



Investment Fund’s

Standard Due Diligence Questionnaire – Section 1:

Information about the company

Third party resource manager:

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| --- |
|       |

Questionnaire filled by:

|  |
| --- |
|       |

Date:

|  |
| --- |
|       |

**(All fields must be filled. If a field is not applicable to your institution, it should be filled with “N/A”)**

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# Introduction

The objective of this ANBIMA Investment Fund’s Standard Due Diligence Questionnaire (“Questionário Due Diligence”) is to provide broader rationality to diligence processes aimed at selecting and allocating resources in investment funds, by setting a unique standard for the questionnaire to be used in these processes. Being usually delivered by institutional investors or resource allocators to the investment fund manager where they want to invest, this Due Diligence Questionnaire has been prepared and will periodically reviewed by a Working Group of associates of ANBIMA. Its use, however, does not discourage Exchange of additional information regarding issues eventually not foreseen in the document among interested parties.

This Document has three sections:

Section 1 – Information about the Company

Section 2 – Information about the Investment Fund

Section 3 – Professional Resumes

The Regulation and Best Practices Code for Investment Funds recommends adopting this document.

# 1) Information about the Company.

|  |
| --- |
| **1 – Business Entity Information** |
| 1.1 | Corporate name |
|       |
| 1.2 | Commercial name  |
|       |
| 1.3 | Address |
|       |
| 1.4 | National Register of Legal Entities number  |
|       |
| 1.5 | Date of incorporation |
|       |
| 1.6 | Phone number  |
|       |
| 1.7 | Fax number |
|       |
| 1.8 | Website |
|       |
| 1.9 | With which regulatory authorities has the obtained registration? Please detail register data, such as name, date and register of activities number. |
|       |
| 1.10 | Does the company belong to any class associations? Please mention them |
|       |
| 1.11 | Please state name of the person answering this questionnaire |
|       |
| 1.12 | Job position of the person that answered |
|       |
| 1.13 | Phone number of the person |
|       |
| 1.14 | Fax |
|       |
| 1.15 | E-mail of the person |
|       |
| **2 – Institutional Information** |
| 2.1 | Corporate data: names of main stockholders and their market share (please attach their Resumes, based on model included in Section 3) |
|       |
| 2.2 | Main changes in corporate data in the last five years. |
|       |
| 2.3 | Please detail corporate structure of the group |
|       |
| 2.4 | Please provide company’s organization chart (including Resume of main executives according to model included in Section 3) |
|       |
| 2.5 | Please mention who is the person in charge of relations with the CVM (attach Resume according to model included in Section 3) |
|       |
| 2.6 | Has the company subscribed the Regulation and Best Practices Code of ANBIMA? If the answer is “yes” please mention the Code(s). |
|       |
| 2.7 | Has the company subscribed the Code of Ethics of ANBIMA? |
|       |
| 2.8 | Has the company subscribed any other Codes or legal instruments? If the answer is “yes” please mention the institutions. |
|       |
| 2.9 | Do the main stockholders or main executives have any participation in other businesses? If this is the case, please mention the companies.  |
|       |
| 2.10 | Does anyone of main executives perform activities of representation or governance (such as positions in Boards of Directors, Boards, Commissions, Associations, Stock Exchanges, etc.) in other companies or entities? If any, please mention them |
|       |
| 2.11 | Please briefly describe the company’s background. |
|       |
| 2.12 | Does the Company have a Code of Ethics and Behavior, Compliance Manual, Risk Manual, Mark to Market Manual, Liquidity Management Manual, and a Suitability Policy*?* If the answer is “yes” please attach them. |
|       |
| 2.13 | Please mention formal Committees, their participants and composition detailing job positions, frequency of meetings and how decisions are registered.  |
|       |
| 2.14 | In case the economic group of the company provides administration, controlling and custody services, please describe the structure and relationship they maintain with the managing company (please attach Resume based on model included in Section 3) |
|       |
| 2.15 | Does the institution have an own IT area? If the answer is “yes” please detail current activities, organization chart and job position of people involved. |
|       |
| **3 – Company Data** |
| 3.1 – Fill the table down here with figures corresponding to company’s data |
|

|  |  |  |  |
| --- | --- | --- | --- |
| Year | Assets under mana- gement (position at the end of period) | Total number of people working at the company  | Total number of portfolios under management |
| 2012 |  |  |  |
| 2013 |  |  |  |
| 2014 |  |  |  |
| 2015 |  |  |  |
| 2016 |  |  |  |

 |
| 3.2 | Type of portfolios under management (\* without double counting) |
| Funds:Local addressRegistered abroad |  Nº % of the portfolio                         |
| Clubs |              |
| Local addressportfoliosResolution 2.689 |                          |
| 3.3 | What is asset under management breakdown, according to following investment fund categories? |
| Type | Nº  | Exclusive | % total |
| Short term |  |       |       |
| Index-pegged |  |       |       |
| Foreign exchange |  |       |       |
| Fixed income |  |       |       |
| Multi-market |       |       |       |
| External debt |       |       |       |
| Stock |       |       |       |
| FIDC |       |       |       |
| FIP |       |       |       |
| FIEE |       |       |       |
| FII |       |       |       |
| Exchange traded Funds (ETF) |       |       |       |
| Other categories |       |       |       |
| 3.4 | With how many distributors and/or allocators does the Company have distribution agreements or contracts? |
| Nº      |
| 3.5 | Considering total volume of assets under management, what is the breakdown of main five distributors or allocators? |
|       % |
| 3.6 | What is currently the breakdown under management specifically originated by investments of the own Company (including controlling and associated companies, subsidiaries, their partners and main executives)? |
|       % |
| 3.7 | How liabilities are distributed, according to investor’s profiles? |
| Type | nº  | % liabilities |
| Individuals |       |       |
| Companies |       |       |
| Financial Institutions / Insurance companies/ Investment companies |       |       |
| Pension funds as institutional investors  |       |       |
| Distributors, allocators (including third party funds of funds and *family offices*) |       |       |
| Foreign investors |       |       |
| Government |       |       |
| 3.8 | Considering the total volume of assets under management, what is the market share of 10 main clients? Please detail it individually. |
|       |
| **4 - Company Revenues** |
| 4.1 | What is company’s revenue structure? (Management, performance, commissions, rebates etc.) |
|       |
| 4.2 | From total revenue of the company, what is the percentage coming from portfolio management? |
|       |
| 4.3 | Is the administration FEE enough to cover company’s costs? |
|       |
| **5 – Human Resources**  |
| 5.1 | What are employees and associates salaries or commission policies? |
|       |
| 5.2 | How does the Company manage to keep talented people working in your team? |
|       |
| 5.3 | Is there any professional development and training policy regarding employees/associates? Could you describe it? |
|       |
| **6 - General Information** |
| 6.1 | What is the limit for growth of assets under management that current structure of the Company could support (facilities, team, hardware and software)? Are there any expansion plans? |
|       |
| 6.2 | Has the company ever been evaluated by a rating agency? What was the score given to the management? (please attach last available report) |
|       |
| 6.3 | Has the company ever received an award from any publication or entities, related to the quality and background of its management? Could you please mention them? |
|       |
| **7 – Operational Information**  |
| 7.1 - Economic Analysis and Research |
| 7.1.1 | Please describe the Economic Analysis and Research structure of the company (please attach Resume according to model showed in Section 3) |
|       |
| 7.1.2 | Please detail main changes in research team in the last five years. |
|       |
| 7.1.3 | Does the Company have an own research team or is it from a third party? If both, please specify each percentage |
|       |
| 7.1.4 | In case you use your own research team, what analysis tools are used in the decision process? Does the team exclusively work for the *buy side* or also prepares reports and data for others (*sell side*)? |
|       |
| 7.1.5 | What kind of services or systems is hired to give support to the analysis? |
|       |
| 7.2 – Resource Management |
| 7.2.1 | Please describe the company’s resource management structure (please attach Resume, according to model showed in Section 3) |
|       |
| 7.2.2 | Please detail main changes in management team in the last five years. |
|       |
| 7.2.3 | What kind of services or systems is hired to give support to the management? |
|       |
| 7.2.4 | Please describe brokerage selection and follow up processes |
|       |
| 7.2.5 | Please detail the list of approved brokerage houses. |
|        |
| 7.2.6 | What is the criterion guiding distribution of orders among selected brokers? Please comment about concentration, rotation and use of *discount brokers* and *research brokers*. |
|       |
| 7.2.7 | What is the cash management policy? Do you trade repo operations with government bonds, other investment funds, or one-day CDBs? Please describe it. |
|       |
| 7.2.8 | How does the management control average term of long term fund bonds, in order to establish their tax classification? |
|       |
| 7.2.9 | How do you assess the performance of managers and funds? |
|       |
| 7.2.10 | To who fund managers’ account, regarding funds performance? |
|       |
| 7.3 – Risk |
| 7.3.1 – Structure |
| 7.3.1.1 | Please describe the company’s risk management structure (attach Resume, according to model showed in Section 3) |
|       |
| 7.3.1.2 | Who is in charge of the area, and to who does him/her reports? |
|       |
| 7.3.1.3 | Please detail main in the risk team in the last five years. |
|       |
| 7.3.1.4 | What service systems are used to give support to the rik control? Are they developed in the company or hired from third parties? Who are the suppliers? How have they been chosen? Please mention them specifically by type of risk (credit, counterpart, price, liquidity and operational). |
|       |
| 7.3.1.5 | Please detail types of risk reports, their frequency and content, to whom they are sent, and who analyses them |
|       |
| 7.3.2 - Credit Risk |
| 7.3.2.1 | Please describe portfolio credit risk management methodology. |
|       |
| 7.3.2.2 | How do you analyze and approve each new credit operation?  |
|       |
| 7.3.2.3 | Does the company, regardless of pricing criteria, have any procedure or strategy in case of imminence or occurrence of default? |
|       |
| 7.3.3 - Counterpart Risk |
| 7.3.3.1 | Please describe counterpart credit risk management methodology. |
|       |
| 7.3.3.2 | How does the company choose counterparts and approve their limits? |
|       |
| 7.3.4 – Price Risk |
| 7.3.4.1 | Please describe adopted methodology to calculate price risk (for example VaR, Stress Test, Stop loss, etc). |
|       |
| 7.3.4.2 | How are set price risk controls? |
|       |
| 7.3.4.3 | How is performed the control and monitoring of strategy limits (for ex.: *books* such as volatilities, directional, arbitration etc)? How frequently are they updated? |
|       |
| 7.3.4.4 | In cases of positions exceeding trading limits, what is the decision process used to reclassify them? |
|       |
| 7.3.4.5 | Does the administrator or custodian perform additional risk controls in manager’s portfolio? If the answer is “yes” please detail. |
|       |
| 7.3.5 – Liquidity Risk |
| 7.3.5.1 | Please describe adopted methodology (ies) to calculate liquidity risk, including low liquidity and/ or excessive redemptions processing. |
|       |
| 7.3.5.2 | How are controlled and monitored strategy limits (for example: *books* such as volatilities, directional, arbitration etc)? How frequently are they updated? |
|       |
| 7.3.6 - Operational Risk |
| 7.3.6.1 | Please describe operational risk management methodology |
|       |
| 7.3.6.2 | Please describe order execution confirmation procedures and portfolio and custody position’s checking |
|       |
| 7.3.6.3 | Please describe main pillars of contingency, business continuity and disaster recovery plans adopted by your company. |
|       |
| 7.3.6.4 | Please describe the information safety policy. |
|       |
| 7.3.6.5 | Do you have any phone call recording system? What is the policy regarding listening to recorded phone calls? |
|       |
| 7.3.6.6 | Please describe back-up and information redundancy procedures, desktops and servers (for back-up, please mention specifically the periodicity, place and storage term). |
|       |
| 7.3.6.7 | Please describe the Data Center access control policy (physical and logic). |
|       |
| 7.3.6.8 | Please describe the institution’s current technology park. Mention no-breaks, server’s capacity, internet and phone links etc. |
|       |
| 7.3.6.9 | Does the institution have e-mail filters, firewall and antivirus systems? |
|       |
| 7.3.6.10 | Do you perform regular tests to check safety and integrity of the systems? How frequently? |
|       |
| **8 - Compliance and Internal Auditing** |
| 8.1 | Who is in charge of compliance and internal auditing areas, and to whom him/her report? |
|       |
| 8.2 | Please describe the process of adherence to the Code of Ethics and Conduct, and their updates, accomplished by people working at the company. |
|       |
| 8.3 | Please describe personal investment policy and its monitoring.  |
|       |
| 8.4 | Does the company have a fund or any other investment instrument to be exclusively used by your associates or executives? |
|       |
| 8.5 | Please describe investment rules of your own resources. |
|       |
| 8.6 | Please describe procedures to control alternative ways of communication within the corporative system, to manage conflicts of interest such as front running, confidential information leakage etc. (examples of alternative ways of communication: mobile phones, SMS, and externalwebmail) |
|       |
| 8.7 | Please describe how you check procedures targeting combat to money laundering done by your distributors. |
|       |
| 8.8 | *In case your company carries other activities, please describe your Chinese wall policy, and how you guarantee protection of information among departments not involved in the same project or line of business.* |
|       |
| 8.9 | *If the company uses administration, controlling or custody services rendered by companies of the same economic group, how do you guarantee segregation between the provider and portfolio management area?* |
|       |
| 8.10 | *Please describe rules and procedures for monitoring the splitting of orders, principal’s specifications and portfolio operations.* |
|       |
| 8.11 | Please describe rules and procedures for monitoringoperations not traded in electronic negotiation platforms, emphasizing their prices and reference sources used. |
|       |
| 8.12 | Is there any external agent (for example a consulting firm) besides the administrator, involved in checking adherence to risk, legal or regulatory limits of fund positions being managed by the Company ? |
|       |
| 8.13 | Please describe how you manage conflicts of interest arising from the participation or activity of associates or executives in other business, or their eventual participation in Boards of Auditors and Administration Boards. |
|       |
| 8.14 | Please describe rules regarding soft dollar treatment such as receiving presents, payment of courses, trips etc. |
|       |
|  8.15 | Does the company receive any commission for allocation of investments in securities distributed in counter business? What are the rules? Please explain rebates issue in administration fees and performance on invested funds paid to the some manager in some specific way. |
|       |
| 8.16 | Do you perform periodic tests to check the compliance of internal policies? How frequently? |
|       |
| **9 - Juridical and legal issues** |
| 9.1 | Please describe how are handled juridical and legal issues of your company (do you have an own juridical department or you hire third party consultants?) |
|       |
| 9.2 | Has the company or any of its directors ever been punished by the CVM or the Central Bank or by the Financial System Resource Council? In case the answer is “yes” please inform process number. |
|       |
| 9.3 | Is there any process against the Company or any of its directors in the CVM, the Central Bank or by the Financial System Resource Council? |
|       |
| **10 - Annexes** |  |
| 10.1 | Resume  | Yes [ ]  No [ ]  |
| 10.2 | Risk Manual | Yes [ ]  No [ ]  |
| 10.3 | Mark-to-Market Manuals  | Yes [ ]  No [ ]  |
| 10.4 | Compliance Manual  | Yes [ ]  No [ ]  |
| 10.5 | Code of Ethics and Conduct | Yes [ ]  No [ ]  |
| 10.6 | Exercising the right to vote policy Manual (*Proxy Voting*) | Yes [ ]  No [ ]  |
| 10.7 | Rating Report | Yes [ ]  No [ ]  |
| 10.8 | Liquidity Manual  | Yes [ ]  No [ ]  |
| 10.9 | Suitability Policy | Yes [ ]  No [ ]  |

#  2) Declaration

We do declare that this questionnaire has been filled, verified and signed by duly authorized people, and that this institution cares for its accuracy, truthfulness and integrity of all the information herein contained, as well as its attached documents and annexes.

We bind to keep all the information of this questionnaire duly updated each semester, sending new versions of this questionnaire to distributors and allocators in January and July, based in data from December and June, except information contained in Item 3 –Important Events, that will be updated and communicated immediately after having occurred.

|  |  |
| --- | --- |
| Place (City):       | Date:       |
| Name:       |
| Position:       |

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

# 3) Important Events

**1 – Any alteration of issues in this section must be informed immediately after becoming effective, stating date of alteration.**

|  |  |
| --- | --- |
| 1.1 | Society changes affecting company’s stock control.  |
|       |
| 1.2 | Main partners joining or leaving the company. |
|       |
| 1.3 | Alteration regarding professionals in charge of activities of the managing company, including compliance and risk.  |
|       |
| **2 - Alterations since last update** |
| 2.1 | Date of last update. |
|       |
| 2.2 | What are managing company’s relevant facts since last update? |
|       |
| 2.3 | Please list altered items since last update of this questionnaire. |
|       |

# 4) Refresh Summary