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<b>XXVI – Client File</b>	<b>08</b>	<b>12/16/2008</b>

## **CHAPTER XXVI - CLIENT FILE**

### **26.1 RECORD FILE**

26.1.1 Brokerage Firms must maintain updated client data containing the details, statements and documents described in the templates used by the Exchange,

Template I – Individual Client Record File;  
Template II – Corporate Client Record File;  
Template V – Non-Resident Client Record File.

26.1.2 Clients must provide brokers with details on their financial and Asset status.

- a) For individual clients, these details must be provided using the Form "Investor Financial and Asset Status" (Template III);
- b) For corporate clients, these details must be provided using the current company financial statements.

26.1.3 Members of one or more Investment Clubs whose consolidated balance of investments with one single the Exchange Member Brokerage Firm, or with one manager, amount to less than ten thousand Brazilian reais (BRL 10,000.00) may use the simplified form containing details as in Template IV.

26.1.4 In case of Non-Resident Client files, Brokerage Firms may keep record files according to the Template V – Non-Resident Client File, subject to the execution of a written and specific agreement by and between the Brokerage Firm and the Foreign Intermediary, which shall provide at least the following clauses:

26.1.4.1 Obligations of the Foreign Intermediary:

- a) Make the agreement and its parties conform to the laws of the Federative Republic of Brazil, as well as its respective bodies and agencies;
- b) Make their clients aware of the Brazilian laws related to the stock market by providing them with copies of their contents or report where such laws can be accessed;
- c) Report to their clients that the operations they conduct in Brazil are subject to the Brazilian capital market laws;
- d) Submit any disputes or litigations resulting from the agreement execution to the Brazilian Judiciary Power or the Market Arbitration Panel;
- e) Appoint an attorney-in-fact in Brazil to receive summons, subpoenas and notices, whether of a judicial nature and/or otherwise, issued by the Brazilian Judiciary Power, administrative authorities and self-regulating entities concerning the subject-matter of the respective agreement;
- f) According to the terms set forth by the Brazilian laws, keep all the data and documents updated to allow the identification of Non-Resident Investors, as well as provide them to Brokerage Firms whenever requested and required

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to the performance of the institutional purposes and the requirements by regulatory agencies and self-regulating entities within the terms set forth by them, pursuant to their respective competence levels;

- g) Provide Brokerage Firms with any information that may be required in order to meet the requirements of the Central Bank of Brazil, the Securities and Exchange Commission, Federal Internal Revenue Service and other public bodies and self-regulating entities, pursuant to the laws and the limits of their respective competences, and within the terms set forth by them;
- h) Identify and know their clients in order to prevent any activities related to money laundering; and
- i) Identify and report any changes in the individual/area in charge of keeping their clients' information.

26.1.4.2 A clause setting forth the obligation by Brokerage Firms to provide the Foreign Intermediary with the bylaws, laws, codes, regulations, norms and requirements by governmental authorities, regulatory agencies and self-regulating entities concerning their performance on the Brazilian capital market;

26.1.4.3 A clause setting forth the agreement termination in case any of the obligations provided therein are not performed, especially those related to the compliance with the rules for Nonresident Clients to conduct operations in the Brazilian financial and capital markets;

26.1.5. The minimum clauses provided in the items 26.1.4.1 to 26.1.4.3 are in the Template VI - Agreement between Foreign Intermediaries and Brokerage Firms to Identify and Know Non-Resident Investors.

26.1.6. Brokerage Firms shall:

- a) Report to the Exchange, by means of letter, delivery receipt requested, on:
  - (i) All the contractual relations with Foreign Intermediaries at least five business days prior to the beginning of the effective term of the respective agreements.
  - (ii) The termination of each agreement executed with Foreign Intermediaries at least 5 business days prior to the effective termination, except in case of automatic termination resulting from any contractual breach, and, in such case, the Exchange shall be informed about such termination date; and
- b) Appropriately keep all the agreements executed with foreign intermediaries in file and provide them to the Exchange and other regulatory agencies whenever requested.

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26.1.7 In case there's any violation of the provisions in item 26.1.4 and its sub items, Brokerage Firms may not execute the orders transmitted by Non-Resident Clients, except the full record file template has been adopted (Template I or Template II).

26.1.8 In case any regulatory agency reports to the Exchange any Foreign Intermediaries have not performed, without any justification provided, their obligations concerning information provision, pursuant to the item 26.1.4.1, "f" and "g", the Exchange shall then report such fact to Brokerage Firms.

26.1.8.1 Brokerage Firms may not execute the orders transmitted by Foreign Intermediaries which the notice mentioned in the item 26.1.8 refers to. In such case, Brokerage Firms shall report the respective Foreign Intermediaries that they will be allowed to operate only on account and behalf of their respective Non-Resident Clients upon the full Record File Template (Template I or Template II).

26.1.8.2 The agreement executed between Brokerage Firms and Foreign Intermediaries which the notice mentioned in item 26.1.8 refers to shall be regarded as automatically terminated and shall not produce any effects on the Exchange.

26.1.9 The Exchange may audit, from time to time and whenever required, the information provided by Brokerage Firms concerning the agreement executed with the Foreign Intermediaries.

## **26.2 SECURITIES TRADING NOTICE (ANA)**

26.2.1 The Exchange will periodically provide to registered investors, by mail and/or electronically, the securities trading notice containing the trades executed on their behalf.

26.2.2 The Chief Executive Officer may periodically set a fee for issuing securities trading notices to investors and the Brokerage Firms representing them, which will be responsible for collecting such fee and forwarding it to the Exchange.