to exchange electronic files. The automatic process for **deposit of assets** is subject to the following flow:

1. Upon request of the **investor**, the **deposit of assets** is instructed by the **custody agent** by sending the necessary documentation and an Asset Transfer Order to the **issuer** responsible for the **asset** subject to **deposit of assets** or to the **registrar** engaged by the **issuer**, as the case may be.
2. The **issuer** or the **registrar** engaged by the **issuer**, as the case may be, validates the submitted documentation and, provided said documentation is compliant, sends an electronic file containing the **deposit of assets** instructions to the **B3 central depository**, awaiting confirmation (dual command) by the **B3 central depository** for the deposit to be effected.
3. The **B3 central depository** processes the electronic file containing the **deposit of assets** instructions. The **deposit of assets** instructions considered to be valid are made available to the requesting **custody agent** for confirmation.
  - 3.1 The rejected **deposit of assets** instructions are reported to the **issuer** or to the **registrar** engaged by the **issuer**, as the case may be, by means of electronic files.
  - 3.2 The valid **deposit of assets** instructions has the validity period determined by the **issuer** or by the **registrar** engaged by the **issuer**, as the case may be.

- 3.3 At the end of the relevant validity periods, the **deposit of assets** instructions are automatically cancelled and this information is forwarded to the **issuer** or to the **registrar** engaged by the **issuer**, as the case may be, and also to the **custody agent** by electronic files.
4. The **custody agent** confirms the **deposit of assets** pending its authorization.
  - 4.1 The confirmation of **deposit of assets** instructions may be done via system screen or electronic file.
  - 4.2 In the case of **assets** whose tax features require control of the date and cost of acquisition for income tax calculation purposes, the **custody agent** must indicate the date and cost of acquisition upon confirming the deposit.
5. The **asset** balance is recorded in the **investor's deposit account** on a provisional basis, remaining unavailable for movement until the actual transfer of the **assets** held by the **investor** to B3's fiduciary ownership is confirmed in the records maintained by the **issuer** or by the **registrar** engaged by the **issuer**, as the case may be.
6. The **issuer** or the **registrar** engaged by the **issuer**, as the case may be, receives the electronic files containing the confirmations (dual command) of the **deposit of assets** instructions.
7. The **issuer** or the **registrar** engaged by the **issuer**, as the case may be, provides the transfer of the **assets** held by the **investor** to B3's fiduciary ownership in the relevant records and notifies the **B3 central depository** thereof by electronic file.
  - 7.1 In the event of rejection of a **deposit of assets** instruction by the **issuer** or by the **registrar** engaged by the **issuer**, as the case may be, the corresponding debit is entered to the provisional **asset** balance previously recorded in the **investor's deposit account**.
8. The provisional **asset** balances become final and free for **movement of assets** after the **B3 central depository** receives an electronic file confirming the implementation of the **deposit of assets** instructions and the subsequent **asset** credit to its fiduciary ownership.

#### **4.2.1.2. Manual deposit of assets, except gold as a financial asset**

In the cases where the **issuer** or the **registrar** engaged by the **issuer**, as the case may be, does not have a structure allowing for the exchange of electronic files, **B3 central depository** offers the manual mode for **deposit of assets**. The manual **deposit of assets** process is subject to the following flow:

1. Upon request of the **investor**, the **deposit of assets** is instructed by the **custody agent** by sending the necessary documentation and an Asset Transfer Order to the **issuer** responsible for the **asset** subject to **deposit of assets** or to the **registrar** engaged by the **issuer**, as the case may be.
2. The **issuer** or the **registrar** engaged by the **issuer**, as the case may be, validates the submitted documentation and, provided said documentation is compliant, issues a physical receipt containing information on the **deposit of assets** instruction, providing said receipt to the **custody agent**.

3. The **custody agent** performs the **registration** of the **deposit of assets** instruction directly on the **B3 central depository** system screens.
  - 3.1 Where the **assets** use the **analytical balance control**, the **custody agent** must indicate the date and cost of acquisition upon providing the **registration** of the **deposit of assets** instruction.
4. Within two (2) business days after the **registration** of the **deposit of assets** instruction in the **B3 central depository** systems, the **custody agent** has to provide to the **B3 central depository** the **deposit of assets** slip and the physical receipt provided by the **issuer** or by the **registrar** engaged by the **issuer**, as the case may be, containing information on the **deposit of assets** instruction.
  - 4.1 After the two (2)-business day period, B3 cancels automatically the **deposit of assets** instructions registered in its systems that are not supported by the appropriate documentation.
5. If the information contained in the documentation submitted and inserted into the systems is compliant, the **B3 central depository** validates the **deposit of assets**.
6. The **asset** balance is recorded in the **investor's deposit account** on a provisional basis, remaining unavailable for movement until the actual transfer of the **assets** held by the **investor** to B3's fiduciary ownership is confirmed in the records maintained by the **issuer** or by the **registrar** engaged by the **issuer**, as the case may be.
7. The **issuer** or the **registrar** engaged by the **issuer**, as the case may be, receives the physical documentation and the **asset** transfer request provided by the **B3 central depository** (dual command).
8. The **issuer** or the **registrar** engaged by the **issuer**, as the case may be, performs the transfer of the **assets** under the **investor** ownership to B3's fiduciary ownership in the relevant records and notifies the **B3 central depository** by presenting a physical documentation.
  - 8.1 In the event of rejection of a **deposit of assets** instruction by the **issuer** or by the **registrar** engaged by the **issuer**, as the case may, the provisional **asset** balance previously recorded in the **investor's deposit account** is removed.
9. The provisional **asset** balances become final and free for **movement of assets** after the **B3 central depository** receives the physical documentation confirming the implementation of the **deposit of assets** instructions and the subsequent **asset** credit to its fiduciary ownership.

#### **4.2.1.3. Deposit of gold as a financial asset**

The process for the deposit of gold as a financial **asset** is subject to the following flow:

1. The deposit request for gold as a financial **asset** is submitted, through the **B3 central depository** systems, by the **custody agent** to the **gold depository** selected to receive the gold bars, together with information about the **gold refiner** selected to process the bars within the standards defined by this manual, as well as about the quantity and fineness of the bars to be deposited.
2. After the gold bars are received from the **gold refiner**, the **gold depository** adopts the following procedures:

- 2.1 Each gold bar to be held in custody is weighed and the actual weight thereof is determined. In order to determine the actual weight of each bar, the **gold depository** uses precision scales capable of weighing in increments of one-hundredth of a gram, by applying the following rounding up criteria to one-tenth of a gram:
- 2.1.1 When the scale indicates from zero (0) to four (4) hundredths of a gram, drop the hundredths of a gram.
- 2.1.2 When the scale indicates from five (5) to nine (9) hundredths of a gram, drop the hundredths of a gram and add one (1) tenth of a gram.
- 2.1.3 Under no circumstance is a gold bar accepted with an actual weight, as calculated by the **gold depository**, less than the weight declared by the **gold refiner**.
- 2.2 The approved gold bars are sealed.
- 2.3 The deposit is validated in the **B3 central depository** systems, by entering the gold bar number and the **gold refiner** identification.
- 2.4 After the deposit is validated in the **B3 central depository** systems, the ownership of the gold bars is transferred from the **investors** to B3's fiduciary ownership.
3. The **B3 central depository** confirms the deposit in its systems.
4. The balance of gold as a financial **asset** is recorded in the **investor's deposit account**. The conversion of each deposited gold bar into the **investor's deposit account** balance in grams is calculated as follows:

$$\begin{array}{rcl} \text{Deposited} & & \text{Weight x fineness of gold bar} \\ \text{gold (grams)} & = & 1000 \end{array}$$

#### **4.2.2. Withdrawal of assets**

The **withdrawal of assets** is effected by instruction of the **custody agents**, based on a formal request submitted by the **investor** under their responsibility.

The completion of the **withdrawal of assets** process at the **B3 central depository** is conditional on the transfer of the **assets** from B3's fiduciary ownership to the **investor's** ownership in the records kept by the **issuer** or by the **registrar** engaged by the **issuer**, as the case may be, or by the **gold depository**, in the case of gold as a financial **asset**.

At its sole discretion, the **B3 central depository** may carry out a **general withdrawal of assets** process, with the corresponding transfer of the total **asset** balance under its fiduciary ownership to the **investors** directly in the records maintained by the **issuer** or by the **registrar** engaged by the **issuer**, as the case may be, when:

- The **asset** is no longer traded at B3;
- The **asset** is no longer accepted for **deposit of assets** in the **B3 central depository**;

- The **asset issuer** has a resolution passed for its liquidation or winding-up;
- The bankruptcy of the **asset's issuer** is declared, or its court-supervised or out-of-court liquidation is ordered by competent administrative authority; and
- Exceptionally and at the discretion of B3, it is necessary to withdraw the concerned **asset** from the **deposit accounts** to preserve the integrity of the **B3 central depository** system.

At its sole discretion, the **B3 central depository** may reject a **custody agent's** instruction for the **withdrawal of assets** when:

- Divergences are found between the information provided by the **custody agent** related to the **assets** subject to **withdrawal of assets** and the **registration** thereof with the **B3 central depository**;
- The **assets** to be transferred are not available for **withdrawal of assets**; and
- Other specific situations occur, at the discretion of the **B3 central depository**.

The **custody agent** whose **withdrawal of assets** instruction is rejected by the **B3 central depository** is promptly notified of the reasons for the rejection, so that appropriate action may be taken.

#### **4.2.2.1. Withdrawal of assets, except gold as a financial asset**

The **withdrawal of assets** from the **B3 central depository** is performed by the **custody agents** in the **B3 central depository** systems, pursuant to the provisions of this manual.

The process for the **withdrawal of assets** is subject to the following flow:

1. The **custody agent** makes the **registration** of the **withdrawal of assets** instruction directly on the **B3 central depository** system screens.
2. The **asset** balance registered in the **investor's deposit account** is blocked for movement until the transfer of the **assets** from B3's fiduciary ownership to the **investor's** ownership in the records kept by the **issuer** or by the **registrar** engaged by the **issuer**, as the case may be, is effectively confirmed.
3. The **issuer** or the **registrar** engaged by the **issuer**, as the case may be, receives the **withdrawal of assets** instruction issued by the **B3 central depository**.
4. The **issuer** or the **registrar** engaged by the **issuer**, as the case may be, provides the transfer of the **assets** from B3's fiduciary ownership to the **investor's** ownership in its records and notifies the **B3 central depository**.
  - 4.1 In the event of rejection of a **withdrawal of assets** instruction by the **issuer** or by the **registrar** engaged by the **issuer**, as the case may be, the previously blocked **asset** balance becomes available for movement, remaining under B3's fiduciary ownership.
  - 4.2 The **custody agent** responsible for the **registration** of the **withdrawal of assets** instructions is notified of the instructions rejected by the **issuer** or by the **registrar** engaged by the **issuer**, as the case may be.

5. The **B3 central depository** receives confirmation of the implementation of the **withdrawal of assets** instructions, and the relevant **assets** are subsequently debited to its fiduciary ownership.
6. The balances of blocked **assets** are debited to the **deposit accounts**.

In special cases or for reasons of force majeure, and upon a formal request being submitted by the **custody agents**, the **withdrawal of assets** from the **B3 central depository** is performed by the **B3 central depository** itself.

#### **4.2.2.2. *Withdrawal of gold as a financial asset***

The withdrawal of gold as a financial **asset** from the **B3 central depository** is performed by the **custody agents** in the **B3 central depository** systems, pursuant to the provisions of this manual.

The process for the withdrawal of gold as a financial **asset** is subject to the following flow:

1. The **custody agent** makes the **registration** of the **withdrawal of assets** instructions directly on the **B3 central depository** system screens.
  - 1.1 For gold as a financial **asset**, the **custody agent** is required to select the **gold depository** from which the **investor** wishes to withdraw the bars. In addition, it is possible to select the **gold refiner** or a specific type of gold bar to be withdrawn.
2. The **gold depository** receives the **asset transfer** request issued by the **B3 central depository**.
3. The **gold depository** provides the transfer of gold as a financial **asset** from B3's fiduciary ownership to the **investor's** ownership in its records and notifies the **B3 central depository** thereof.
  - 3.1 In the event of rejection of a withdrawal instruction for gold as a financial **asset** by the **gold depository**, the balance of gold as a financial **asset** is returned to the **investor's position** and becomes clear for movement.
4. The **B3 central depository** receives confirmation of the implementation of the withdrawal instructions for gold as a financial **asset**, and the gold bars are subsequently debited to its fiduciary ownership.

#### **4.2.2.3. *Withdrawal of assets in non-book-entry form***

The withdrawal of **assets** in non-book-entry form which are accepted into centralized deposit by the **B3 central depository** is performed by the **custody agents** upon submitting a formal request to the **B3 central depository**, as instructed by their respective **investors**.

The requests for the withdrawal of **assets** in non-book-entry form are reviewed by B3 and, if approved, the **assets** in non-book-entry form are endorsed to the **investor** and delivered directly to the **custody agent** representing the **investor** holding the **assets**, or if this is not possible the **assets** are delivered directly to the **investor** by submitting a specific documentation to the **B3 central depository**.



### 4.2.3. Asset transfer

**Asset transfers** are performed by instruction of the **custody agents**, based on a request submitted by the **investors** under their responsibility, or by instruction of the **clearinghouse** or of an **external system**, based on a request submitted by the latter's participants.

The implementation of an **asset transfer** in the **B3 central depository** is contingent on:

- The existence of both valid and active transferor and transferee **deposit accounts, asset settlement accounts, or asset restriction accounts**; and
- The existence of an **asset** balance clear for movement.

The **custody agent** may instruct an **asset transfer** between:

- **Subaccounts** within the same **deposit account**;
- **Deposit accounts** held by the same owner; and
- **Deposit accounts** with exchange of ownership.

The **clearinghouse** or **external system** may instruct an **asset transfer** between:

- The **asset settlement account** held by **clearinghouse** or by the **external system** and the **deposit account** held by the **investor**; and
- The **asset settlement account, asset restriction account** and **deposit account** held by the **clearinghouse** or by the **external system**.

In special cases or for reasons of force majeure, and upon a formal request being submitted by the **custody agents, asset transfers** in the **B3 central depository** are performed by the **B3 central depository** itself in any of the following events, whether cumulative or not:

- The **assets** to be transferred are not admitted to trading on the markets managed by B3;
- The **investor** holding the **assets** subject to an **asset transfer** is prevented from transferring **assets** from his/her/its **deposit account** by order of competent court, regulatory or administrative authorities, or for any other reason stipulated in this manual;
- The **custody agent** is prevented from moving the **deposit accounts** by order of competent court, regulatory and administrative authorities;
- The **assets** to be transferred have been subjected to lien, encumbrance, or **collateral**, upon presentation of approval of the transfer by the same authority, or by the concerned party with due powers, involved in the original process whereby the lien, encumbrance, or **collateral** was constituted; and
- Other specific situations occur, at the discretion of the **B3 central depository**.

The **B3 central depository** may accept **asset transfer** instructions submitted by the **clearinghouse** and the **registration environment** on behalf of the **custody agent** for **transaction settlement** purposes, pursuant to the procedures set forth in the **clearinghouse** and **registration environment** rules.

The **B3 central depository** may reject an **asset transfer** instruction when:

- Divergences are found between the information provided by the **custody agent, clearinghouse, or external system** related to the **assets** subject to the **asset transfer** and the **registration** thereof with the **B3 central depository**;
- The **assets** to be transferred are not available for **asset transfers**; and
- Other specific situations occur, at the discretion of the **B3 central depository**, related to the instructions submitted by **custody agents**.

The **custody agent, the clearinghouse, or the external system** whose **asset transfer** instruction is rejected by the **B3 central depository** is promptly notified of the reasons for the rejection, so that appropriate action may be taken.

#### **4.2.3.1. Transfer of assets held by the same holder**

The assets transfers involving same ownership may occur between:

- **Subaccounts** within the same **deposit account**;
- **Deposit accounts** held by the same **investor** where the transferor **deposit account** and the transferee **deposit account** are under the responsibility of the same **custody agent**;
- **Deposit accounts** held by the same **investor** where the transferor **deposit account** and the transferee **deposit account** are under the responsibility of different **custody agents**;
- The **asset settlement account, asset restriction account** and **deposit account** held by the **clearinghouse** or held by the **external system**; and
- **Accounts** held by the same **investor** in **central depositories** for equities and OTC B3 in the situation which the **asset** is admitted to both **central depositories**.

The **asset transfers** that do not involve **assets** subject to the **analytical balance control** are performed in real time, provided that the relevant implementation conditions are met, except in the specific situation:

- **Assets transfer** between **deposit accounts**, in the situation where the transferor **deposit account** and the transferee **deposit account** are under the responsibility of different **custody agents**, and the transferee **custody agent** has assigned the need for his confirmation in the process. In the face of this situation, the **assets transfer** effectiveness will be conditioned to confirmation by the transferee **custody agent**. Unconfirmed **assets transfer** instructions remain pending and are automatically canceled at the end of the day.

The **custody agent** may, at any time, formalize a request to **B3 central depository** to be assigned, or withdrawn, the need for its confirmation in the **asset transfers** held by the same holder, between different **custody agents**, when related as a transferee **custody agent**. **Asset transfers** that may be made after the assignment of this parameter will be subject to this condition for them to be effective.

The **asset transfers** that involve **assets** subject to the **analytical balance control** must follow the rules listed below:

- The **asset transfer** between **deposit accounts** held under the same **custody agent** or between **asset settlement account**, **asset restriction account** and **deposit account** held by the **clearinghouse** or held by the **external system** is performed in real time, provided that the relevant implementation conditions are met; and
- The **asset transfer** between **deposit accounts** where the transferor **deposit account** and the transferee **depository account** are under the responsibility of different **custody agents** requires confirmation by the transferor **custody agent**. After said confirmation is given, the **asset transfer** is performed in real time, provided that the relevant implementation conditions are met. Unconfirmed **asset transfer** instructions remain pending and are automatically cancelled at the end of the day.

#### ***4.2.3.2. Transfer of assets between deposit accounts with exchange of ownership, or between external system's asset settlement account and investor's deposit account***

The assets transfers involving exchange of ownership may occur between:

- **Deposit accounts** held by different **investors** where the transferor **deposit account** and the transferee **deposit account** are under the responsibility of the same **custody agent**;
- **Deposit accounts** held by different **investors** where the transferor **deposit account** and the transferee **deposit account** are under the responsibility of different **custody agents**; and
- The **asset settlement account** held by the **external system** and the **deposit account** held by the **investor**.

The **custody agent** reviews, validates and files the **investor** documentation that substantiates the **asset transfer** between **deposit accounts** with exchange of ownership. Based on such documentation the **custody agent** informs the **B3 central depository**, at the moment of the instruction's execution, the justification for the **asset transfer**, and remains subject to oversight by BSM and regulatory agencies.

The **asset transfers** between **deposit accounts** held by different **investors** where the transferor **deposit account** and the transferee **deposit account** are under the responsibility of the same **custody agent** are performed in real time, provided that the relevant implementation conditions are met.

The **asset transfers** between **deposit accounts** held by different **investors** where the transferor **deposit account** and the transferee **deposit account** are under the responsibility of different **custody agents** are performed after receiving confirmation from the transferee **custody agent** in real time, provided that the relevant implementation conditions are met. Unconfirmed **asset transfer** instructions remain pending and are automatically cancelled at the end of the day.

The **asset transfers** between the **deposit account** held by an **investor** and the **asset settlement account** held by the **external system** are performed in real time, after confirmation is received from the **external system** or from the **custody agent** responsible for the **deposit account** whenever either party is acting as

transferee in the **asset transfer**, provided that the relevant implementation conditions are met. Unconfirmed **asset transfer** instructions remain pending and are automatically cancelled at the end of the day.

In order to implement the **asset transfers** that involve **assets** subject to the **analytical balance control** is required the information on date and cost of acquisition.

Except for gold as a financial **asset**, the **assets** underlying an **asset transfer** between **deposit accounts** with exchange of ownership become clear for movement only on the first business day following the day on which the instruction was implemented. The unavailability thereof might be removed when:

- The corresponding **assets** derive from the **securities lending** service;
- The corresponding **assets** derive from the **settlement** of forward **transactions**; and/or
- In the case of other **assets**, at the discretion of the **B3 central depository**.

### **4.3. Issuance and cancellation of ETFs and certificates of deposit**

#### **4.3.1. Exchange-traded funds (ETFs)**

The **B3 central depository** provides a service for operating the issue and cancellation of shares of exchange-traded funds (ETFs) based on indices comprising **assets** from **equities market** and **corporate debt market**. The features and procedures of this service are described in the following subsections.

The **settlement** of ETF shares follows the rules and procedures defined by the **clearinghouse**, subject to the different standards for the issue and cancellation of ETF shares offered by the **B3 central depository**, which have specific characteristics regarding the **settlement** mode of the **transactions**. Such **transactions** may be settled in the **gross settlement** system, where **settlement** is not guaranteed by B3, or in the **multilateral net settlement** system, where **settlement** is guaranteed by B3, in which case it acts as **central counterparty**. In addition, the **settlement** time frames may vary according to the nature of the **assets** that make up the issue and cancellation basket, in accordance with the rules and procedures defined by the **clearinghouse**.

##### **4.3.1.1. ETF basket submission**

In order the issues and cancellations of ETF shares to take place, the ETF administrator is required to send to the **B3 central depository**, through the issue and cancellation basket file, the list of the **assets** comprised in the underlying ETF index at the opening and closing of the markets, as well as the minimum quantity of shares accepted in the issue and cancellation requests and the opening share price.

##### **4.3.1.2. Issue flow**

The issue requests must be instructed directly in the **B3 central depository** systems by the **custody agents** previously authorized by the ETF manager or administrator. The requests are submitted to the ETF administrator, who may either approve or reject the relevant requests.

Before the **settlement** date of the issue **transaction**, the ETF administrator must forward to the **B3 central depository**:

- The confirmation of the creation of ETF shares under B3's fiduciary ownership by the ETF **registrar**, by sending a file containing movements and balances under B3's fiduciary ownership; and
- The confirmation of the financial amounts associated with the closing share and with the financial adjustments that must be considered in the **settlement** of ETF issues, by sending a file containing confirmation of financial amounts.

In accordance with the rules and procedures defined by the **clearinghouse**, the **settlement** of the issue **transaction**, which may vary according to the ETF type, occurs by confirming the **payment** of the financial amounts, as the case may be, and by transferring the fund shares to the **deposit account** of the requesting **investor** in the **B3 central depository**.

#### **4.3.1.3. Cancellation flow**

Issue cancellations must be instructed directly in the **B3 central depository** systems by the **custody agents** previously authorized by the ETF manager or administrator. The requests are submitted to the ETF administrator, who may either approve or reject the relevant requests.

Before the **settlement** date of the cancellation **transaction**, the ETF administrator must forward to the **B3 central depository** the confirmation of the financial amounts associated with the closing share and with the financial adjustments that must be considered in the **settlement** of ETF cancellations, by sending the file containing confirmation of financial amounts.

In accordance with the rules and procedures defined by the **clearinghouse**, the **settlement** of the cancellation **transaction**, which may vary according to the ETF type, occurs by confirming the **payment** of the financial amounts, as the case may be, and by transferring the requesting **investor's** shares to the fund's **deposit account** in the **B3 central depository**. Upon cancellation, the fund administrator may determine that the shares be blocked in the **investor's deposit account** at the time when the **investor** requests the relevant cancellation in the **B3 central depository** systems through his/her/its **custody agent**.

The cancelled shares will remain in the ETF **deposit account** in the **B3 central depository** environment and must be withdrawn, upon request by the ETF administrator, as of and including the **settlement** date of the cancellations. In order for the **B3 central depository** to remove the balance of cancelled shares from the ETF **deposit account**, the ETF administrator must confirm the withdrawal of the ETF shares under B3's fiduciary ownership from the fund's **registrar**, and forward the file containing movements and balances under B3's fiduciary ownership.

After the **settlement** of the issue and the cancellation of the ETF shares, the **B3 central depository** sends to the ETF administrator or manager a file containing confirmation of settled issues and cancellations.

For a certain time period and upon request by the ETF administrator, in accordance with applicable legislation, the **B3 central depository** may suspend payments and redemptions of ETF fund shares.

### **4.3.2. Certificates of deposit**

The B3 provides a service for operating the issue and cancellation of certificates of deposit of **assets** through the **B3 central depository** systems. The issue and cancellation requests must be instructed directly in the **B3 central depository** systems by the **custody agents** previously authorized by the institution responsible for issuing the certificates.

#### **4.3.2.1. Issue flow**

In case the certificate of deposit is backed by **assets** accepted for deposit in the **B3 central depository**, upon submitting the issue request, the backing **assets** that will be delivered to the institution that issued the certificates are blocked in the **deposit account** of the **investor** under the responsibility of the **custody agent** responsible for the issue instruction. The blocking carried out at this time refers to the immobilization of the **assets** backing the certificate of deposit, as well as to the impossibility that any lien, encumbrance, or **collateral** be constituted on such **assets**, unless expressly ordered by the **custody agent**, by the institution responsible for the issue, or by the **registrar**, as the case may be. The issue requests are submitted to the institution responsible for the issue or to the **registrar**, as the case may be, which may either approve or reject the relevant requests. Moreover, the **issuer** or the **registrar** engaged by B3, as the case may be, must indicate to the **B3 central depository** the current balance of certificates of deposit of **assets** held under B3's fiduciary ownership and forward the statement that evidences the creation of the balance of certificates of deposit of **assets**.

The issue requests are settled by creating the balance of certificates of deposit of **assets** in the **deposit account** of the institution responsible for the issue and the subsequent transfer thereof to the **deposit account** of the **investor** held with the **custody agent** responsible for the issue instruction. When the certificate of deposit is backed by **assets** accepted for deposit in the **B3 central depository**, at the time of the **settlement** of the issue **transaction** the backing **assets** are concurrently transferred to the **deposit account** of the institution responsible for the issue.

#### **4.3.2.2. Cancellation flow**

In case the certificates of deposit are backed by **assets** accepted for deposit in the **B3 central depository**, upon submitting the cancellation request the backing **assets** that will be delivered to the requesting **investor** are blocked in **the deposit account** of the institution responsible for the issue, as well as the relevant certificates of deposit, which are blocked in the **deposit account** of the requesting **investor** until the **settlement** of the **transaction**.

The requests for cancellation are submitted to the **issuer** or to the **registrar**, as the case may be, which may either approve or reject the relevant requests. Also, the **issuer** or the **registrar** engaged by the **issuer** must indicate to the **B3 central depository** the current balance of certificates of deposit of **assets** held under B3's fiduciary ownership and forward the statement that evidences the cancellation of the balance of certificates of deposit of **assets**.

The cancellation requests are settled by transferring the balance of certificates of deposit of **assets** in the **deposit account** of the requesting **investor** to the **deposit account** of the **issuer**. When the certificate of deposit is backed by **assets** accepted for deposit in the **B3 central depository**, at the time of the **settlement** of the cancellation **transaction** the backing **assets** are concurrently transferred to the **deposit account** of the requesting **investor**.

#### **4.4. Reconciliation**

The **B3 central depository** performs the daily reconciliation of the balances of **assets** deposited in the **B3 central depository** with the balances held with **issuers**, **registrars** and **gold depositaries**, as the case may be, on behalf of the **B3 central depository** under B3's fiduciary ownership.

The reconciliation process includes the following steps:

1. The **B3 central depository** receives from the **issuer** or **registrar** engaged by the **issuer** and from the **gold depository** the statements reporting the balances of **assets** held under B3's fiduciary ownership.
  - 1.1 The **issuer**, **registrar**, or **gold depository**, as the case may be, must forward those statements by electronic file, or if this is not possible a hard copy of the statements is required.
    - 1.1.1 If the electronic format is used, the statements must be sent on a daily basis.
    - 1.1.2 If the hard copy format is used, the statements must be sent whenever the **position** is changed; when no changes are made to the **position** the statements must be sent on a monthly basis.
  - 1.2 B3 may request the **issuer**, **registrar**, or **gold depository**, as the case may be, to issue and forward statements outside of the aforementioned time frames, which must be promptly complied with by the **issuer**, **registrar**, or **gold depository**, as the case may be.
2. The **B3 central depository** reconciles the balances of **assets** deposited in the **deposit accounts** with the **positions** held under its fiduciary ownership, as reported by the **issuer**, **registrar** engaged by the **issuer**, or **gold depository**, as the case may be.

For deposited **assets** that are financial assets, including gold as a financial asset, the receipt of the statements reporting the balances of **assets** held under B3's fiduciary ownership as well as the conciliation process, occurs on a daily basis.

For the **assets** deposited in its environment and backed by other securities, financial assets, or contractual instruments, the **B3 central depository** performs the following procedures:

- Brazilian Depository Receipts (BDRs): the **B3 central depository** performs the reconciliation of the backing securities reported by the depository institutions of the BDR programs, when acting as **issuers** or **registrars**, with the balances deposited in its environment. The depository institutions of the BDR programs, when acting as **issuers** or **registrars**, must forward a hard copy of the statements containing

the balance of the relevant backing securities to the **B3 central depository**, within the time frames defined in the details of the reconciliation process included in this manual;

- Certificates of deposit of shares (units): the **B3 central depository** performs the reconciliation of the backing securities reported by the units' **issuers**, or by the **registrars** engaged by the **issuers**, with the balances deposited in its environment. For the units whose backing securities are deposited in the **B3 central depository**, or for the units whose backing securities are in book-entry form, the units' **issuers** or the **registrars** engaged by the **issuers** must forward the statements containing the balance of the relevant backing securities to the **B3 central depository**, in either physical or electronic form, within the time frames defined in the details of the reconciliation process included in this manual; and
- Real estate receivables certificates (CRIs) and agribusiness receivables certificates (CRAs): the **B3 central depository** does not perform the reconciliation of the backing securities informed by the **issuers** and **registrars** with the CRI and CRA balances in its environment. The CRI or CRA **issuer**, or the **registrar** engaged by the **issuer**, as the case may be, must send a formal statement to the **B3 central depository** declaring that all the necessary actions are taken to ensure the existence of the securities backing its **assets**, as well as the effective control of the movement thereof, also ensuring the reconciliation of all the securities backing the **assets** of its issuance that are deposited in the **B3 central depository** environment. The statement securing the reconciliation of the total securities backing the **assets** deposited in the **B3 central depository** must be submitted on a monthly basis.

The **B3 central depository** will promptly work with the **issuer** or with the **registrar** engaged by the **issuer**, as the case may be, or with the **gold depository** to resolve any divergence within five (5) business days, or else the pertinent penalties will be applied, if the **issuer** or the **registrar** engaged by the **issuer**, as the case may be, or the **gold depository** fails to meet the time frames for submitting statements, or if discrepancies are found:

- Between the balances of **assets** held in the **deposit accounts** in the **B3 central depository** systems and the balances of **assets** held under B3's fiduciary ownership; or
- Between the balances of **assets** held in the **deposit accounts** in the **B3 central depository** systems and the securities backing such **assets**, as informed by the **issuer** or by the **registrar** engaged by the **issuer**, as the case may be,

The **B3 central depository** provides daily information on **asset** balances and **corporate actions** so that the **issuer** or the **registrar** engaged by the **issuer**, as the case may be, and the **custody agent** can proceed with the reconciliation of the **assets** held in the **investors' deposit accounts** in the **B3 central depository** with those kept in their own records.

The **registrations of movements of assets**, of the history of reconciliations and of other activities performed by the **B3 central depository** are kept by its systems, allowing for the proper traceability thereof.

Furthermore, the **B3 central depository** performs the **systematic arbitration of gold bars**, by observing the following procedure:



- The **B3 central depository** buys from a **gold refiner** a gold bar of two hundred and fifty (250) grams or of one thousand (1,000) grams, at its sole discretion, preferably with a ninety-nine hundred ninety-nine ten-thousandths (.9999) fineness;
  - Alternatively, the **B3 central depository** may use gold bars of its own property to carry out the arbitration procedure;
- By means of a technical institution determined by the **B3 central depository** itself, the **B3 central depository** carries out a systematic and periodical review of the gold bars, by replacing the gold bar sent for analysis by the gold bar of its own property, in case the gold bar sent for analysis is the one the **B3 central depository** bought from the **gold refiner**;
- The **costs** of the systematic arbitration are absorbed by B3;
- The result of the analysis is sent to the **gold refiner**; and
- The systematic arbitration does not prevent analyses from being requested and funded by any **investor**.

If the results of the arbitration indicate any fineness and weight differences to the minimum specifications required by the **B3 central depository**, pursuant to the provisions of this manual, the costs for the new standardization of the gold bar must be absorbed by the concerned **gold refiner**. If the **gold refiner** does not pay for the costs of the new standardization, the **B3 central depository** may use **collateral** required of the **gold refiner** and deposited in favor of B3, as defined in the B3 access manual, to indemnify the costs incurred with arbitration, pursuant to the provisions of the **B3 central depository** rules.

## 5. REGISTRATION OF LIENS, ENCUMBRANCES AND BLOCKINGS

The **B3 central depository** permits the **registration** of the constitution, amendment, rectification and extinction of liens, encumbrances, **collateral** and blockings on **assets** deposited therein.

All the **assets** accepted for **deposit of assets** might be subjected to the **registration** of the constitution, amendment, rectification and extinction of liens, encumbrances, **collateral** and blockings, and the constitution thereof must be made by means of the **registration** in structures based on **subaccounts** and **deposit accounts** held with the **B3 central depository**, as well as based on accounts held with financial institutions, any such account for a specific purpose, by registering the corresponding instrument in the **B3 central depository** systems, as the case may be.

After a lien, encumbrance, **collateral**, or blocking has been constituted and is valid and in force, the **B3 central depository** processes the **corporate actions** associated with the **asset** subjected to the lien, encumbrance, **collateral**, or blocking, in addition to providing information thereon to the **issuer** or to the **registrar** engaged by the **issuer**, as the case may be, to the **custody agent** and to the **investor**.

The sections below describe the constitution, amendment, rectification and extinction of liens, encumbrances, **collateral** and blockings; the procedure for the liquidation of **assets** held in **subaccounts** linked to liens, encumbrances, **collateral** and blockings; the processing of **corporate actions** and **assets** subjected to liens, encumbrances, **collateral** and blockings; and the provision of information about the instrument to the **issuer** or to the **registrar** engaged by the **issuer**, as the case may be, to the **gold depository**, to the **custody agent** and to the **investor**.

### 5.1. Constitution, amendment, rectification and extinction of liens, encumbrances, collateral and blockings

The **B3 central depository** allows for the constitution of the following types of liens, encumbrances, **collateral** and blockings on the **assets** held in **subaccounts** and **deposit accounts** with the **B3 central depository**, as well as in accounts with financial institutions:

- Unavailability of assets, rights and obligations: a structure designed to comply with an order issued by competent court or administrative authority. The inclusion of an **asset** in such a structure implies that the **asset** deposited in the **B3 central depository**;
- Retention of an **issuer's corporate actions**: a structure designed to comply with an order issued by competent court or administrative authority. The use of this structure implies the retention of the funds derived from **corporate actions** paid by the **issuer** and not yet transferred to the **custody agents**;
- **Collateral** deposited to the **clearinghouse**: a structure established to receive **assets**, rights and other instruments deposited in the **B3 central depository**, in order to ensure the certainty that the obligations of **clearinghouse participants** will be met;

- **Collateral** deposited in favor of **external system**: a structure established to receive **assets**, rights and other instruments deposited in the **B3 central depository**, in order to guarantee the processing of the obligations of the **external system**, pursuant to the **external system** rules and regulations;
- **Assets** in the **transaction settlement** process at B3 acting as **central counterparty**: a structure intended to receive **assets** to extinguish rights and obligations assumed as a result of trades settled at B3 using its **central counterparty** services;
- **Assets** in the **transaction settlement** process at B3 not acting as **central counterparty**: a structure intended to receive **assets** committed to extinguishing rights and obligations assumed as a result of trades settled at B3 not using its **central counterparty** services;
- **Assets** in the **transaction settlement** process of environments managed by **external systems**: a structure intended to receive **assets** to extinguish rights and obligations assumed as a result of trades settled by an **external system**;
- Blocking for public offering purposes: a structure established to block **assets** in order to comply with tender offers and **asset** distributions;
- Blocking for **repo transaction** purposes: a structure established to block **assets** backing **repo transactions** registered in the B3 **registration environments**;
- Blocking related to rules established by **issuers** or **investors**: a structure established to blockings in order to implement procedures to restrict movements during certain time periods, such as contractual restrictions on the transfer of securities (lockups), among others, at the discretion of the **issuer** or of the **investor**, subject to prior review by the **B3 central depository**;
- Restriction on **movements of assets** to **deposit accounts**: a structure established to receive **assets** whose movements are restricted, at the discretion of the **B3 central depository**, in specific situations of noncompliance with rules by the **issuer**, **registrar**, **gold refiner**, **gold depository**, **custody agent**, or **investor**, in order to restrict **deposits of assets**, **withdrawals of assets**, **asset transfers** and movements associated with **corporate actions**, considering certain **assets** and **investors**;
- Fiduciary alienation: a structure designed to receive **assets** deposited in the **B3 central depository** which have been subjected to fiduciary alienation by means of an instrument executed between **investors** and duly registered in the **B3 central depository** systems;
- Pledge: a structure designed to receive **assets** deposited in the **B3 central depository** which have been subjected to pledge by means of an instrument executed between **investors** and duly registered in the **B3 central depository** systems;
- Usufruct: a structure designed to receive **assets** deposited in the **B3 central depository** which have been given in usufruct, as formalized by an instrument duly registered in the **B3 central depository** systems;
- Fiduciary assignment: a structure intended to receive credit rights associated with the positive result of **derivatives** that do not utilize the **clearinghouse** structure as **central counterparty**, that are registered

in the **registration environment** and that have been subjected to a fiduciary assignment by an instrument duly registered in the **B3 central depository** systems;

- Inalienability: structure designed to receive **assets** in **B3 central depository** that have been subject to inalienability, which is formalized by an instrument that is signed by the **investor** and duly registered in **B3 central depository's** systems;
- Unseizability: structure designed to receive **assets** at **B3 central depository** that have been subject to unseizability, which is formalized by an instrument that is signed by the **investor** and duly registered in **B3 central depository's** systems;
- Universal encumbrances: structure designed to receive **assets** that have been subject to encumbrances constituted as fiduciary alienation, usufruct or pledge, and formalized by means of an instrument duly registered in the **B3 central depository** systems, which allows the debtor **investor** or creditor **investor**, who so agreed, may include or withdrawn, at any time, by dual command in the system, **assets** in the **deposit account** held by the creditor **investor** or debtor **investor** and the respective fiduciary alienation, usufruct and pledge **subaccounts**, without the need for changes to the instrument contractual registered in the **B3 central depository** systems; and
- Technical reserve: used to maintain **assets** subject to technical provisions, deposited by **participants** for visibility and control of competent authorities.

At its sole discretion and pursuant to applicable legislation, the **B3 central depository** may develop new **registration** flows for the constitution, amendment, rectification and extinction of liens, encumbrances, **collateral** and blockings on **assets**, funds from **corporate actions** and other rights and obligations associated with the **assets** held within its environment.

In the case of instructions based on **assets** on which some kind of lien, encumbrance, **collateral**, or blocking has already been placed, the **B3 central depository** may adopt the following rules:

- The **assets** and **corporate actions** that have been subjected to an encumbrance creating the unavailability of assets, rights and obligations are not liable, pursuant to applicable legislation, to the constitution of any further liens, encumbrances, **collateral** and blockings, the registration of which is instructed by the **investor's custody agent** or by the **issuer**;
- The **assets** deposited as **collateral** for the **clearinghouse**, for an **external system**, or in the **transaction settlement** process at a **central counterparty** will not be subject, pursuant to applicable legislation, to any judicial constrictions ordered by competent court or administrative authorities, or to any instructions issued by the **custody agent**, the **investor**, or the **asset's issuer** for the constitution of liens, encumbrances and blockings;
- The **assets** in the **transaction settlement** process at B3 are not liable to judicial constrictions;
- The **assets** linked to blocking for tender offer and/or securities distribution purposes and for the control of rules established by **issuers** or **investors**, and those linked to restrictions on the **movement of assets**

are subject to judicial constrictions whenever so determined by regulatory agencies and court or administrative authorities; and

- **Assets** deposited in the **B3 central depository** as the object of technical provisions are not subject to alienation or constitution of liens and encumbrances, and may be subject to restrictions imposed by determination of the competent judicial or administrative authority, with prior authorization from the autarchy to which the **investor** is subordinated.

For cases in which they can directly respond to orders of unavailability of the assets, rights and obligations of the **assets** held by the **investor** under their responsibility, as determined by the competent judicial or administrative authority, **custody agents** can consult their respective **positions** through screens, files and messages, and identify **assets** that can be blocked. The constitution, rectification and amendment of the unavailability of assets, rights and obligations is carried out by the **custody agent** through the transfer of the **position** specified in the instruction to one of the **subaccounts** created to meet this specific blocking purpose, where they remain blocked for movement.

**Corporate actions** in financial resources credited during the period in which the **asset** is in the blocking **subaccount** are passed on to the **custody agent** and it is up to him to determine its treatment.

Any disputes arising from the legality and origin of the **transactions** and exposures that required the deposit of **collateral** or the **settlement** process at an **external system** are the sole responsibility of the **external system**.

Provided that the instrument has been duly registered and the **assets** have been transferred in the **B3 central depository** systems, the **assets** held in the **subaccounts** associated with encumbrances that create fiduciary alienation, pledge, usufruct, fiduciary assignment, inalienability and unseizability are protected, under applicable legislation, from judicial constriction orders issued by court and administrative authorities regarding: (i) the effects thereof on the rights in rem of the **investors** involved; and (ii) the blocking instructions submitted by the **custody agent**, the **investor**, or the **asset's issuer**.

Once the obligations assigned to the **B3 central depository** under applicable legislation and B3's rules and regulations are met, the **B3 central depository** becomes exempt from any liability to its **participants** and third parties for complying with an order or decision issued by an administrative body or court in connection with the **assets** deposited therein.

### **5.1.1. Unavailability of assets, rights and obligations**

The constitution, amendment and rectification of an encumbrance that creates the unavailability of assets, rights and obligations as a result of a judicial constriction or an order issued by administrative authorities received by the **participants**, or directly by the **B3 central depository** as an exception, are carried out by transferring the **position** specified in the instruction to one of the **subaccounts** designed to meet that particular purpose, upon balance available at the time of the query, where the **position** will remain blocked for movement.

If the **assets** have been sold and are in the **settlement cycle** at the time the encumbrance creating the unavailability of assets, rights and obligations on **assets** deposited in the **B3 central depository** is constituted, these will not be blocked and **clearing** and **settlement** will be regularly performed by the **clearinghouse**.

The amendment, rectification, or extinction of the encumbrance that created the unavailability of assets, rights and obligations can only be requested by competent court or administrative authorities. The execution of the rectification, amendment or extinction of the encumbrance of assets, rights and obligations unavailability, will be up to whoever promoted the constitution of these assets, rights and obligations blocking, being it the **custody agent** or **B3 central depository**.

The extinction of the encumbrance that created the unavailability of assets, rights and obligations may occur by order of this encumbrance release or by order of monetization of **assets** and transfer to the competent authority. The extinction by order of the encumbrance release on **assets** deposited at the **B3 central depository** implies the return of the balance of blocked **assets** to the free movement **subaccount** of the **investor**.

### ***5.1.2. Retention of an issuer's corporate actions***

The retention of an **issuer's corporate actions** is ordered by competent court and administrative authorities and implies the retention of funds resulting from **corporate actions** paid by the **issuer** to the **B3 central depository**, as the fiduciary owner of the **assets**, and not yet transferred to the **custody agents**.

The requests submitted by competent court and administrative authorities are reviewed by the **B3 central depository** which, as specified in the relevant request, (i) constitutes the encumbrance and retains the funds resulting from **corporate actions** paid by the **issuer** to the **B3 central depository**, as the fiduciary owner of the **assets**, and not yet transferred to the **custody agents**, or (ii) returns the funds to the **registrar** for the **registrar** to control the due constitution of the encumbrance and to retain the corresponding funds.

The extinction of the encumbrance is carried out based on the instruction received from competent court and administrative authorities and implies the release of the relevant funds and the subsequent transfer thereof to **custody agents**, or the return of the relevant funds to the **issuer**, as the case may be.

### ***5.1.3. Collateral deposited to the B3 clearinghouse***

**Collateral** is constituted for the **clearinghouse** by instruction of the **custody agents** to the **B3 central depository**, based on a formal request submitted by the **investor** under the **custody agent's** responsibility, with the subsequent **asset transfer** from the free movement **subaccount** to one of the **collateral subaccounts**. The **assets** thus transferred remain blocked in favor of the **clearinghouse**.

**Collateral** constituted for the **clearinghouse** cannot be amended or rectified, which actions require the relevant **collateral** to be first extinguished and the **custody agent** to subsequently submit a new request for **collateral** constitution.

The request for the extinction of **collateral** deposited to the **clearinghouse** is submitted by the **custody agent**, based on a formal request from the **investor** under its responsibility. **Collateral** is extinguished upon **clearinghouse** confirmation and implies the return of the **asset** balance to the **investor's** free movement **subaccount**, according to the procedures stipulated in the **clearinghouse** operating procedures rules and manual.

In addition, the withdrawal of the **asset** balance from the **collateral subaccounts** may occur in the following situations:

- as a result of the **collateral** and **transaction settlements** execution processes, that may be specified in such **subaccounts**, upon instructions of the **clearinghouse**, as prescribed in the **clearinghouse** operating procedures rules and manual; and
- as a result of the encumbrances constitution on the unavailability of assets, rights and obligations on the **assets** deposited at the **B3 central depository**, referring to the amount of the **collateral** surplus required by the **clearinghouse**, through instructions carried out by **B3 central depository**. **Participants** responsible for **collateral** obligations may add information to complement the assessment of the **assets** surplus balance, when they deem necessary, at the time of the encumbrance's constitution.

### ***5.1.4. Collateral deposited in favor of external systems***

**Collateral** is constituted for **external systems** by instruction of the **custody agents** to the **B3 central depository**, based on a formal request submitted by the **investor** under the **custody agent's** responsibility. **Collateral** is constituted by means of an **asset transfer** from the free movement **subaccount** to the **collateral subaccount** in favor of the **external system**, after said transfer is confirmed by the **external system**. The **assets** thus transferred remain blocked in favor of the **external system**.

The request for the extinction of **collateral** deposited in favor of the **external system** is submitted by the **custody agent**, based on a formal request from the **investor** under its responsibility. **Collateral** is extinguished upon confirmation of the **external system** and implies the return of the **asset** balance to the **investor's** free movement **subaccount**.

In addition, the withdrawal of the **asset** balance from the **collateral subaccount** deposited in favor of the **external system** may occur in the following situations:

- as a result of the **collateral** liquidation process, upon single command instructions issued by the **external system** itself. For the **collateral** deposited in favor of the **external system** to be liquidated, the **external system** is required to indicate a **deposit account** held by it under the responsibility of a **custody agent** or its **asset settlement account**; and
- as a result of the encumbrances constitution on the unavailability of assets, rights and obligations on the **assets** deposited at **B3 central depository**, referring to the amount of the **collateral** surplus required by the **external system**, through instructions carried out by **B3 central depository**. **Participants** responsible for the **collateral** obligations may add information to complement the

assessment of the **assets** surplus balance, when they deem necessary, at the time of the encumbrance's constitution.

**Collateral** liquidation and any compensation to the liquidated party are the sole responsibility of the **external system**.

#### ***5.1.5. Assets in the transaction settlement process at B3 acting as central counterparty***

Encumbrances on **assets** in the **transaction settlement** process at B3 acting as **central counterparty** are constituted by instruction of the **custody agents** in the **B3 central depository** or **clearinghouse** systems, based on a formal request submitted by the **investor** under the **custody agent's** responsibility, with the subsequent **asset transfer** from the free movement **subaccount** to one of the **subaccounts** linked to the encumbrance on **assets** in the **transaction settlement** process at B3 acting as **central counterparty**.

The encumbrance on **assets** in the **transaction settlement** process at B3 acting as **central counterparty** are amended, rectified, or extinguished by instruction of the **custody agent** in the **B3 central depository** or **clearinghouse** systems, based on a formal request submitted by the **investor** under its responsibility. The corresponding requests are reviewed by the **clearinghouse** which, in case of accepting such requests, authorizes the originally-placed encumbrance to be amended, rectified, or extinguished. The encumbrance is extinguished by means of an **asset transfer** from the **subaccounts** linked to the encumbrance to the **investor's** free movement **subaccount**.

The encumbrance on **assets** in the **transaction settlement** process at B3 acting as **central counterparty** are also extinguished when the obligation assumed by the **participant** towards B3 acting as **central counterparty** is extinguished, with the subsequent **delivery** of the **assets** for the **settlement** of said obligation.

Besides, the **clearinghouse** maintains an **asset settlement account** which is utilized in the **settlement** of **transactions** to which the **clearinghouse** acts as **central counterparty**.

Both the **asset settlement account** and the **subaccounts** used in the constitution of an encumbrance on **assets** in the **transaction settlement** process of the **central counterparty** are protected by applicable legislation, so that the **assets** held with the **clearinghouse** are unpledgeable and cannot be subjected to arrest, sequestration, search and seizure, or to any further judicial constriction, except for the fulfillment of the obligations assumed by the **clearinghouse** itself.

#### ***5.1.6. Assets in the transaction settlement process of environments managed by external systems acting as central counterparty***

Encumbrances on **assets** in the **transaction settlement** process at an **external system** acting as **central counterparty** are constituted by instruction of the **custody agents** in the **central depository** systems, based on a request submitted by the **investor** under the **custody agent's** responsibility, with the subsequent **asset**



**transfer** from the free movement **subaccount** to the **subaccount** linked to the encumbrance on the sale of **assets** in the **transaction settlement** process at the **external system**.

The encumbrance on the sale of **assets** in the **transaction settlement** at the **external system** acting as **central counterparty** are amended, rectified, or extinguished by instruction of the **custody agent** in the **central depository** systems, based on a request submitted by the **investor** under its responsibility. The corresponding requests are reviewed by the **external system**, which, in case of accepting such requests, authorizes the originally-placed encumbrance to be amended, rectified, or extinguished. The encumbrance is extinguished by means of an **asset transfer** from the **subaccount** linked to the encumbrance to the **investor's** free movement **subaccount**.

The encumbrance on the sale of **assets** in the **transaction settlement** process at the acting as **central counterparty** are also extinguished with the transfer of the **assets** to the **external system's asset settlement account** by single command of the **external system** itself.

Moreover, the **external system** maintains an **asset settlement account** which is utilized in the **settlement** of **transactions** to which the **external system** acts as **central counterparty**.

#### ***5.1.7. Assets in the settlement process with no central counterparty***

Blockings on **assets** in the **settlement** process with no **central counterparty** are constituted by instruction of the **custody agents** in the **central depository** or **clearinghouse** systems, or in the **registration environment**, based on a formal request submitted by the **investor** under the **custody agent's** responsibility, with the subsequent **asset transfer** from the free movement **subaccount** to one of the **subaccounts** linked to the relevant blocking on **assets** in the **transaction settlement** process.

The blocking on **assets** in the **settlement** process is amended, rectified, or extinguished by instruction of the **custody agent** directly to the **B3 central depository**, or in the **clearinghouse** systems or **registration systems**, based on a formal request submitted by the **investor** under its responsibility. The requests are reviewed by the **B3 central depository**. The blocking is extinguished by means of an **asset transfer** from the **subaccounts** linked thereto to the **investor's** free movement **subaccount**.

The blocking on **assets** in the **transaction settlement** process with no **central counterparty** is also extinguished when the obligation assumed by the **participant** to the **clearinghouse** is extinguished, with the subsequent **delivery** of the **assets** for the **settlement** of said obligation.

In addition, the **clearinghouse** maintains an **asset settlement account** which is utilized in the **settlement** of **transactions** to which the **clearinghouse** does not act as **central counterparty**.

#### ***5.1.8. Blocking for tender offer and asset distribution purposes***

Blockings for tender offer and **asset** distribution purposes are constituted according to the following procedures:

- Tender offers: by instruction of the **custody agents** in the **B3 central depository** systems, based on a formal request submitted by the **investor** under the **custody agent's** responsibility, with the subsequent **asset transfer** from the free movement **subaccount** to one of the **subaccounts** linked to the blocking for tender offer purposes, which is a required condition for the **investor** to qualify for the tender offer's auction; or
- **Asset** distributions: by formal instruction issued by the **custody agents** to the **B3 central depository**, which reviews the request and, in case of accepting said request, provides the **asset transfers** from the **subaccounts** linked to the blocking for **asset** distribution purposes, in order to block the balance that will be distributed.

The blocking for tender offer and **asset** distribution purposes is amended, rectified, or extinguished by request of the **custody agent** submitted directly to the **central depository** systems, or to the **B3 central depository** for review, based on a formal request from the **investor** under its responsibility. The request for the amendment, rectification, or extinction of the blocking applied to the **subaccounts** earmarked for a tender offer process is validated by the **B3 trading environments**, in order to verify whether orders are pending on behalf of the **investor** for whom/which the amendment, rectification, or extinction had been requested. The blocking is extinguished by means of an **asset transfer** from the **subaccounts** linked thereto to the **investor's** free movement **subaccount**.

The blocking may also be cancelled or extinguished when the maturity thereof has been reached. A blocking for public offering purposes is cancelled due to the cancellation of the relevant tender offer or **asset** distribution, by means of an **asset transfer** from the **subaccounts** linked to the blocking to the **investor's** free movement **subaccount**. Maturity is linked to the **settlement** of the offering and is implemented by instructions issued by the **custody agents** or the **clearinghouse** systems to the **B3 central depository**, with the subsequent **withdrawal of assets** from the **subaccounts** linked to the blocking for public offering purposes, in order to complete the **settlement** of the offering.

After the **settlement** of the tender offer or **asset** distribution is completed, the balances remaining in the **subaccounts** linked to the blocking for public offering purposes are transferred to the **investor's** free movement **subaccount**. In case **asset** distributions result in the issuance of new **assets** (primary offerings), the remaining balances in the **subaccounts** linked to the blocking for public offering purposes are withdrawn from the **B3 central depository** environment to the **issuer's** books.

### ***5.1.9. Blocking of assets backing repo transactions***

Blockings on **assets** that back **repo transactions** registered in the **B3 registration environments** and held in **deposit accounts** with the **B3 central depository** are constituted by instruction of the **custody agents** to the **B3 central depository** through the **B3 registration systems**, based on a formal request submitted by the **investor** under the **custody agent's** responsibility, with the subsequent **asset transfer** from the free movement **subaccount** to one of the **subaccounts** linked to blocking on **assets** backing **repo transactions**.

The blocking on **assets** backing **repo transactions** is extinguished when the obligation assumed by the selling **investor** in the B3 **registration systems** is also extinguished, upon **settlement** of the relevant **repo transaction** and the subsequent transfer of the **assets** that backed the **repo transaction** to the free movement **subaccount** of the selling **investor**.

If the selling **investor** does not meet his/her/its obligations in the **repo transaction** registered in the B3 **registration environments**, the buying **investor** must notify B3 thereof through his/her/its **custody agent** and indicate a **deposit account** to which the **assets** that backed the **repo transaction** must be transferred. This instruction will be implemented after the **custody agent** of the selling **investor** files the corresponding authorization with the **B3 central depository**.

The nonindividual **subaccount** held by the selling **investor** is earmarked exclusively for the maintenance of the **positions** in **assets** backing **repo transactions**, the balance of which is segregated from the other proprietary **positions** of the selling **investor**.

#### **5.1.10. Blocking linked to rules established by issuers or investors**

Blockings linked to rules established by **issuers** or **investors** are constituted by instruction of the **custody agents**, based on a formal request submitted by the **investor** under the **custody agent's** responsibility, with the subsequent **asset transfer** from the free movement **subaccount** to one of the **subaccounts** created for blocking linked to rules established by **issuers**. Such **subaccounts** are basically created to allow for the implementation of procedures to restrict transfers during certain time periods (lockups), among others, at the discretion of the **issuer** or of the **investor**, subject to prior review by the **B3 central depository**.

The blocking linked to rules established by **issuers** or **investors** is amended, rectified, or extinguished by request of the **custody agent** submitted to the **central depository** systems, based on a formal request sent by the **investor** under its responsibility. The requests are reviewed by B3, which requires the express authorization of the **issuer** or of the **investor**, as the case may be, before proceeding with the amendment or rectification of the originally-constituted blocking. The blocking is extinguished by means of an **asset transfer** from the **subaccounts** linked to the control of the rules established by **issuers** or **investors** to the **investor's** free movement **subaccount**.

Furthermore, blockings may also be cancelled or extinguished when the maturity thereof has been reached. Cancellations occur after the **B3 central depository** receives a formal communication from the **issuer** or **registrar** engaged by the **issuer**, or from the **investor**, as the case may be. Upon receiving the authorization from the **issuer** or from the **investor**, as the case may be, the **B3 central depository** transfers the balance held in the **subaccounts** that control the rules established by **issuers** or **investors** to the corresponding **investor's** free movement **subaccounts**. Maturity occurs according to the rules established by **issuers** or **investors**. On the maturity date defined by the **issuer** or by the **investor**, as the case may be, the **B3 central depository** transfers the balance held in the **subaccounts** linked to the control of the rules established by the **issuer** or by the **investor** to the **investors' free movement subaccounts**.

### **5.1.11. Restriction on movements of assets to deposit accounts**

At its sole discretion and in specific situations of noncompliance with rules by the **issuer, registrar, gold refiner, gold depository, custody agent, or investor**, or, even, in the event of a **participant** being submitted to out-of-court liquidation or bankruptcy proceedings, the **B3 central depository** may restrict **deposits of assets, withdrawals of assets, asset transfers** and movements associated with **corporate actions**. Restrictions on the **movement of assets** in the **central depository** systems may be applied to **asset** types and to certain **investors**.

### **5.1.12. Fiduciary alienation**

Fiduciary alienations are constituted by instruction of the **custody agents** to the **B3 central depository**, based on a formal request submitted by the **investors** under the **custody agent's** responsibility.

For the purposes of publicity and of the effectiveness thereof vis-à-vis third parties, the encumbrance of fiduciary alienation is constituted when the **custody agent** duly authorized by the parties involved and under their sole responsibility registers the constitutive instrument of the fiduciary alienation duly signed by the parties and also the required information, pursuant to applicable legislation, in the **B3 central depository** systems.

The encumbrance of fiduciary alienation will be considered as secured by confirming the movement of the **assets** involved in the operation from the free movement **subaccount** to one of the **subaccounts** linked to fiduciary alienation. Upon requesting **registration** of the constitution thereof, the **custody agent(s)** authorized by the parties must determine the **deposit account** where the **asset** balance under fiduciary alienation must remain during the validity of the operation, which **asset** balance might also be kept in the **deposit account** held by the creditor **investor** or by the debtor **investor**, at the discretion of the parties and under the sole responsibility of the **custody agent(s)** authorized to provide the corresponding **asset** movement.

The **registration** of the encumbrance of fiduciary alienation is amended or rectified by instruction of the **custody agents** in the **B3 central depository** systems, based on a formal request submitted by the **investors** under the exclusive responsibility of each of the **custody agents**.

For the purposes of publicity and of the effectiveness thereof vis-à-vis third parties, the **registration** of the encumbrance of fiduciary alienation is amended or rectified when the **custody agent(s)** duly authorized by the parties registers(register) the relevant addendums duly signed by the parties and the required information in the **B3 central depository** systems.

The amendment or rectification of the encumbrance of fiduciary alienation will be considered as secured by confirming the movement of the **assets** involved in the operation from the free movement **subaccount** to one of the **subaccounts** linked to the encumbrance of fiduciary alienation, contingent on the amendment or rectification instructions.

The **registration** of the encumbrance of fiduciary alienation is extinguished or cancelled by instruction of the **custody agents** in the **B3 central depository** systems, based on a formal request submitted by the **investors** under the exclusive responsibility of each of the **custody agents**. The encumbrance extinction or cancellation

is implemented by returning the balance in the fiduciary alienation **subaccounts** held by the debtor **investor** or by the creditor **investor**, as defined in the constitutive instrument, to the debtor **investor**'s free movement **subaccount**.

In the event of early termination of the obligations established between the parties, as defined in the constitutive instrument of the encumbrance of fiduciary alienation, the **custody agents** must instruct the extinction or liquidation of the encumbrance agreement in the **B3 central depository** systems, based on a formal request submitted by the **investors** under their responsibility.

In the event of expiration of the maturity date stated by the **custody agents**, as defined by the parties, upon **registration** of the encumbrance of fiduciary alienation, the **custody agents** responsible for constituting the encumbrance are notified thereof by the **central depository**, and the encumbrance **registration** remains active until the extinction or liquidation thereof, or until the maturity date thereof is modified, provided any such procedure is instructed by the **custody agents**, based on a formal request submitted by the parties involved in the agreement.

### **5.1.13. Pledge**

The request for the constitution of pledge is submitted by instruction of the **custody agents** to the **B3 central depository**, based on a formal request from the **investors** under their responsibility.

For the purposes of publicity and of the effectiveness thereof vis-à-vis third parties, the encumbrance of pledge is constituted when the **custody agent(s)** duly authorized by the parties involved and under their sole responsibility registers(register) the constitutive instrument of the pledge duly signed by the parties and also the required information, pursuant to applicable legislation, in the **B3 central depository** systems.

The pledge will be considered as secured by confirming the transfer of the **assets** involved in the operation from the free movement **subaccount** to one of the **subaccounts** linked to pledge, whether a lien or an encumbrance, and necessarily kept in the **deposit account** held by the debtor **investor**.

The encumbrance of pledge is amended or rectified by instruction of the **custody agents** in the **B3 central depository** systems, based on a formal request submitted by the **investors** under the exclusive responsibility of each of the **custody agents**.

For the purposes of publicity and of the effectiveness thereof vis-à-vis third parties, the **registration** of the encumbrance of pledge is amended or rectified when the **custody agent(s)** duly authorized by the parties registers(register) the relevant addendums duly signed by the parties and also the required information in the **B3 central depository** systems.

The amendment or rectification of the encumbrance of pledge will be considered as secured by confirming the movement of the **assets** involved in the operation from the free movement **subaccount** to one of the **subaccounts** linked to the encumbrance of pledge, contingent on the amendment or rectification instructions.

The **registration** of the encumbrance of pledge is extinguished or cancelled by instruction of the **custody agents** in the **B3 central depository** systems, based on a formal request submitted by the **investors** under

the exclusive responsibility of each of the **custody agents**. The encumbrance extinction or cancellation is implemented by returning the balance in the pledge **subaccounts** to the debtor **investor's** free movement **subaccount**.

In the event of early termination of the obligations established between the parties, as defined in the constitutive instrument of the encumbrance of pledge, the **custody agents** must instruct the extinction or liquidation of the encumbrance agreement in the **B3 central depository** systems, based on a formal request submitted by the **investors** under their responsibility.

In the event of expiration of the maturity date stated by the **custody agents**, as defined by the parties, upon **registration** of the encumbrance of pledge, the **custody agents** responsible for constituting the encumbrance are notified thereof by the **central depository**, and the encumbrance registration remains active until the extinction or liquidation thereof, or until the maturity date thereof is modified, provided any such procedure is instructed by the **custody agents**, based on a formal request submitted by the parties involved in the agreement.

#### **5.1.14. Usufruct**

The request for the constitution of usufruct is submitted by instruction of the **custody agents** to the **B3 central depository**, based on a formal request from the **investors** under their responsibility.

For the purposes of publicity and of the effectiveness thereof vis-à-vis third parties, the encumbrance of usufruct is constituted when the **custody agent(s)** duly authorized by the parties involved and under their sole responsibility registers(register) the constitutive instrument thereof duly signed by the parties and also the required information, pursuant to applicable legislation, in the **B3 central depository** systems.

The usufruct will be considered as secured by confirming the transfer of the **assets** involved in the operation from the free movement **subaccount** to one of the **subaccounts** linked to the encumbrance of usufruct and necessarily kept in the **deposit account** held by the naked owner **investor** with the assignment of the economic rights thereof to the usufructuary **investor**.

The encumbrance of usufruct is amended or rectified by instruction of the **custody agents** in the **B3 central depository** systems, based on a formal request submitted by the **investors** under the exclusive responsibility of each of the **custody agents**.

For the purposes of publicity and of the effectiveness thereof vis-à-vis third parties, the **registration** of the encumbrance of usufruct is amended or rectified when the **custody agent(s)** duly authorized by the parties registers(register) the relevant addendums duly signed by the parties and the required information in the **B3 central depository** systems.

The amendment or rectification of the encumbrance of usufruct will be considered as secured by confirming the movement of the **assets** involved in the operation from the free movement **subaccount** to one of the **subaccounts** linked to the encumbrance of usufruct, contingent on the amendment or rectification instructions.

The **registration** of the encumbrance of usufruct is extinguished or cancelled by instruction of the **custody agents** in the **B3 central depository** systems, based on a formal request submitted by the **investors** under the exclusive responsibility of each of the **custody agents**. The extinction or the cancellation of the encumbrance is implemented by returning the balance in the usufruct **subaccounts** to the naked owner **investor's** free movement **subaccount**.

The usufruct of shares applicable to voting rights cannot be constituted in the **central depository** systems.

In the event of early termination of the obligations established between the parties, as defined in the constitutive instrument of the encumbrance of usufruct, the **custody agents** must instruct the encumbrance agreement extinction in the **B3 central depository** systems, based on a formal request submitted by the **investors** under their responsibility.

In the event of expiration of the maturity date stated by the **custody agents**, as defined by the parties, upon **registration** of the encumbrance of usufruct, the **custody agents** responsible for constituting the encumbrance are notified thereof by the **central depository**, and the encumbrance registration remains active until the extinction thereof, or until the maturity date thereof is modified, provided any such procedure is instructed by the **custody agents**, based on a formal request submitted by the parties involved in the agreement.

### **5.1.15. Fiduciary assignment**

The request for the constitution of fiduciary assignment is submitted by instruction of the **registration participants** to the **B3 central depository**, based on a formal request from the **investors** under their responsibility.

For the purposes of publicity and of the effectiveness thereof vis-à-vis third parties, the encumbrance of fiduciary assignment is constituted when the constitutive instrument thereof duly signed by the parties involved and also the required information, pursuant to applicable legislation, are directly registered in the **B3 central depository** systems.

The fiduciary assignment will be considered as secured by confirming that the relevant encumbrance is charged to the credit rights associated with the positive result of **derivatives** registered in the **registration environments** managed by B3 for which it does not act as **central counterparty**.

The encumbrance of fiduciary assignment is amended or rectified by each of the **registration participants** in the **B3 central depository** systems, based on a formal request submitted by the **investors** under the exclusive responsibility of each of the **registration participants**.

The encumbrance of fiduciary assignment is extinguished or cancelled by registering the **settlement** of the corresponding **derivatives** in the **registration systems** managed by B3.

In the event of expiration of the maturity date of the **derivatives** registered in the **registration environments** managed by B3 for which it does not act as **central counterparty**, the encumbrance of fiduciary assignment placed on the credit rights thereof associated with a positive result is mandatorily extinguished.

### 5.1.16. *Inalienability*

The request for constitution of inalienability is submitted by instruction of the **custody agents** to the **B3 central depository**, based on a formal request from the **investors** under their responsibility.

For the purposes of publicity and of the effectiveness thereof vis-à-vis third parties, the encumbrance of inalienability is constituted when the **custody agent(s)** duly authorized by the parties involved and under their sole responsibility registers(register) the constitutive instrument thereof duly signed by the parties and also the required information, pursuant to applicable legislation, in the **B3 central depository** systems.

The inalienability will be considered as secured by confirming the transfer of the **assets** involved in the operation from the free movement **subaccount** to one of the **subaccounts** linked to the inalienability liens and encumbrances, necessarily kept in the **deposit account** held by the **investor**.

The encumbrance of inalienability is amended or rectified by instruction of the **custody agents** in the **B3 central depository** systems, based on a formal request submitted by the **investors** under the exclusive responsibility of each of the **custody agents**.

For the purposes of publicity and of the effectiveness thereof vis-à-vis third parties, the **registration** of the encumbrance of inalienability is amended or rectified when the **custody agent(s)** duly authorized by the parties registers(register) the relevant addendums duly signed by the parties and the required information in the **B3 central depository** systems.

The amendment or rectification of the encumbrance of inalienability will be considered as secured by confirming the movement of the **assets** involved in the operation from the free movement **subaccount** to one of the **subaccounts** linked to the encumbrance of inalienability, contingent on the amendment or rectification instructions.

The **registration** of the encumbrance of inalienability is extinguished or cancelled by instruction of the **custody agents** in the **B3 central depository** systems, based on a formal request submitted by the **investors** under the exclusive responsibility of each of the **custody agents**. The extinction or the cancellation of the encumbrance is implemented by returning the balance in the inalienability **subaccounts** to the **investor's** free movement **subaccount**.

In the event of expiration of the maturity date stated by the **custody agents**, as defined by the parties, upon **registration** of the encumbrance of inalienability, the **custody agents** responsible for constituting the encumbrance are notified thereof by the **central depository**, and the encumbrance registration remains active until the extinction thereof, or until the maturity date thereof is modified, provided any such procedure is instructed by the **custody agents**, based on a formal request submitted by the parties involved in the agreement.



### 5.1.17. *Unseizability*

The request for constitution of unseizability is submitted by instruction of the **custody agents** to the **B3 central depository**, based on a formal request from the **investors** under their responsibility.

For the purposes of publicity and of the effectiveness thereof vis-à-vis third parties, the encumbrance of unseizability is constituted when the **custody agent(s)** duly authorized by the parties involved and under their sole responsibility registers(register) the constitutive instrument thereof duly signed by the parties and also the required information, pursuant to applicable legislation, in the **B3 central depository** systems.

The unseizability will be considered as secured by confirming the transfer of the **assets** involved in the operation from the free movement **subaccount** to one of the **subaccounts** linked to the unseizability liens and encumbrances, necessarily kept in the **deposit account** held by the **investor**.

The encumbrance of unseizability is amended or rectified by instruction of the **custody agents** in the **B3 central depository** systems, based on a formal request submitted by the **investors** under the exclusive responsibility of each of the **custody agents**.

For the purposes of publicity and of the effectiveness thereof vis-à-vis third parties, the **registration** of the encumbrance of unseizability is amended or rectified when the **custody agent(s)** duly authorized by the parties registers(register) the relevant addendums duly signed by the parties and the required information in the **B3 central depository** systems.

The amendment or rectification of the encumbrance of unseizability will be considered as secured by confirming the movement of the **assets** involved in the operation from the free movement **subaccount** to one of the **subaccounts** linked to the encumbrance of unseizability, contingent on the amendment or rectification instructions.

The **registration** of the encumbrance of unseizability is extinguished or cancelled by instruction of the **custody agents** in the **B3 central depository** systems, based on a formal request submitted by the **investors** under the exclusive responsibility of each of the **custody agents**. The extinction or the cancellation of the encumbrance is implemented by returning the balance in the unseizability **subaccounts** to the **investor's** free movement **subaccount**.

In the event of expiration of the maturity date stated by the **custody agents**, as defined by the parties, upon **registration** of the encumbrance of unseizability, the **custody agents** responsible for constituting the encumbrance are notified thereof by the **central depository**, and the encumbrance registration remains active until the extinction thereof, or until the maturity date thereof is modified, provided any such procedure is instructed by the **custody agents**, based on a formal request submitted by the parties involved in the agreement.

### 5.1.18. *Universal Encumbrances*

The request for the universal encumbrances constitution is made in the form of fiduciary alienation, usufruct and pledge and submitted by instruction of the **custody agents** to the **B3 central depository**, based on a formal request from the **investors** under their responsibility.

The rules and procedures for universal encumbrances follow the same provisions of the encumbrances type, whether of fiduciary alienation, pledge, or usufruct, as detailed previously, except for:

- possibility of carrying out the inclusion or exclusion of **assets** in the respective **subaccounts**, at the **investors** formal request, by dual command, without the need to rectify and addition of the encumbrances constitutive contractual instrument by the **custody agent(s)**, according to the **investors** formal request; and
- when there are no linked **assets**, the extinction or cancellation of the universal encumbrances will take effect only after instruction by the **custody agents**.

### 5.1.19. *Technical Reserve*

The use of the technical reserve **subaccount** by the **investor** is carried out by instruction of the **custody agent** to **B3 central depository**, through the **transfer of assets** from the free movement **subaccount** to the technical reserve **subaccount** of the respective competent authority.

The authority responsible for controlling and monitoring the technical reserve **subaccount** may, at its discretion, restrict the transfers requested by the **investor**, conditioning them to their authorization. Instructions for transferring **assets** that are not confirmed by the competent authority will be automatically canceled at the end of the day.

## 5.2. Procedure for the liquidation of assets held in subaccounts linked to the encumbrances of fiduciary alienation and pledge

Requests for the liquidation of the **assets** held in the **subaccounts** linked to the encumbrances of fiduciary alienation and pledge must be instructed directly in the **central depository** systems by the **custody agents**, based on a formal request submitted by the **investors** under their responsibility. Only the **custody agents** that represent creditor **investors** can request the liquidation of **assets** linked to fiduciary alienation or pledge agreements.

Whenever the designation of a third party to be responsible for the arbitration of liquidation instructed by the **custody agent** representing the **investor** is stipulated, the liquidation request will only take effect upon receipt by B3 of the opinion of the third party then designated. The designated third party must file an opinion with the **B3 central depository** containing the decision regarding the liquidation request. The opinion's filing must comply with the time frames established by the **B3 central depository** in the time grid described in this manual, and the relevant instruction might be cancelled for noncompliance with time frames.

Liquidation is effected through the transfer of the balance held in the **subaccounts** linked to the encumbrance of fiduciary alienation or pledge to one of the **subaccounts** for liquidation linked to the encumbrance of fiduciary alienation or pledge, as the case may be, within the **deposit account** held by the creditor **investor** where the actual **asset** liquidation and monetization will occur, upon the express order of the creditor **investor** to his/her/its intermediary responsible for the liquidation and to his/her/its **custody agent**.

Specifically in relation to the encumbrance of pledge, the receipt by the **B3 central depository** of a subpoena issued by competent court authority stating that the debtor **investor** is in the process of bankruptcy will prevent the liquidation of **assets** that were encumbered without competent court authorization.

### **5.3. Procedure for the liquidation of the encumbrance of fiduciary assignment**

Requests for the liquidation linked to the encumbrance of fiduciary assignment applied to the credit rights associated with the positive result of **derivatives** registered in the **registration environments** managed by B3 not acting as **central counterparty** must be instructed directly in the **central depository** systems by the **registration participants**, based on a formal request submitted by the **investors** under their responsibility. Only **registration participants** representing assignee **investors** can request the liquidation of fiduciary assignment agreements.

Whenever the designation of a third party to be responsible for the arbitration of liquidation instructed by the **registration participant** representing the assignee **investor** is stipulated, the liquidation request will only be reflected on the **B3 central depository registrations** upon receipt by B3 of the opinion of the third party then designated. The designated third party must file an opinion with the **B3 central depository** containing the decision regarding the liquidation request. The opinion's filing must comply with the time frames established by the **B3 central depository** in the time grid described in this manual, and the relevant instruction might be cancelled for noncompliance with time frames.

Liquidation is effected through the transfer, to be made directly between the parties involved in the **derivatives** contract outside of the environments managed by B3, of the credit rights associated with the positive result of such **derivatives** registered in the **registration environment** managed by B3 not acting as **central counterparty**, with the subsequent registration of the settlement of the **derivatives position** associated with the encumbrance of fiduciary assignment in the B3 **registration environment**.

### **5.4. Processing corporate actions associated with assets held in subaccounts linked to liens, encumbrances and collateral**

The **corporate actions**, as defined in chapter 6 hereof, associated with **assets** held in **subaccounts** linked to liens, encumbrances and **collateral** will be processed, as the case may be, as indicated below.

### **5.4.1. Corporate actions in cash**

For **corporate actions** to be credited in cash during the period when the **asset** might be subjected to liens, encumbrances, **collateral** and blockings, the relevant funds are transferred to the **custody agents** after being calculated in the very **subaccounts** linked to the relevant lien, encumbrance, or **collateral** registered in the **B3 central depository** systems and associated with:

- **Collateral** in favor of the **clearinghouse**;
- **Assets** in the **central counterparty transaction settlement** process;
- **Assets** in the **settlement** process;
- Blocking for public offerings;
- Blocking linked to rules established by **issuers** or **investors**; and
- Restriction on the **movements of assets** to **deposit accounts**.

The **custody agent** will be responsible for transferring the funds to the **investor**, in accordance with the procedures set forth in this manual, except for the payment of **corporate actions** in cash applicable to the balance of **assets** deposited as **collateral** in favor of the **clearinghouse**, which will be credited in favor of the **clearinghouse** and transferred by following the procedure established in the **B3 clearinghouse** risk management manual.

Also, the **B3 central depository** may process **corporate actions** in cash applicable to the **assets** held in the **subaccounts** linked to blocking for public offerings in different ways, according to the rules established by the **asset's issuer** or by the party responsible for the offering party.

#### **5.4.1.1. Corporate actions in cash applicable to collateral deposited in favor of external systems and assets in the settlement process of transactions executed in the environments managed by external systems acting as central counterparty**

The funds deriving from **corporate actions** associated with **collateral** deposited in favor of **external systems** and **assets in the settlement process of transactions executed in the environments managed by external systems acting as central counterparty** are provisioned in the very **subaccount** where the concerned **assets** are deposited and, on the date of **payment** thereof, the relevant funds are transferred by B3 to the **external system**.

#### **5.4.1.2. Corporate actions in cash applicable to assets subject to the encumbrance of unavailability of assets**

The funds deriving from **corporate actions** of **assets** subject to the encumbrance of unavailability of assets, but which are subject or not to the encumbrance of retention of the **issuer's corporate actions** are transferred to the free movement **subaccount** of the **investor** at the time of the update thereof, in order to be transferred

to the **custody agent** on the corresponding date of **payment**, according to the procedures established in this manual.

When a **corporate actions** retention occurs, regardless of who promotes the constitution of the unavailability of assets, the **custody agent** must treat the financial resources according to the judicial or administrative determinations of unavailability and retention of the **issuer's corporate actions**, under his exclusive responsibility, including when there is an account indication for judicial deposit.

For cases in which **B3 central depository** promotes the constitution of unavailability of assets, the information contained in the judicial or administrative determinations will be available to the **custody agent** for the appropriate treatment of the respective funds.

#### ***5.4.1.3. Corporate actions in cash applicable to assets subject to the encumbrance of fiduciary alienation***

The provision of **corporate actions** in cash on the balance of **assets** held in **subaccounts** for fiduciary alienation purposes will be made under the debtor **investor**, by means of the calculation thereof in the very **subaccounts** linked to the encumbrance of fiduciary alienation registered in the **B3 central depository** systems, regardless of the distribution of the balance of **assets** fiducially alienated during the validity of the operation, whether under the creditor **investor** or under the debtor **investor**.

The actual transfer of the amounts associated with **corporate actions** in cash will be performed pursuant to the process defined between the parties involved in the fiduciary alienation agreement upon requesting the **registration** thereof, according to the following situations:

- Transfer of amounts from **corporate actions** in cash to the debtor **investor**: **corporate actions** will be transferred to the **custody agent** representing the debtor **investor** on the relevant date of **payment**. The **custody agent** will be responsible for transferring the funds to the debtor **investor**, pursuant to the procedures stipulated in this manual;
- Transfer of amounts from **corporate actions** in cash to the creditor **investor**: **corporate actions** will be transferred to the **custody agent** representing the creditor **investor** on the relevant date of **payment**. The **custody agent** will be responsible for transferring the funds to the creditor **investor**, pursuant to the procedures stipulated in this manual; and
- Transfer to a third party designated by the parties involved in the constitutive instrument of the encumbrance: **corporate actions** will be transferred to the designated third party, in conformity with the bank details stated in the request for encumbrance **registration**. The designated third party will be responsible for managing the funds for as long as the encumbrance is in force, duly processing the amendment, rectification, extinction, cancellation, or liquidation thereof, in accordance with the rules established between the parties to the instrument. In case the funds cannot be transferred to the third party designated in the agreement due to inconsistency in reported bank data or to refusal of the concerned third party, the funds associated with the **payment of corporate actions** will be transferred to the debtor **investor** by the **B3 central depository**.

#### **5.4.1.4. Corporate actions in cash applicable to assets subject to the encumbrance of pledge**

The provision of **corporate actions** in cash on the balance of **assets** held in **subaccounts** for pledge purposes will be carried out under the debtor **investor**, by means of the calculation thereof in the very **subaccounts** linked to the encumbrance of pledge registered in the **B3 central depository** systems.

The actual transfer of the amounts associated with **corporate actions** in cash will be made pursuant to the process defined between the parties involved in the pledge agreement upon requesting the **registration** thereof, according to the following situations:

- Transfer of amounts from **corporate actions** in cash to the debtor **investor**: **corporate actions** will be transferred to the **custody agent** representing the debtor **investor** on the relevant date of **payment**. The **custody agent** will be responsible for transferring the funds to the debtor **investor**, pursuant to the procedures stipulated in this manual;
- Transfer of amounts from **corporate actions** in cash to the creditor **investor**: **corporate actions** will be transferred to the **custody agent** representing the creditor **investor** on the relevant date of **payment**. The **custody agent** will be responsible for transferring the funds to the creditor **investor**, pursuant to the procedures stipulated in this manual; and
- Transfer to a third party designated by the parties involved in the constitutive instrument of the encumbrance: **corporate actions** will be transferred to the designated third party, in conformity with the bank details indicated in the request for encumbrance **registration**. The designated third party will be responsible for managing the funds for as long as the encumbrance is in force, duly processing the amendment, rectification, extinction, cancellation, or liquidation thereof, in accordance with the rules established between the parties to the instrument. In case the funds cannot be transferred to the third party designated in the agreement due to inconsistency in reported bank data or to refusal of the concerned third party, the funds associated with the **payment** of **corporate actions** will be transferred to the debtor **investor** by the **B3 central depository**.

#### **5.4.1.5. Corporate actions in cash applicable to assets subject to the encumbrance of usufruct**

The provision of **corporate actions** in cash on the balance of **assets** held in **subaccounts** for usufruct purposes will be carried out under the naked owner **investor**, by means of the calculation thereof in the very **subaccounts** linked to the encumbrance of usufruct registered in the **B3 central depository** systems.

The actual transfer of the amounts associated with **corporate actions** in cash will be made to the **custody agent** representing the usufructuary **investor** on the relevant date of **payment**. The **custody agent** will be responsible for transferring the funds to the usufructuary **investor**, pursuant to the procedures stipulated in this manual.

#### **5.4.1.6. Corporate events in financial resources incidents on assets subject to the inalienability or unseizability encumbrances**

The provision of **corporate events** in cash on the balance of **assets** held in **subaccounts** for inalienability or unseizability purposes will be carried out under the ownership of the **investor**, by means of calculation thereof in the very **subaccounts** linked to the encumbrance of inalienability or unseizability registered in **B3 central depository** systems.

#### **5.4.2. Corporate actions in assets**

**Corporate actions** in **assets** that imply the modification of the quantity of **assets** or the replacement of the original balance of **assets** will result in the extinction of the lien, encumbrance, **collateral**, or blocking, as the case may be, originally placed on those **assets**, with the subsequent application of a new lien, encumbrance, **collateral**, or blocking to the **assets** resulting from the **corporate action**, taking into account the already existing order.

**Corporate actions** in **assets** applicable to the balance of **assets** subject to **collateral** in favor of the **clearinghouse** that imply the modification of the quantity or the replacement of the original balance of **assets** are reviewed by the **clearinghouse**, regarding the possible need of an additional **collateral** deposit and the acceptance of the **assets** resulting from the **corporate action**, pursuant to the rules established by the **clearinghouse**.

The credit of **assets** resulting from **corporate actions** in **assets** applicable to the balance of **assets** subject to blocking, in order to comply with rules established by the **issuer** or the **investor**, is made in accordance with the specific rules established by the **issuer**.

The fractions resulting from **corporate actions** in **assets** applicable to the balance held in the **subaccounts** linked to liens, encumbrances, **collateral** and blockings are automatically transferred to the free movement **subaccount** of the **investor**.

##### **5.4.2.1. Corporate actions in assets applicable to the encumbrances of fiduciary alienation, pledge, usufruct, inalienability and unseizability**

**Corporate actions** in **assets** that imply the modification of the quantity or the replacement of the original balance of **assets** held in the **subaccounts** linked to the encumbrances of fiduciary alienation, pledge, usufruct, inalienability or unseizability will result in the mandatory modification of the encumbrance agreement originally registered in the **B3 central depository** systems, without the need for the **custody agents** representing the **investors** involved in the constitutive instrument of the original encumbrance to file addendums thereto.

The **asset** balance will be updated in the very **subaccounts** linked to the encumbrances of fiduciary alienation, pledge, usufruct, inalienability or unseizability held by the **investor** where the balance is maintained over the

term of the encumbrance, as defined by the parties upon requesting the **registration** thereof in the **B3 central depository** systems and pursuant to the procedures stipulated in this manual.

The fractions resulting from **corporate actions** in **assets** applicable to the balance held in the **subaccounts** linked to the encumbrances of fiduciary alienation, pledge, usufruct, inalienability or unseizability are automatically transferred to the free movement **subaccount** of the **investor** where the balance is maintained over the term of the encumbrance, as defined by the parties upon requesting the **registration** thereof in the **B3 central depository** systems and pursuant to the procedures stipulated in this manual.

### ***5.4.3. Voluntary corporate actions***

The **investors** holding **assets** subject to liens, encumbrances, **collateral**, or blockings constituted in the **B3 central depository** systems will be allowed to exercise **voluntary corporate actions**. The **B3 central depository** will be responsible for implementing the relevant exercise, pursuant to the procedures defined below.

Should it be necessary to provide the **withdrawal of assets** underlying the lien, encumbrance, **collateral**, or blocking, the **investors** must instruct their **custody agents** to request the extinction of the corresponding lien, encumbrance, **collateral**, or blocking.

In special cases, a **custody agent's** instruction may be sent to the **B3 central depository** which, after reviewing the corresponding request, will provide the exercise of the corresponding event on behalf of the concerned **investor**.

#### ***5.4.3.1. Voluntary corporate actions applicable to assets underlying the encumbrances of fiduciary alienation, pledge, usufruct, inalienability and unseizability***

The **investor** whose balance of **assets** linked to the **registration** of the encumbrances of fiduciary alienation, pledge, usufruct, inalienability and unseizability in the **B3 central depository** is maintained over the term of the corresponding instrument registered in the **B3 central depository** systems is allowed to exercise **voluntary corporate actions** associated with **assets** underlying any such encumbrance.

Should it be necessary to provide the **withdrawal of assets** underlying the encumbrances of fiduciary alienation, pledge, usufruct, inalienability and unseizability the **investors** involved in the constitutive instrument of the relevant encumbrance must request the extinction thereof and implement the exercise of the **corporate actions**, as agreed upon directly between the parties, in accordance with applicable legislation and to the procedures stipulated in this manual.

### ***5.4.4. Subscription rights***

The subscription rights generated from the balance of **assets** underlying liens, encumbrances, **collateral**, or blockings are automatically transferred to the free movement **subaccount** of the **investor** at the time such subscription rights are updated in the **B3 central depository** systems, in the cases of:



- Unavailability of assets;
- **Collateral** in favor of the **clearinghouse**;
- Public offerings; and
- Blocking linked to rules established by **issuers** or **investors**.

The subscription rights generated from the balance of **assets** underlying liens, encumbrances, **collateral**, or blockings are kept in the **investor's subaccount** where such rights were originated at the time the subscription rights are updated in the **B3 central depository** systems, in the cases of:

- **Assets** in the **central counterparty transaction settlement** process;
- **Assets** in the **settlement** process;
- **Collateral** deposited in favor of **external systems**; and
- **Assets in the settlement process of transactions executed in the environments managed by external systems acting as central counterparty.**

The exercise of subscription rights follows the procedures established in this manual. The subscribed **assets** are credited to the **investor's** free movement **subaccount**.

For the encumbrance of unavailability of assets arising from judicial constriction orders issued by competent court or administrative authority, the subscribed **assets** might be subjected to blocking if so determined in the relevant request submitted by the regulatory agencies, competent court and administrative authorities.

#### ***5.4.4.1. Subscription rights generated from assets underlying the encumbrances of fiduciary alienation, pledge, usufruct, inalienability and unseizability***

The subscription rights generated from the balance of **assets** held in the **subaccounts** for fiduciary alienation, pledge, usufruct, inalienability or unseizability will be processed as agreed upon between the parties involved in the constitution of the relevant encumbrance upon requesting the **registration** thereof, according to the following situations:

- Transfer of rights to the debtor/naked owner **investor**: the rights are transferred to the free movement **subaccount** of the debtor/naked owner **investor** at the time immediately succeeding the update thereof in the **B3 central depository** systems; and
- Transfer of rights to the creditor/usufructuary **investor**: the rights are transferred to the free movement **subaccount** of the creditor/usufructuary owner **investor** at the time immediately succeeding the update thereof in the **B3 central depository** systems.

The exercise of subscription rights follows the procedures established in this manual. The subscribed **assets** are credited to the **investor's** free movement **subaccount**.

## 5.5. Managerial control by custody agents

The **B3 central depository** offers a structure to restrict the **movement of assets** for the **custody agents** to conduct a managerial control, whereby they will have exclusive control on said restriction, including in connection with balance transfer instructions involving this structure. The **custody agents** are fully responsible for controlling and maintaining the aforementioned restriction on **movements of assets** for managerial control purposes.

In the case of instructions involving **assets** whose movements are restricted due to the managerial control conducted by a **custody agent**, the **B3 central depository** will nonetheless place a judicial constriction when so determined by regulatory agencies, competent court or administrative authorities to B3.

The restriction on movements resulting from a managerial control conducted by the **custody agent** is implemented by the **custody agent** itself, through the **B3 central depository** systems, based on a formal request submitted by the **investor** under the responsibility of the **custody agent**, with the subsequent **asset transfer** from the free movement **subaccount** to one of the **subaccounts** created for **custody agent** managerial control purposes. The **assets** held in the **custody agent's** managerial control **subaccounts** have an indication that they carry a restriction on movement, and the **custody agent** is exclusively responsible for controlling and maintaining said restriction, including all the documentation that supports it.

For **corporate actions** in cash credited during the period when the **asset** was in the **custody agent's** managerial control **subaccount**, the funds are transferred to the **custody agent** by calculating the corresponding amounts in the **custody agent's** managerial control **subaccounts**, considering the **deposit account** of the **investor** holding the relevant **asset**. The **custody agent** will be responsible for transferring the funds to the **investor**, according to the procedures established in this manual.

The subscription rights generated from the balance of **assets** linked to the **custody agent's** managerial control **subaccount** are automatically transferred to the **investor's** free movement **subaccount** at the time the subscription rights are updated in the **B3 central depository** systems. The exercise of subscription rights follows the procedures established in this manual. The subscribed **assets** are credited to the free movement **subaccount** of the **investor**.

## 5.6. Information

The **B3 central depository** provides information to the **issuers** or to the **registrars** engaged by the **issuers**, as the case may be, to the **custody agents**, to the **investors** and, as the case may be, to the **registration participants** or to third parties in connection with the **assets** held in **deposit accounts** and **subaccounts** linked to some kind of lien, encumbrance, **collateral**, or blocking.

The **B3 central depository** may issue certificates in favor of any **investor** holding **assets** subjected to a lien, encumbrance, **collateral**, or blocking in its environment. Requests must be submitted by the **custody agent** or by the **registration participant**, when applicable, by means of a formal instruction to the **B3 central depository** by order of the **investor**. The **B3 central depository** reviews the request and, in case of accepting

said request, issues a written certificate to be sent to the requesting **custody agent** or **registration participant**, as the case may be.

In addition, the **central depository** may issue certificates upon request by regulatory agencies or court authorities.

In view of the legal regime of publicity to which fiduciary alienation, pledge, usufruct, inalienability, unseizability and fiduciary assignment are subject, the **B3 central depository** will produce certificates indicating the status of the **assets** on which any such encumbrance has been placed to previously-identified third parties that may formally request any such certificate, in accordance with applicable legislation.

### ***5.6.1. Information to issuers or registrars engaged by issuers, as the case may be***

The **B3 central depository** notifies the **issuers** or the **registrars** engaged by the **issuers**, as the case may be, of the **registration** of the constitution, amendment, rectification and extinction of liens, encumbrances, **collateral**, or blockings on the **assets** deposited therein by means of files generated and sent on a daily basis.

The **issuer** or **registrar** engaged by the **issuer** that do not have a structure allowing for the exchange of electronic files may, at any time, request the **B3 central depository** to send information regarding liens, encumbrances, **collateral** and blockings placed on the **assets** issued by the **issuer**.

Requests must be submitted in hard copy format, be duly identified and be addressed to the **B3 central depository**, which will review each request and, in the absence of inconsistencies, will proceed with the generation and delivery of information to the requesting **issuer** or **registrar**.

### ***5.6.2. Information to custody agents***

Custodians may access the relevant information directly in the **B3 central depository** systems, through files and reports.

The **B3 central depository** notifies **custody agents** in writing of the **registration** of the constitution of encumbrances on **assets** resulting from a judicial or administrative lien, as well as the extinction thereof.

### ***5.6.3. Information to investors***

The balance of **assets** held in the **deposit accounts** of the **B3 central depository** linked to some kind of lien, encumbrance, **collateral**, or blocking is segregated in the B3 statement, containing a specific identification. This same information is also available on the investor's logged-in area on B3's website.

## 6. PROCESSING CORPORATE ACTIONS

The **B3 central depository** processes **corporate actions** in cash, **corporate actions** in **assets**, and **voluntary corporate actions**. The **assets** held in specific **clearinghouse** or **external system** accounts are processed just like **corporate actions** for the **assets** held in the **deposit accounts** of **investors**, and the **clearinghouse** or the **external system** is considered as the owner of such **assets**.

**Corporate actions** are determined by the corresponding **issuer** or result from previously-existing **payment** flows.

Depending on the nature of the **corporate action**, the processing of a declared or previously-existing **corporate action** comprises the following steps, to be operated by the **B3 central depository**:

1. Selection and **registration** of the base of **investors** entitled to receive the **corporate action**, with the calculation of **corporate action positions** associated with the underlying **assets**, which process is called entitlement;
2. Reconciliation of calculations with the **issuer** or with the **registrar** engaged by the **issuer**, in the case of **corporate actions** in cash;
3. Adjustments to calculations according to the instructions sent by the **issuer** or by the **registrar** engaged by the **issuer**, in the case of **corporate actions** in cash;
4. Control of the exercise of **voluntary corporate actions**; and
5. Receipt of funds or **assets** from the **issuer** and transfer thereof to the **custody agent**, or receipt of funds or **assets** from the **custody agents** and transfer thereof to the **issuer**, as the case may be.

Compliance by the **B3 central depository** with the activities associated with the processing of **corporate actions** inherent in the **assets** deposited therein is contingent on the receipt of information from the **issuer**, in accordance with the conditions and time frames established by the **B3 central depository**.

The following sections describe how **corporate actions** are processed by taking into account the aforementioned steps and the type of **corporate action**, which may be a **corporate action** in cash, a **corporate action** in **assets**, or a **voluntary corporate action**.

### 6.1. Corporate actions in cash

An **issuer's** decisions regarding the **assets** of its issuance that result in the **payment** of funds to the **investors** holding such **assets** are considered as **corporate actions** in cash. Examples are: dividends, interest on equity, other income, other cash distributions, capital refunds, interest payments, redemptions, amortizations and others.

**Corporate actions** in cash are processed as follows:

1. **Entitlement**: selection and **registration** of the **investors** entitled to receive the **corporate action**, with the calculation of **corporate action positions** associated with the underlying **assets**;
2. **Reconciliation**: reconciliation of calculations with the **issuer** or with the **registrar** engaged by the **issuer**;
3. **Maintenance of provisioned corporate actions**: adjustments to calculations according to the instructions sent by the **issuer** or by the **registrar** engaged by the **issuer**;
4. **Transfers of provisioned corporate actions in case of corporate actions in cash**; and
5. **Payment**: receipt of funds from the **issuer** and transfer thereof to the **custody agent**.

### **6.1.1. Entitlement**

The entitlement process consists of:

1. Selecting the base of **investors** entitled to receive the **corporate action**;
2. Calculating the **corporate action positions** associated with the underlying **assets**, based on **corporate action** information announced by the **issuer** and on **investor** details registered by the **custody agents**;
3. Updating the balances in the underlying **asset**;
4. Provisioning **corporate action positions** to the **deposit accounts** of the **investors**;
5. Sending information to the **issuer** or to the **registrar** engaged by the **issuer** and to the **custody agents**.

#### **6.1.1.1. Selecting the investor base**

The base of **investors** that are entitled to receive the **corporate action** in cash is selected by the **settlement** date of the **transactions** executed on the last day of trading the **asset** with right to receive the **corporate action** in cash, according to the information announced by the **issuer**.

Therefore, in the night processing of the **settlement cycle** of the last day of trading the **asset** with right to receive the **corporate action** in cash, the **B3 central depository** performs the selection of the base of **investors** that are entitled to the **corporate action** in cash.

#### Example 1:

**Initial balance:**

1,000 BRXPTOACNOR2 100 shares

**Event:**

BRL1.00 per share dividend

**Product:**

1,000 BRXPTOACNOR2 101 shares and BRL1,000.00

**Income tax:** exempt

Example 2:

**Initial balance:**

1,000 BRXPTOACNOR2 100 shares

**Event:**

BRL1.00 per share income

**Product:**

1,000 BRXPTOACNOR2 101 shares and BRL1,000.00

**Income tax:** in general terms, regressive tax rates apply; exceptions are assessed by the representative taxpayer.

### **6.1.1.2. Calculating corporate action positions**

The calculation of **positions** associated with **corporate actions** in cash is made:

- On the base of **investors** that are entitled to the **corporate action** in cash;
- According to the **corporate action** information announced by the **issuer**; and
- Based on the **investor** details registered by the **custody agents**.

In order to calculate the rights and obligations associated with the **corporate actions** declared by the **issuer**, the **B3 central depository** considers the balance of individual **assets** deposited in each **subaccount** within each **deposit account** held by the **investor**. Hence, the balance of **assets** considered for **corporate action** calculation purposes is the one that is individually included in each **subaccount** within each **deposit account** at the end of the **settlement cycle** of the **asset**.

The **investors** wishing to have the calculation of the **corporate action** in cash made on the total balance of **assets** they hold must necessarily group the **assets** into a single **subaccount** within the same **deposit account** by no later than the last day of trading the cum-rights **asset** in the **trading environments**.

In the case of **corporate actions** in cash where income tax is collected directly by the **issuer**, the **B3 central depository** calculates the income tax payable on the **corporate action** based on the **investor** registration information provided and updated by the **custody agents** and also based on information on tax rates, type of event, type of investor and country of residence provided and updated by the **issuer** or by the **registrar** engaged by the **issuer**, as the case may be.

The **investor** that presents a different tax status, such as exemption or immunity, as prescribed by applicable tax law, must necessarily provide the documentation evidencing the relevant status to the **issuer** of the **assets** or to the **registrar** engaged by the **issuer**. The **issuer** of the **assets** or the **registrar** engaged by the **issuer**, as the case may be, must include and update the **investor's** different tax status in the **B3 central depository** systems.

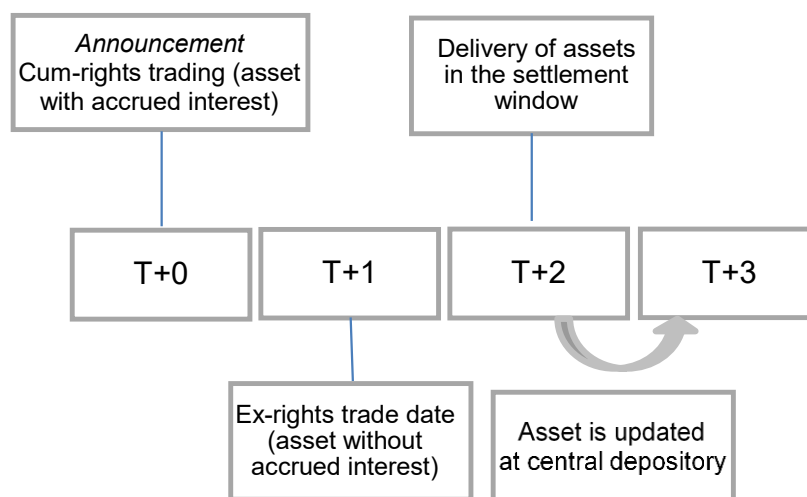
The calculation of **positions** associated with **corporate actions** in cash, in connection with both **gross amount** and after-tax amount, when applicable, is made on a provisional basis and requires confirmation from the **issuer**, in the capacity of **payment** provider and representative taxpayer, when applicable, or from the **registrar** engaged by the **issuer**, and may be modified by instruction of the **issuer**.

### 6.1.1.3. Updating underlying asset balances

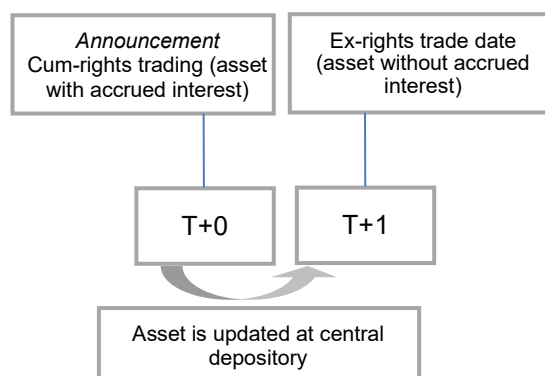
The **asset** entitled to the **corporate action** is called cum-rights **asset** and the **asset** not entitled to the **corporate action** is called ex-rights **asset**.

The **B3 central depository** debits the cum-rights **assets** to the **deposit account** of the **investor** and, as the case may be, credits the ex-rights **assets** to the **deposit account** of the **investor**.

Variable Income: Interaction of T+2 settlement cycle with balance update at central depository



Fixed income: Interaction of T+0 settlement cycle with date of balance update at central depository



### 6.1.1.4. Provisioning corporate action positions

The result of the calculation of the **positions** associated with **corporate actions** in cash is recorded in the **deposit account** of the **investor** as provisioned **position** until the date of **payment** thereof.

#### **6.1.1.5. Information**

The result of the calculation and the **positions** associated with **corporate actions** in cash are sent to the **issuers** or to the **registrars** engaged by the **issuers**, as the case may be, and to the **custody agents** so that they can provide the reconciliation of said information with the records they keep in their own environments.

#### **6.1.2. Reconciliation**

The **issuer** or the **registrar** engaged by the **issuer**, as the case may be, receives the result of the calculation and the **positions** associated with **corporate actions** in cash generated by the **B3 central depository** and performs the verification and reconciliation thereof with the information produced in its own environment.

In this reconciliation procedure, the **issuer** or the **registrar** engaged by the **issuer**, as the case may be, checks whether the **gross amount** calculations generated by the **B3 central depository** are correct and also whether the relevant tax rates are applied in accordance with the tax profile of the **investor**, which information is produced by and is under the responsibility of the **custody agent**.

If any sort of adjustment is required, the **issuer** or the **registrar** engaged by the **issuer**, as the case may be, requests the **B3 central depository** to perform the necessary maintenance.

At the end of reconciliation, the **issuer** or the **registrar** engaged by the **issuer**, as the case may be, confirms to the **B3 central depository** both **gross amounts** and after-tax amounts, and the **position** associated with the **corporate action** in cash of the **investor** becomes final.

#### **6.1.3. Maintenance of provisioned corporate actions**

The maintenance of provisioned **corporate actions** in cash is performed by the **B3 central depository** by instruction of the **issuer**.

Where the **issuer** engages the services of a **registrar**, said maintenance procedure will be performed through the **central depository** systems by the **registrar** itself.

The maintenance to be performed might be:

- The adjustment of the tax rate and the recalculation of income tax due; and
- The exclusion of the **investor's** provisioning from the **B3 central depository** environment, so that **payment** can be made directly by the **issuer** to the **investor**, but only for **corporate actions** applicable to **assets** free and clear of any lien, encumbrance, or **collateral**.

The **issuer** or the **registrar** engaged by the **issuer**, as the case may be, and the **investor's custody agent** may look up information on maintenance procedures via system screens, files and **messages**. Exclusions are directly informed to the **custody agent** by the **B3 central depository**.



#### **6.1.4. Transfers of provisioned corporate actions**

The transfers of **corporate actions** in cash are made in the following situations:

- Transfers of **corporate actions** without exchange of ownership: the **custody agent** may provide the transfers formally in the **B3 central depository** systems; and
- Transfers of **corporate actions** with exchange of ownership: the **custody agent** may request the transfers either formally or through the systems, and the transfers will be subject to the rules defined by the **issuer** and conditioned to the approval of the **issuer** and, as the case may be, of the **registrar** engaged by the **issuer**.

It is incumbent on the **custody agent** to review and maintain the necessary documentation to justify the transfer of **corporate actions** in cash with exchange of ownership and to provide such documentation, whenever required, to BSM, B3 and the **issuer** or the **registrar** engaged by the **issuer**.

B3 will perform a new calculation as a result of the **positions** associated with transferred **corporate actions** in cash, in connection with both **gross amount** and after-tax amount, whenever the original calculation is made on a provisional basis and require the confirmation of the **issuer**, in the capacity of **payment** provider and representative taxpayer, or of the **registrar** engaged by the **issuer**, as the case may be, which the beforementioned amounts may be modified by instruction of the **issuer**. It is incumbent on the **issuer** or on the **registrar** engaged by the **issuer**, as the case may be, to maintain data records and history after confirming the corresponding information.

#### **6.1.5. Payment**

By no later than one (1) business day before the date of **payment** of the **corporate action** in cash, the **issuer** or, as the case may be, the **registrar** engaged by the **issuer** must notify the **B3 central depository** of one or more **settlement agents** to which the relevant **payment** must be made. Whenever the **issuer** engages a **registrar**, confirmations will be made through the **B3 central depository** systems by the **registrar** itself. On the date of **payment**, each of the **issuer's settlement agents** will receive a specific **message** (LDL0007) to this end from the **B3 central depository** and will instruct the funds transfer to the **clearinghouse settlement account**.

On the date of **payment** of the **corporate action**, the **issuer** or, as the case may be, the **registrar** engaged by the **issuer** must credit the funds associated with the **corporate action** to the **clearinghouse settlement account** within the time frame established by the **B3 central depository**. This credit must be provided by the **issuer's** bank through a specific **message** (LDL0008) to this end.

The funds credited to the **clearinghouse settlement account** are only considered as effective **payment** after confirmation is received from BCB via a specific **message** (LDL0008R2) to this end.

Only after the funds are received from the **issuer's** bank in the **clearinghouse settlement account** will the **B3 central depository** transfer the funds directly to the **settlement agents** designated by the **custody agents**

in the **participant registration** maintained with the **B3 central depository**, through a specific **message** (LDL0009) to this end. If the **custody agent** wishes to receive the funds through another **settlement agent**, it must request the **B3 central depository** to update its **participant registration** by no later than the last business day immediately preceding the date of **payment** of the **corporate action** in cash.

The funds debited to the **clearinghouse settlement account** are only considered as effective **payment** to the **custody agent's settlement agent** after confirmation is received from BCB via a specific **message** (LDL0009R1) to this end.

The **payment** method to be adopted by the **custody agents** for the transfer of the corresponding funds to the **investors** is contingent on a previously-agreed upon definition between the parties, and the **B3 central depository** disclaims any and all liability in the relationship existing between the parties.

The **payment** of funds from **corporate actions** in cash is subject to applicable tax standards. The assessment of the tax status of the **investor**, the collection of the relevant taxes and the delivery of reports are the sole responsibility of the representative taxpayer, and are accepted by the **B3 central depository**.

The **payment** of funds from **corporate actions** in cash applicable to the balance of **assets** deposited as **collateral** for the **clearinghouse** will be credited to the **clearinghouse** pursuant to the provisions of the B3 **clearinghouse** risk management manual.

The **B3 central depository** may reverse a **corporate action** in cash in the **payment** phase, upon instruction by the **issuer**, as a result of a court order or for operational adjustment purposes.

## **6.2. Corporate actions in assets**

An **issuer's** decisions regarding the **assets** of its issuance that result in the credit to the holders thereof of new **assets** of the same type, category or class, or of a different type, category or class are considered as **corporate actions** in **assets**. Examples are: bonus shares, mergers, spin-offs, acquisitions, share grouping share splitting and others.

**Corporate actions** in **assets** are processed as follows:

1. **Entitlement**: selection and **registration** of the base of **investors** entitled to receive the **corporate action**, with the calculation of **corporate action positions** associated with the underlying **assets**; and
2. **Payment**: credit of the **assets** to the **deposit accounts** of the **investors**.

### **6.2.1. Entitlement**

The update process consists of:

1. Selecting the base of **investors** entitled to receive the **corporate action**;
2. Calculating the **corporate action positions** associated with the underlying **assets**, based on **corporate action** information announced by the **issuer**; and

3. Updating the balances in the underlying **asset**.

#### **6.2.1.1. Selecting the investor base**

The selection of the base of **investors** that are entitled to receive the **corporate action in assets** is determined by the **settlement** date of the **transactions** executed on the last day of trading the **asset** with right to receive the **corporate action in assets**.

Therefore, in the night processing of the **settlement cycle** of the last day of trading the **asset** with right to receive the **corporate action in assets**, the **B3 central depository** performs the selection of the base of **investors** that are entitled to the **corporate action in assets**.

Example:

**Initial balance:**

1,000 BRXPTOACNOR2 100 shares

**Event:**

50% bonus in common XPTO shares

**Product:**

1,500 BRXPTOACNOR2 101 shares

#### **6.2.1.2. Calculating corporate action positions**

The calculation of **positions** associated with **corporate actions in assets** is made:

- On the base of **investors** that are entitled to receive the **corporate action in assets**; and
- According to the **corporate action** information announced by the **issuer**.

In order to calculate the rights and obligations associated with the **corporate actions** declared by the **issuer**, the **B3 central depository** considers the balance of individual **assets** deposited in each **subaccount** within each **deposit account** held by the **investor**. Hence, the balance of **assets** considered for **corporate action** calculation purposes is the one that is individually included in each **subaccount** within each **deposit account** at the end of the **settlement cycle** of the **asset**.

The **investors** wishing to have the calculation of the **corporate action in assets** made on the total balance of **assets** they hold must necessarily group the **assets** into a single **subaccount** within the same **deposit account** by no later than the last day of trading the cum-rights **asset** in the **trading environments**.

The calculation of the **corporate action in assets** may result in fractional **asset** quantities, which will be processed individually in each **investor's deposit account** and in accordance with the rules determined by the **issuer**.

#### **6.2.1.3. Updating underlying asset balances**

The **B3 central depository** debits the cum-rights **assets** to the **deposit account** of the **investor** and, as the case may be, credits the result of calculated **assets** to the **deposit account** of the **investor**.

### 6.2.2. Payment

Upon receiving confirmation of the **corporate action** in **assets** from the **issuer** and after the relevant **assets** are updated under B3's fiduciary ownership, the **B3 central depository** credits the **assets** to the **deposit accounts** of the **investors** for free **movement of assets**.

**Corporate actions** in **assets** that result in **assets** not eligible for **deposit of assets** in the **B3 central depository**, or with different features from the original **assets** are subject to a different processing, at the discretion of the **B3 central depository**.

By determination of the **issuer** or in specific cases of **corporate actions** subject to the approval of regulatory and supervisory agencies, the relevant **corporate action** is submitted to a special processing, by observing the principles of applicable legislation.

### 6.3. Voluntary corporate actions

An **issuer's** decisions regarding the **assets** of its issuance that provide the **investor** holding such **assets** with the option to choose between exercising and not exercising an event are considered as **voluntary corporate actions**. Examples are: subscriptions, dissenters' rights or withdrawal rights, voluntary conversions and others.

The **B3 central depository** processes the **voluntary corporate actions** assigned to the **assets** deposited therein by means of a formal request submitted by the **custody agent** and, as the case may be, by providing the **assets** and funds required for the exercise thereof.

**Voluntary corporate actions** are processed as follows:

1. Entitlement: selection and **registration** of the base of **investors** entitled to choose to exercise the **corporate action**, with the calculation of **positions** associated with the rights liable to be exercised;
2. Control of the exercise of rights; and
3. Payment: implementation of the exercise of rights, which may result in **movement of assets** and funds transfer, as the case may be.

#### 6.3.1. Underlying asset balance update

The update process consists of:

1. Selecting the base of **investors** entitled to choose to exercise the **corporate action**;
2. Calculating the **positions** associated with rights liable to be exercised, based on **corporate action** information announced by the **issuer**; and
3. Generating the rights **positions**.

### 6.3.1.1. *Selecting the investor base*

The date of selection of the base of **investors** entitled to choose to exercise the **voluntary corporate action** can be determined based on:

- The **asset** balances calculated on the **settlement** date of the **transactions** in the **asset** on the last day of trading the **asset** entitled to receive the rights to exercise of the **voluntary corporate action**; or
- The history of the balances of **assets** held by the **investors** on a previous base date.

The determination of the date of selection of the **investor** base and the eligibility criteria for the **investors** entitled to receive the rights to exercise the **voluntary corporate action** are defined by the **issuer** and announced through its usual regulatory channels.

Example:

**Initial balance:**

1,000 BRXPTOACNOR2 100 shares

**Event:**

10% subscription of common XPTO shares

**Product:**

1,000 BRXPTOACNOR2 101 shares and 100 BRXPTOD01OR7 100 share rights

### 6.3.1.2. *Calculating corporate action positions*

The calculation of **positions** associated with **corporate actions** in cash is made:

- On the base of **investors** that are entitled to receive the **voluntary corporate action**; and
- According to the **corporate action** information announced by the **issuer**.

In order to calculate the rights associated with the **voluntary corporate action** declared by the **issuer**, the **B3 central depository** considers the balance of individual **assets** deposited in each **subaccount** within each **deposit account** held by the **investor**, according to the base date indicated by the **issuer**. Thus, the balance of **assets** considered in the calculation of the rights to the **voluntary corporate action** is the one that is individually included in each **subaccount** within each **deposit account** on the date of selection of the **investor** base and pursuant to the criteria disclosed by the **issuer**.

The **investors** wishing to have the calculation of the **voluntary corporate action** made on the total balance of **assets** they hold must necessarily group the **assets** into a single **subaccount** within the same **deposit account** by no later than the last day of trading the cum-rights **asset** in the **trading environments**.

The calculation of rights to the **voluntary corporate action** may result in fractional quantities of rights. In this case, only whole quantities will be considered for the purpose of generating rights.

### 6.3.1.3. *Generating rights positions*

The result of the calculation of the rights **positions** to the **voluntary corporate action** is recorded in the **investors' deposit accounts** and generates:

- The balance of rights, in the form of **assets**, subject to the **movement of assets**, in the exclusive case of subscriptions; or
- The balance of rights controlled internally by the **B3 central depository** systems and not subject to the **movement of assets**, and informed to the **custody agents** via system screens or files, in the case of other **voluntary corporate actions**.

### 6.3.1.4. *Rights assignment*

In the case of the generation of subscription rights, the **custody agent** may formally request the **B3 central depository**, through the **B3 central depository** systems, to provide the **withdrawal of assets** from the preemptive rights granted to the **assets** deposited in the **B3 central depository**, by means of the assignment of such preemptive rights from the fiduciary ownership on behalf of the **B3 central depository** in the **issuer's** books to the **investor**. This request can only be cancelled by the **custody agent** on the same day that it is made, and the relevant cancellation is subject to the time frames defined by the **B3 central depository**.

## 6.3.2. *Control of the rights exercise*

Should the **investor** wish to request the exercise of a **voluntary corporate action**, he/she/it must submit a formal request to the **custody agent**, within the time frames defined by the **custody agent**, according to the information provided by the **issuer** and upon presentation of the documentation required by the **custody agent** and by the **issuer**, when applicable.

After the **investor** submits his/her/its request, the **custody agent** requests the **B3 central depository**, through the **B3 central depository** systems, to exercise the **voluntary corporate action**, subject to the conditions, time frames and schedules established by the **B3 central depository**.

When requesting the exercise of subscription rights, the **custody agent** must indicate the **investor's** choice in terms of:

- Participation in any rounds that might occur in the process for the subscription of remaining shares;
- Limiting the investor participation in a capital increase when partial ratification is possible;
- Compensation for the **payment** of the **voluntary corporate action** exercise with a provisioned cash event declared by the same **issuer**. This option is available when a prior definition has been made by the **issuer** in this sense; and
- Demand of additional quantities, in conformity with the rules established by the **issuer**.

The **custody agent** may submit a formal request to the **B3 central depository**, through the **B3 central depository** systems, for the cancellation of the **voluntary corporate action** exercise request, in accordance

with the time frames defined by the **B3 central depository** and, after the end thereof, to the approval of both the **B3 central depository** and the **issuer**.

After the period for issuing instructions for the exercise of the **voluntary corporate action** comes to an end, the **B3 central depository** sends information to the **issuer** or to the **registrar** engaged by the **issuer**, as the case may be, about the number of rights exercised in connection with the **assets** held under B3's fiduciary ownership.

Whenever different allotment criteria apply to preemptive rights, the **B3 central depository** receives the number of rights exercised by each **investor** linked to the **issuer** and, as the case may be, by the **registrar** engaged by the **issuer**.

The exercise of **voluntary corporate actions** in the **B3 central depository** environment is contingent on the procedures and time frames established by the **asset's issuer**. Whenever the procedures and time frames established by the **issuer** do not provide the **B3 central depository** with operating conditions to control the exercise of rights, the **investor** must exercise the **voluntary corporate actions** directly at the **issuer** or at the **registrar** engaged by the **issuer**.

At its sole discretion, the **B3 central depository** may adopt different procedures to process exercise of rights with specific features.

### **6.3.3. Payment**

#### **6.3.3.1. Subscription rights and unsubscribed shares**

On the date its capital increase is paid up, as disclosed by the **issuer**, and within the time frames established by the **B3 central depository**, the **custody agent** must credit the funds associated with the exercise of preemptive rights to the **clearinghouse settlement account**. The relevant credit must be directly made by the **custody agent** or by its **settlement agent** via a specific **message** (LDL0008) to this end.

The funds credited to the **clearinghouse settlement account** are only considered as effective **payment** after confirmation is received from BCB via a specific **message** (LDL0008R2) to this end. If the **B3 central depository** does not receive BCB confirmation, or if it does receive BCB confirmation at an amount less than the expected amount, the **custody agent** must immediately notify the **B3 central depository** the reason and the data of the **investors** that failed to make the relevant **payment**. The **B3 central depository** transfers the information to the **issuer** and to the regulatory agencies, which must take the appropriate action.

Only after the funds are credited to the **clearinghouse settlement account** by the **custody agent** or by its **settlement agent** will the **B3 central depository** transfer the funds directly to the **settlement agent** designated by the **issuer** in its **participant registration** maintained with the **B3 central depository**, through a specific **message** (LDL0009) to this end. If the **issuer** wishes to receive the funds through another **settlement agent**, the **issuer** must request the **B3 central depository** to update its **participant registration** by no later than the last business day immediately preceding the date of **payment** of the **corporate action**.

The funds debited to the **clearinghouse settlement account** are only considered as effective **payment** to the **issuer's settlement agent** after confirmation is received from BCB via a specific **message** (LDL0009R1) to this end.

The **payment** method to be adopted by the **custody agents** for the receipt of the corresponding funds from the **investors** is contingent on a previously-agreed upon definition between the parties, and the **B3 central depository** disclaims any and all liability in the relationship existing between the parties.

After the credit of the amount paid by the **custody agent** has been confirmed and transferred to the **issuer**, the **B3 central depository** credits the subscription warrants to the **deposit accounts** of the corresponding **investors** until the following business day.

After ratification of the capital increase, the warrants assigned to the exercise of preemptive rights are converted into **assets**, as determined by the **issuer** thereof.

Under special conditions and depending on the **asset**, the **B3 central depository** may provide the credit thereof to the **deposit accounts** after the end of the period established by the **issuer**.

#### **6.3.3.2. Dissenters' rights or withdrawal rights**

By no later than one (1) business day before the date of **payment** of the **corporate action**, the **issuer** or, as the case may be, the **registrar** engaged by the **issuer** must notify the **B3 central depository** of one or more **settlement agents** to which the relevant **payment** must be made. On the date of **payment**, each of the **issuer's settlement agents** will receive a specific **message** (LDL0007) to this end from the **B3 central depository** and will instruct the relevant funds transfer to the **clearinghouse settlement account**.

On the date of **payment** of the **corporate action**, the **issuer** or, as the case may be, the **registrar** engaged by the **issuer** must credit the funds associated with the **corporate action** to the **clearinghouse settlement account** within the time frame established by the **B3 central depository**. This credit must be provided by the **issuer's bank** through a specific **message** (LDL0008) to this end.

The funds credited to the **clearinghouse settlement account** are only considered as effective **payment** after confirmation is received from BCB via a specific **message** (LDL0008R2) to this end.

Only after the funds are received from the **issuer's bank** in the **clearinghouse settlement account** will the **B3 central depository** transfer the funds directly to the **settlement agents** designated by the **custody agent** in its **participant registration** maintained with the **B3 central depository**, through a specific **message** (LDL0009) to this end. If the **custody agent** wishes to receive the funds through another **settlement agent**, it must request the **B3 central depository** to update its **participant registration** by no later than the last business day immediately preceding the date of **payment** of the **corporate action** in cash.

The funds debited to the **clearinghouse settlement account** are only considered as effective **payment** to the **custody agent's settlement agent** after confirmation is received from BCB via a specific **message** (LDL0009R1) to this end.



The **payment** method to be adopted by the **custody agents** for the transfer of the corresponding funds to the **investors** is contingent on a previously-agreed upon definition between the parties, and the **B3 central depository** disclaims any and all liability in the relationship existing between the parties.

#### **6.3.3.3. Conversion rights**

Upon receiving confirmation of the **voluntary corporate action** in **assets** from the **issuer** and after the relevant **assets** are updated under B3's fiduciary ownership, the **B3 central depository** debits and credits the **assets** underlying the event in the **deposit accounts** of the **investors** for free **movement of assets**.

**Voluntary corporate actions** in **assets** that result in **assets** not eligible for **deposit of assets** in the **B3 central depository**, or with different features from the original **assets** are subject to a different processing, at the discretion of the **B3 central depository**.

#### **6.3.3.4. Retraction rights**

By no later than one (1) business day before the date of **payment** of the **corporate action**, the **issuer** or, as the case may be, the **registrar** engaged by the **issuer** must notify the **B3 central depository** of one or more **settlement agents** to which the relevant **payment** must be made. On the date of **payment**, each of the **issuer's settlement agents** will receive a specific **message** (LDL0007) to this end from the **B3 central depository** and will instruct the transfer of the relevant funds to the **clearinghouse settlement account**.

On the date of **payment** of the **corporate action**, the **issuer** or, as the case may be, the **registrar** engaged by the **issuer** must credit the funds associated with the **corporate action** to the **clearinghouse settlement account** within the time frame established by the **B3 central depository**. This credit must be provided by the **issuer's** bank through a specific **message** (LDL0008) to this end.

The funds credited to the **clearinghouse settlement account** are only considered as effective **payment** after confirmation is received from BCB via a specific **message** (LDL0008R2) to this end.

Only after the funds are received from the **issuer's** bank in the **clearinghouse settlement account** will the **B3 central depository** transfer the funds directly to the **settlement agents** designated by the **custody agent** in its **participant registration** maintained with the **B3 central depository**, through a specific **message** (LDL0009) to this end. If the **custody agent** wishes to receive the funds through another **settlement agent**, it must request the **B3 central depository** to update its **participant registration** by no later than the last business day immediately preceding the date of **payment** of the **corporate action** in cash.

The funds debited to the **clearinghouse settlement account** are only considered as effective **payment** to the **custody agent's settlement agent** after confirmation is received from BCB via a specific **message** (LDL0009R1) to this end.

The **payment** method to be adopted by the **custody agents** for the transfer of the corresponding funds to the **investors** is contingent on a previously-agreed upon definition between the parties, and the **B3 central depository** disclaims any and all liability in the relationship existing between the parties.

## 7. REMOTE VOTING

**B3 central depository** allows the inclusion of **remote voting ballots** on deposited **assets** so that the **participants** involved in the process can operationalize the **investors'** remote participation in meetings.

The activities involved in the remote voting service provided by **B3 central depository** are:

- inclusion and announcement of the **remote voting ballot**;
- sending remote voting instructions; and
- announcement of the analytical voting map.

The provision of remote voting services is optional for **custody agents**, in accordance with current legislation.

### 7.1. Inclusion and announcement of the remote voting ballot

The **issuer** includes the **remote voting ballot** in **B3 central depository** system, observing the established conditions and deadlines. After inclusion, the content of the **remote voting ballot** is made available to **custody agents** and **registrars** through **B3 central depository** systems and files.

In case of need for editing or cancellation of the included **remote voting ballot**, the **issuer** must carry out the appropriate maintenance on the **remote voting ballot**, in **B3 central depository** system, observing the established conditions and deadlines. All maintenances performed are disclosed to **custody agents** and **registrars** through **B3 central depository** systems and files.

### 7.2. Sending remote voting instructions

The **investor** who wishes to participate in the meeting through the **remote voting ballot** included in **B3 central depository** system, must forward his instruction to his **custody agent**, within the deadlines defined by the **custody agent**, according to the information provided by the **issuer** and upon presentation of the documentation required by the **custody agent** and the **issuer**, when applicable.

After the **investors'** request, the **custody agent** sends to **B3 central depository**, through **B3 central depository** systems and files, the remote voting manifestations, respecting the conditions, deadlines and times established by **B3 central depository**.

The **custody agent** may formally request **B3 central depository**, through **B3 central depository** systems and files, to cancel the remote voting instruction, being the cancellation subject to the deadlines defined by **B3 central depository**.

### 7.3. Announcement of the analytical voting map

After the period for sending the **remote voting ballot** is over, **B3 central depository** performs the necessary reconciliations and makes available to the **issuer** or the **registrar** contracted by him, as the case may be, the voting map containing the **investors** analytical instructions sent by their **custody agents**.

## 8. INFORMATION

The **B3 central depository** provides information on the balances of deposited **assets**, on the **movements of assets** and on **corporate actions to custody agents, investors, issuers, registrars, external systems** and competent court and administrative authorities, pursuant to applicable legislation, which information may be consulted in the **B3 central depository** systems or generated automatically or on demand via electronic file, **message**, or report.

### 8.1. Information to custody agents

The **custody agents** that have access to the infrastructure for file and **message** exchange with B3 can send and receive files containing information on **deposits of assets, withdrawals of assets**, balances of deposited **assets, asset transfers, corporate actions**, and custody fees. All of this information is also available in reports, through a tool provided by the **B3 central depository**.

Information on balances of deposited **assets, asset transfers** and **corporate actions** can also be transmitted by **message**, as defined in the B3 **message** catalog.

### 8.2. Information to issuers and registrars

The **issuers** and **registrars** that have access to the infrastructure for file exchange with B3 can send and receive files containing information on **asset** reconciliation, **deposits of assets, withdrawals of assets**, balances of deposited **assets** and **corporate actions**. All of this information exchanged with the **issuers** and **registrars** are consolidated under the **investor's** CPF number or CNPJ number. **Issuers** and **registrars** can also obtain information directly from the **B3 central depository** systems.

### 8.3. Information to external systems

The **external systems** that have access to the infrastructure for file exchange with B3 can send and receive files containing information on movements and balances of **assets** in their **settlement accounts** and of **assets** held in their **subaccounts** linked to the encumbrance of **collateral** deposited in their favor. All of this information is also available in reports, through a tool provided by the **B3 central depository**.

### 8.4. Information to regulators

The **B3 central depository** provides periodical information on balances of deposited **assets, movements of assets** and **corporate actions** to regulatory agencies, so that they can perform their oversight and regulation activities.

## 8.5. Information to investors

B3 provides the **investors** that execute **transactions** in the markets it manages and hold **assets** in the **B3 central depository** with channels of communication, which include:

- The investor's logged-in area on B3's website; and
- Notifications sent to the **investors** by e-mail.

### 8.5.1. Investor's logged-in area

B3 provides an information service with restricted access to their **investors**, on B3's website, called investor's logged-in area. Every **investor** who has a **deposit account** at **B3's central depository** through a **custody agent** is able to access this service.

Access procedures and instructions can be obtained directly by the **investor** at B3's website. Access information are also sent to the **investors** e-mail address, registered by their **custody agent**, as soon as their first **asset** is registered at B3.

The **investors** contact information, for accessing the logged-in area, comes from the registration data provided by their **custody agent** at B3.

This service is available on a twenty-four seven (24/7) basis and offers the **investor** the option to consult its consolidated **assets position** at B3, the movements carried out and the associated **corporate actions**, also allowing the configuration of receiving notifications by the said channel. The information generated there are related to the previous day closing.

The investor's logged-in area at B3 also allows the **custody agent** to provide, at its discretion, the **movement of assets** request service and other additional services to its **investors**, through this channel.

The **custody agent** is responsible for confirming the **investors** authentication to authorize the execution of the **movement of assets** and other additional services, when applicable, through the investor's logged-in area at B3, being responsible for identifying the **investor** and validating the request.

Through the investor's logged-in area at B3 it is also possible for the **investors** to authorize the sharing of their statement data with authorized third parties in a safe way.

#### 8.5.1.1. Notifications sent to investors

**B3** sends statement notifications which are needed for the **investor** to be able to use this service in a safe and easy way. Such notifications include submissions of new access passwords, password warnings, password change warnings, access blocking warnings, among others.

### **8.5.2. Survey requests**

The **B3 central depository** will provide information on the balances of deposited **assets, movements of assets** and **corporate actions** to answer surveys submitted by **investors**, whether individuals or legal entities, residents, or nonresidents, as well as by **custody agents, issuers, registrars**, and court and administrative authorities.

The surveys are conducted after the documentation evidencing that the applicant has the necessary powers to submit the relevant request is reviewed, at the discretion of B3, and may be charged if the information requested refers to historical periods, according to the pricing list defined by the **B3 central depository**.

## 9. COSTS AND CHARGES

This chapter describes the procedures adopted by the **B3 central depository** to disclose the **costs** and **charges** arising from the use of its services by the **participants**.

The **costs** and **charges** levied by B3 are described in its pricing policy, which is published via circular letter.

At its sole discretion and at any time, B3 may apply different fees to specific services rendered in the context of the **B3 central depository**.

Also at its sole discretion, B3 may grant discounts or incentives to **participant** categories, which will be applied to the **costs** and **charges** to be collected.

## 10. SPECIAL SITUATIONS

### 10.1. Recovery plan

Pursuant to the provisions set forth in its rules, the **B3 central depository** may adopt procedures in case of **recovery plan** activation under a scenario of unavailability or integrity failure of its technology infrastructure, including suspension of the services it provides, as well as **clearinghouse**, trading and **securities lending** activities.

On the date the availability or the integrity of the technology infrastructure is restored:

- The **settlement** of obligations not settled during the period of suspension of activities proceeds, as established in the **clearinghouse** operating procedures manual;
- The **movement of assets** resume, pursuant to regular **clearinghouse settlement** procedures; and
- Trading, **securities lending** and further **clearinghouse** procedures resume.

### 10.2. Special situations involving participants

In the event of a **special situation** involving the **custody agent**, in order not to compromise the continuity of its regular activities, B3 central depository must request its **investors** to carry out the immediate transfer of their **assets**, rights, liens and encumbrances custody to the destination **custody agent** of their choice.

After 60 (sixty) days from the decree of the **special situation**, the **custody agent** may appoint a destination **custody agent** to receive the remaining custody of **assets** and underlying rights, liens and encumbrances of the **investors**, chosen through private negotiation or auction procedure.

Assuming that there are remaining balances in the **custody agent** after 120 (one hundred and twenty) days after the decree of the **special situation**, B3's **central depository** may transfer **assets** and underlying rights, liens and encumbrances, to another **custody agent**, without the need for instructions from any **participants**, respecting the following criteria:

- If the **investor** has an active **account** in one or more **custody agents**, the transfer will be carried out to the **custody agent** in which the **investor** has more **assets**, in financial volume, on the transfer date;
- If it is not possible to differentiate the **custody agents** by the **investor's assets** financial volume, the **custody agent** under which the **investor** has an active **account** with the most recent registration update will prevail;
- If the **investor** does not have an active **account** with another **custody agent**, the transfer will be carried out to the destination **custody agent** that has received more **assets**, in financial volume, due to this **special situation**; and
- If the adoption of the above criteria is not possible, carry out the **withdrawal** of **assets** and underlying rights, liens and encumbrances, to the respective **issuer's** books.



B3's **central depository** may adopt different procedures, based on (i) the circumstance of the **special situation** that caused the commitment of the **custody agent's** activities; and (ii) the seriousness and urgency of carrying out these procedures in view of the need to maintain the integrity of their systems. Such procedures may include measures to deal with rights exercise with specific characteristics, special deadlines requirement for the adoption of measures determined by B3's **central depository**, among other measures applicable to the proper conduct of the transfer process due to the **special situation**.

The destination **custody agent** must receive the **assets** as they are, with the underlying rights, liens and encumbrances, including blockings by court order or competent administrative authority. The origin **custody agent** undertakes to forward the necessary information and documents so that the destination **custody agent** can properly control the **assets** received.

### **10.3. Extraordinary holiday**

This section describes the special procedures that may be adopted by **B3 central depository** in the event of an extraordinary holiday decree until the business day before its effectiveness.

An extraordinary holiday is a holiday established by a competent authority which has not been regularly scheduled on the national, state, municipal or local calendar, and which is not reflected on the calendar published by B3, and on which it is not possible to have a trading session at B3, **clearinghouse** and/or **B3 central depository** activities.

Pursuant to B3 rules, in the event of an extraordinary holiday decree, B3 might suspend the services provided by the **B3 central depository** until the following business day.

On the first business day followed by the end of the extraordinary holiday, **B3 central depository** services are re-established, and all the procedures and obligations originally predicted for the period corresponding to the extraordinary holiday are fulfilled.

B3 may, exceptionally, establish other conditions, in addition to those referred to above, upon prior market notice.

## 11. EMERGENCY SITUATIONS

This chapter describes the emergency situations considered by B3 and the appropriate measures that might be taken in any such circumstance.

### 11.1. Emergency situations

The following constitute emergency situations:

- The interruption of communications between the **B3 central depository** and its **participants**;
- The reduction or cessation of the capacity of B3's facilities to receive, transmit, send, approve, or process **messages**, whether involving **movements of assets** or **payments**, or for administrative purposes; and
- The occurrence of any other abnormal condition that, at the discretion of B3's Chief Executive Officer, might represent the possibility of loss or discontinuity for the **B3 central depository** operations.

In the event of an emergency, the B3 Chief Executive Officer may establish contingency measures and, with the prior consent of BCB and CVM, as the case may be:

- Change the operating hours of the **B3 central depository** systems;
- Declare the total or partial interruption of the **B3 central depository**, as well as of a particular **participant** or group of **participants**, until the problem causing the emergency is solved; and
- Decide on another similar course of action to ensure the effectiveness and safety of the operations.

## 12. SANCTIONS

This chapter describes the procedures utilized by B3 to apply the sanctions stipulated in the **B3 central depository** rules.

### 12.1. Sanctions

In the event of noncompliance with the obligations prescribed by the **B3 central depository** rules, by this manual, by the supplementary regulations thereto, or by applicable legislation and regulations, B3 may impose **fin**es which cannot exceed any of the following amounts:

- Five hundred thousand Brazilian reais (BRL500,000.00) to **custody agents**;
- Four hundred thousand Brazilian reais (BRL400,000.00) to **issuers of assets** deposited in the **B3 central depository**; and
- Three hundred thousand Brazilian reais (BRL300,000.00) to **registrars, gold depositaries and gold refiners**.

The aforementioned amounts will be adjusted for inflation every twelve (12) months, in accordance with the change in that period to the General Market Price Index [*Índice Geral de Preços – Mercado, or IGP-M*], calculated by the Getulio Vargas Foundation [*Fundação Getúlio Vargas, or FGV*], or to any other index that might be created to replace the IGP-M index.

## 13. TIME GRID

The **B3 central depository** activities follow the timetable published in this chapter.

### 13.1. Time grid

<b>Instruction/Event</b>	<b>Time frames</b>	<b>Hour</b>
Electronic <b>deposit of assets</b>	—	<b>By 8:00 PM</b>
Manual <b>deposit of assets</b>	—	<b>By 2:00 PM</b>
Deposit of gold as a financial <b>asset</b>	—	<b>By 11:00 AM for same day credit</b>
<b>Withdrawal of assets</b>	—	<b>By 8:00 PM</b>
<b>Withdrawal</b> of gold as a financial <b>asset</b>	—	<b>By 4:00 PM</b>
Special <b>asset transfers</b> by request of <b>custody agent</b>	—	<b>By 6:00 PM</b>
Request for BDR issue and cancellation	—	<b>By 8:00 PM</b>
Issuance and cancellation request for international programs	—	<b>By 5:30 PM</b>
Creation of balance for distribution offers	<b>Settlement date of offering</b>	<b>By 10:00 AM</b>
ETF share issue or cancellation	—	<b>Within 15 minutes after closing of trading session, depending on each fund's procedures</b>
Acceptance of ETF share paying up or redemption	—	<b>Within 30 minutes after closing of trading session, depending on each fund's procedures</b>
Request for <b>voluntary corporate action</b> exercise	<b>V-1</b>	<b>By 8:00 PM</b>

Instruction/Event	Time frames	Hour
Credit of funds for subscription rights and unsubscribed share exercise to <b>clearinghouse settlement account</b>	V	By 11:45 AM <sup>(1)</sup>
Credit of funds for <b>corporate actions</b> to <b>clearinghouse settlement account</b>	P	By 11:45 AM <sup>(1)</sup>
Rights assignment derived from <b>corporate actions</b>	V-1	By 8:00 PM
Sending remote voting instructions	(2)	By 10:30 PM
<b>Remote voting ballot</b> inclusion	(2)	By 11:59 PM
<b>Remote voting ballot</b> editing or canceling	(2)	By 11:59 PM

<sup>(1)</sup> Receipt of **message** confirming credit to **clearinghouse settlement account**.

<sup>(2)</sup> Deadlines according to current legislation

Where:

V = the last day to exercise subscription rights at **assets' issuer**; and

P = the date of **corporate action payment** by **issuer**.