



ANBIMA Code
of Regulation
and Best Practices

**for Private Banking
Activities in the
Domestic Market**

CHAPTER I - PURPOSE AND SCOPE

Article 1 - The objective of this Code of Regulation and Best Practices (“Code”) is to establish the parameters relative to Private Banking Activities in the domestic market, to be observed by the Participating Institutions listed below, to the following ends:

- I. Maintain the highest ethical standards and legitimate the institutionalization of equitable market practices;
- II. Promote the proper functioning of Private Banking Activities in the domestic Market;
- III. Keep transparency in relations with clients;
- IV. Promote the qualification of institutions and their professionals involved in Private Banking Activities; and
- V. Commit with the quality of the recommendation in the distribution of products and services.

Paragraph 1 - For purposes of this Code, Private Banking Activities in the domestic market consist in the activities listed in Article 6 herein, provided to clients under Paragraph 2 of this Article, and exercised by institutions classified as financial or financial-like institutions authorized to operate in the Country by the Brazilian Central Bank, in that such activities are offered regardless of other services provided by the respective Participating Institution (“Private Banking”).

Paragraph 2 - In order for a client, individually or collectively, to be eligible for the exercise of Private Banking Activities, such client must meet the minimum investment capacity requirements defined by each Participating Institution, which must be at least one million Brazilian reais (R\$ 1,000,000.00), without prejudice to other criteria that may be adopted by Participating Institutions.

Article 2 - Compliance with the principles and rules herein shall be mandatory to Participating Institutions, so considered the institutions affiliated to the Brazilian Financial and Capital Markets Association – ANBIMA, as well as to any institution which, although not affiliated, expressly adheres hereto upon execution of the relevant Adhesion Agreement, always in strict observance of the terms of Article 1, Paragraph 1, and of the procedures under Paragraph 2 to 5 below.

Paragraph 1 - Non-member institutions wishing to adhere to this Code shall first undergo a process of analysis of mandatory requirements, to be conducted by ANBIMA’S Executive Board, pursuant to the ANBIMA Bylaws and website.

Paragraph 2 - In order to adhere to this Code, all the institutions approved in the preliminary process under ANBIMA Bylaws and Paragraph 1 of this Article must meet the minimum requirements under Chapter IV herein, the analysis of which shall be made by the Board of Regulation and Best Practices to Private Banking Activities (“Board of Regulation and Best Practices”).

Paragraph 3 - The adhesion process under Paragraph 2 above shall be deemed effective upon the favorable opinion of simple-majority members of the Board of Regulation and Best Practices, in that the institution may opt to execute a compliance agreement (“Compliance Agreement”) whereby it undertakes to fully comply with the minimum requirements stated in Chapter IV herein.

Paragraph 4 - The Compliance Agreement may be executed between the institution and ANBIMA, at the exclusive discretion of the Board of Regulation and Best Practices, in the event of inability to meet all the minimum requirements under Chapter IV herein.

Paragraph 5 - For purposes of this Code, institutions willing to sign the Compliance Agreement shall be deemed to be Participating Institutions, and failure to comply with the terms and deadlines stipulated in the Compliance

Agreement shall subject them to the penalties imposed hereunder, following proceedings conducted under the ANBIMA Code of Regulation Proceedings and Best Practices.

Article 3 - Participating Institutions shall ensure compliance herewith by all entities belonging to its economic conglomerate or financial group engaged in Private Banking Activities in Brazil. Such undertaking does not amount to an acknowledgment, by Participating Institutions, of any liability, joint and several, or transferred between said institutions. However, all the mentioned entities shall be subject to the rules and principles stated in this Code.

Paragraph 1 - For purposes hereof, an entity is considered to belong to a same conglomerate or financial group if it controls, is controlled by, or is subject to the common control of Participating Institutions authorized to operate in Brazil.

Paragraph 2 - Institutions not affiliated to ANBIMA may adhere to this Code upon the execution of the relevant Adhesion Agreement. The institution shall declare in the Adhesion Agreement that its adhesion to this Code extends to all participants in its conglomerate or financial group, under the main clause herein.

Paragraph 3 - The adhesion referred to in the previous paragraph shall be deemed effective only upon approval by the president of the Board of Regulation and Best Practices.

Paragraph 4 - In the event a non-member Participating Institution wishes to cancel adhesion hereto, such cancellation shall be requested by letter to be addressed to the president of the Board of Regulation and Best Practices. Such request shall be granted only if such Participating Institution has no pending obligations with ANBIMA, including obligations resulting from proceedings conducted within the ambit of its regulatory activities.

Article 4 - Upon adhesion to this Code, Participating Institutions shall adopt it as a statement of principles governing Private Banking Activities.

CHAPTER II – GENERAL PRINCIPLES

Article 5 - Participating Institutions shall observe the following principles and rules upon the exercise of Private Banking Activities:

- I. Perform Private Banking Activities based on the principles of free enterprise and free competition;
- II. Deter any practices which may breach the rules and principles of this Code, the applicable legislation and/or the other rules prescribed by ANBIMA;
- III. Avoid practices that amount to unfair competition;
- IV. Adopt, in performing their functions and upon compliance with their duties, the same degree of care they usually exercise in managing their own assets and values;
- V. Observe the procedures, rules and best practices prevailing in the market;
- VI. Adopt practices driven towards building and maintaining a long-standing relationship with their clients.

CHAPTER III – PRIVATE BANKING

Article 6 - Private Banking Activities shall encompass:

- I. Providing of banking and financial services and/or credit;
- II. Assistance in the allocation and reallocation of financial investments;
- III. Understanding of the assets and property status, profile and investment purposes, need for liquidity, scope of investments and risks deemed acceptable by clients, in order to define the expectations of return and risk, within the standards outlined by each institution, under Chapter VI herein (suitability);
- IV. Performance of transactions towards the accomplishment of the objective pursued.
- V. Providing of information that help the client make decisions

Paragraph 1 - Private Banking Activities may also include:

- I. Consolidation of information on assets owned in other institutions;
- II. Financial planning, including but not limited to the analysis of investments, risk management, supplementary social security and insurance;
- III. Identification of the other needs of clients relative to their assets, such as succession planning, real-estate assets and equity interest (membership interest) in any companies; and
- IV. Reference to other services connected with financial and capital markets needed by its client, to be provided either directly or through third-party contractors, such as qualified custody.

Paragraph 2 - For services rendered under item III in the previous paragraph, one shall observe that:

- I. Advice shall be provided by independent, specialized professionals or by professionals working for the Participating Institution;
- II. For cases involving the hiring of independent, specialized professionals, this latter shall be solely liable for the services rendered; and
- III. Any legal and tax aspects approached in such advice shall be addressed to third-party independent, specialized professionals, chosen by the clients themselves, in that no liability shall be imputed to Participating Institutions for actions or omissions committed by said professionals.

Paragraph 3 - This Code encompasses the set of activities mentioned in the main clause of this article, as regards clients referred to in Paragraph 2 of Article 1 herein, even if Participating Institutions classify them under different names.

Paragraph 4 - In the event third-party contractors are hired to provide services, the Participating Institutions shall conduct a prior and thorough analysis of such service provider and formalize said hiring by means of a specific written instrument.

Article 7 - Participating Institutions which formalize agreements with their clients for the provision of those services mentioned in item II of the main clause of Article 6, for consideration, must include at least the following details in the agreement:

- I. A description of the services hired;
- II. A description of the remuneration terms, including cases of multiple remuneration for the purchase and maintenance of assets;
- III. The person who will provide the services (if the Participating Institution itself or a third party hired by it);
- IV. A description of the providing of information to the client, and the respective time intervals (e.g.: disclosure of the position of the assets held by the client, profitability, etc.); and
- V. A provision determining the liability of the third-party contractor for the providing of the services, as the case may be.

CHAPTER IV – MINIMUM REQUIREMENTS

Article 8 - Participating Institutions shall meet the following minimum requirements in performing Private Banking Activities:

- I. In terms of structure:
 - a. Be authorized to function by the Brazilian Central Bank;
 - b. Keep sales and client services areas, as regards Private Banking Activities, functionally and physically segregated from other areas which, within the same institution, could generate conflict of interests;
 - c. Count on an area or professional to develop compliance activities with the necessary impartiality in the exercise of their fiduciary functions, such area or professional not being subordinate to the area in charge of managing resources or to any sales area of the Participating Institution, and the compliance activities are so understood, for the purposes of this Code, as preventive actions aimed at due observance of the Laws, regulations and applicable corporate principles, by ensuring good market practices and compliance with the requirements of this Code;
 - d. Adopt a business continuity plan, duly updated and documented, which provides at least for (i) an alternative environment for the processing in situations involving contingences, with adequate equipment and system versions identical to those versions applied at the principal place of processing, and which is not located at the same premises as the principal place of processing, (ii) access to data and information stored at locations and premises other than the principal place of processing, and which allow for activation and continuity of the processing of activities, (iii) contact plan with key persons for activation of the plan and (iv) evidence of plan activation tests conducted every twelve (12) months; and
 - e. Count on safe electronic means for the sending and receiving of information, under the criteria adopted by each Participating Institution, such as home banking or encrypted email.
- II. In respect of its professionals:
 - a. Name an officer responsible for ensuring strict observance with and enforcement of the norms and rules of this Code, as well as of the internal policies of the Participating Institution, and said officer may not be the same person responsible for the treasury, proprietary portfolio and asset management areas, except if such area is a management area solely dedicated and subordinate to the executive board of the Private Banking Activities which, if engaged in the management of funds, adheres to the ANBIMA Code of Regulation and Best Practices for Investment Funds;
 - b. Maintain at least one professional dedicated to investment strategy, in that at least one among such professionals shall be accredited by IBCPF (CFP®), CGA, CFA or authorized by CVM to exercise the management of portfolios, with no need for exclusive dedication to the Private Banking area, provided that no conflict of interests exist in respect of his functions performed in other areas;
 - c. Maintain at least one economist, with no need for exclusive dedication to the Private Banking area;
 - d. Maintain at least one professional responsible for market risk and credit risk analysis of the products recommended to clients, with no need for exclusive dedication to the Private Banking area;
 - e. Maintain at least seventy-five percent (75%) of its investors relations managers (which include financial assistants and developers of new relations and businesses), accredited by the

- IBCPF (CFP®), such professionals being employed by the Participating Institution and exercising their functions exclusively for the Private Banking area; and
- f. Maintain all the professionals of the Private Banking area who have direct contact with clients in the sale, distribution or suggestion of investment products duly accredited, pursuant to the relevant accreditation defined by ANBIMA (CPA 20 or equivalent accreditation).
- III. Have a Code of Ethics, to which all the employees involved in the Private Banking Activities must formally adhere;
 - IV. Demand from their employees the ethical principles and standards of behavior which include at least:
 - a. Conducts that are compatible with moral and professional principles of trustworthiness and honesty;
 - b. Adoption and maintenance of high-level ethical standards and prohibition of practices which represent unfair competition and unequal conditions;
 - c. Disclosure of clear and accurate information to the market on the risks and consequences that may arise from the products, instruments and operational methods in the financial and capital markets;
 - d. Preservation of secret or privileged information entrusted to them by virtue of their professional activities, except for situations involving information on illegal activities, or information whose disclosure is demanded by law or is expressly authorized; and
 - e. Due performance of their obligations with the same degree of care that any prudent or diligent person would exercise in managing their own businesses.
 - V. Count on, at least, policies in respect of the following matters:
 - a. Access to and confidentiality of information;
 - b. Clients relationship, including the constant monitoring of transactions made by them;
 - c. Constant qualification and training of their employees ("Training Program"); and
 - d. Procedures to be observed upon conduction of employees' individual investments (such as officers, members, co-owners, managers, employees, contractors, interns and apprentices) and/or their relatives.
 - VI. As regards the access to and confidentiality of information, Participating Institutions shall count on internal policies driven towards the integrity and secrecy of information resulting from the development of Private Banking Activities, in that such policies shall provide for, at least:
 - a. Rules to access information concerning Private Banking Activities that include, at least:
 - i. Rules on the access to and control of information by authorized persons;
 - ii. Forms of control of unauthorized persons' access to information, including situations concerning change of activity within the institution or dismissal of employees;
 - iii. Specific rules on the protection of clients' database and internal procedures to handle leakage of confidential information, even if caused by involuntary action;
 - iv. Specific rules on the use of information by professionals of Participating Institutions in the exercise of their Private Banking Activities, also in the event of dismissal or change of activity within the institution, in that such rule shall provide for possible restrictions to use systems passwords, remote access and any other means/vehicle containing privileged and/or confidential information relative to clients and/or Private Banking Activities;

- v. Confidentiality agreement to be executed by all the employees allocated in the Private Banking area.
 - b. Annual procedures for the reviewing and monitoring of said policies.
- VII. As concerns relationship with clients, including the constant monitoring of transactions made by them, Participating Institutions shall establish, at least:
 - a. Process of information on whether or not there is remuneration per distribution, preserving the trade secrets;
 - b. “Know your client” procedures relative to the actions intended to prevent money laundering;
 - c. Making the content of this Code available on the Participating Institutions’ website; and
 - d. A policy for the constant monitoring of transactions which allow for identification of transactions which are suspect and/or incompatible with the client’s assets, income and/or profile.
- VIII. As concerns the employees’ constant qualification and training, Participating Institutions shall count on a Training Program that provides for, at least:
 - a. The content of the Code of Ethics;
 - b. The content of the policies mentioned in items V and VI herein, especially as regards the preservation of confidential data and which are inherent to Private Banking Activities;
 - c. The rules and principles of this Code, especially as regards the formal suitability procedures under Chapter VI, as well as the other rules applied to Private Banking Activities; and
 - d. The deadline to update the content of the Training Program.

Paragraph 1 - Participating Institutions shall, from time to time, update both the Training Program, under item VIII, particularly upon amendment of the prevailing legislation, and the self-regulation rules.

Paragraph 2 - The Training Program under item VIII shall be adopted by Participating Institutions:

- I. Within up to thirty (30) days, if new employees are hired; and
- II. At least every two years, for the Private Banking Activities’ team.

Paragraph 3 - Institutions shall keep, at least for two (2) years, the documents and records making proof of employees’ participation in the Training Program, as stated in the previous paragraph.

Article 9 - Participating Institutions shall file with ANBIMA the relevant correspondence signed by the officer responsible for the Private Banking Activities, explaining and/or making proof of how the institution meets the requirements set out in letter “b” of item I, and in item VIII, both of Article 8, as well as a list of the professionals identified in letters “b”, “c”, “d” and “e” of item II of the same Article 8, which shall ensure availability of the documents making proof of due compliance with the requirements set out in letters “a”, “d” and “e” of item I, in letter “a” of item II, as well as the requirements under items III, IV, V and VI, of Article 8, as well as with the provisions of Chapter VI relative to the “Duty to Determine the Investments’ Suitability for Investors’ Profile”.

Article 10 - Participating Institutions shall send to ANBIMA:

- I. On an annual basis, an updated list of the professionals mentioned in letters “b”, “c”, “d”, “e” and “f” of item II of Article 8, by the last business day of the month of June;
- II. On an annual basis, evidence of continuity plan activation tests under letter “d” of item I of Article 8, by the last business day of the month of June;
- III. Advertisements, under item I of Article 17, published and/or made available every month by the fifth business day of the month following the month of publication; and

- IV. Promotional materials for publication, under item III of Article 17, on the date of adhesion and whenever a change is made thereto.

CHAPTER V – SENDING INFORMATION TO ANBIMA DATABASE

Article 11 - Adherence to this Code implies the necessary sending of information making up the Database defined below, pursuant to specific Guidelines set out by the Board of Regulation and Best Practices.

Sole Paragraph - The Database constitutes a set of information relative to the Private Banking activity, stored in a structured manner at ANBIMA (“Database”).

Article 12 - The pecuniary penalty for non-observance of the deadlines set out in item II of Article 35 applies to the sending of periodical information involving the Private Banking activity to the Database.

Paragraph 1 - The Board of Regulation and Best Practices shall issue specific guidelines and stipulate the relevant deadlines.

Paragraph 2 - ANBIMA’s Executive Board shall stipulate the amount of the pecuniary penalties and the relevant imposition method in the event of breaches of provisions in this Chapter.

CHAPTER VI - DUTY TO DETERMINE THE INVESTMENTS’ SUITABILITY FOR INVESTORS’ PROFILE

Article 13 - Participating Institutions shall observe formal procedures, established by specific criteria and controls, which allow for determination of the investments’ suitability for investors’ profile, under the specific Suitability Guidelines prepared by the Board of Regulation and Best Practices, as a supplement hereof.

Paragraph 1 - Participating Institutions shall adopt processes for collection of information from investors which allow for accurate assessment of investors’ financial situation, their experience with investments and the goals aimed through the hiring of Private Banking Activities.

Paragraph 2 - The gathering of information under Paragraph 1 herein shall provide sufficient information to enable the definition of each client’s investment profile (“Profile”).

Paragraph 3 - The Profile shall enable verification of suitability of the investment goals aimed by clients with the portfolios intended/held by them in each Participating Institution.

Paragraph 4 - The Participating Institutions are individually and entirely liable for the implementation of the suitability process.

Article 14 - Should any divergence be determined between the Profile and the effective composition of the portfolio intended/held by clients, the Participating Institutions shall establish procedures with the client, to deal with such divergence.

Article 15 - Participating Institutions shall adopt internal controls that allow for determination of effectiveness of the procedures above.

Paragraph 1 - Said controls shall be sufficient to allow for preparation of a descriptive assessment report which shall be sent to ANBIMA on an annual basis, by the last day of the month of January, with the position on December 31st of the preceding year.

Paragraph 2 - The assessment report shall be prepared in the format of a report, under the responsibility of the Private Banking area, and reviewed by the Participating Institution's area of Compliance and Internal Auditing.

Paragraph 3 - The report shall provide for, at least, the following information:

- I. A detailed description of the controls and tests implemented by the Private Banking area for the monitoring of the suitability method adopted;
- II. As regards the process for implementation of the methodology, always making reference to the clients base existing on the assessment report's base date, information on the percentage of:
 - a. Questionnaires answered (or analysis made) and not answered;
 - b. Suitability and unsuitability of investment profiles; and
 - c. Application of the process on the residual clients' base.
- III. Action plan for treating divergences;
- IV. Alterations on investment profiles during the period under analysis;
- V. Alterations in the methodology during the period under analysis; and
- VI. At each Participating Institution's discretion, a description of the major difficulties found.

Paragraph 4 - The report shall present a concluding text with the qualitative assessment, made by an independent area, compliance and/or internal auditing, on the internal control implemented by the area of Private Banking of the Participating Institution, to determine the suitability of the investments recommended.

CHAPTER VII – ANBIMA SEAL

Article 16 - The ANBIMA Seal ("ANBIMA Seal") shall be made up of ANBIMA logo accompanied by the following text: "This Institution has adhered to ANBIMA Code of Regulation and Best Practices for the exercise of Private Banking Activities in the Domestic Market".

Article 17 - The placement of the ANBIMA's Seal is mandatory, featured:

- I. On advertisements specifically related to Private Banking Activities;
- II. On websites specifically related to Private Banking Activities;
- III. On public promotional material specifically related to Private Banking Activities; and
- IV. On agreements entered into between the Participating Institutions specifically related to Private Banking Activities, if any.

Paragraph 1 - Public promotional material, which presumes the placing of the Seal thereon, is so considered any and all sort of specific communication relative to the Private Banking activity, made in an impersonal and general manner, for commercial purposes and aimed at promoting the Private Banking activities developed by Participating Institution, in newspapers, magazines, the Internet and the like, or materials made available to the general public, by

means of agencies, public places or even on specific events of Private Banking, except for any banners especially prepared for events.

Paragraph 2 – If the material is aimed at the distribution and/or promotion of investment funds by the Private Banking area, including the providing of funds brochures to Private clients, the specific seal of the product shall be used.

Article 18 - The circulation of ANBIMA Seal is exclusively intended to demonstrate the commitment of Participating Institutions to observing the provisions of this Code, in that no liability shall fall within ANBIMA for the information contained in such agreements, if any, nor for the quality of the services rendered by Participating Institutions.

CHAPTER VIII – MARKETS SUPERVISION OF PRIVATE BANKING ACTIVITIES IN THE DOMESTIC MARKET

Article 19 - The Markets Supervision of Private Banking Activities, composed of ANBIMA's employees ("Markets Supervision") shall:

- I. Supervise compliance, by Participating Institutions, with the rules hereunder, including suitability of documents and conducts relative to the performance of Private Banking Activities, through the preparation of specific reports, as applicable, especially in the event of any suspected violation hereof;
- II. Receive, upon observance of the terms stated by ANBIMA Code of Regulation Proceedings and Best Practices, notices reporting violation of the rules herein against Participating Institutions, and prepare specific reports thereon;
- III. Send a letter of recommendation to Participating Institutions, as it deems fit, under the terms stated in the Code of Proceedings and Best Practices; and
- IV. Send to the Monitoring Commission for Private Banking Activities within the Domestic Market ("Monitoring Commission") the reports referred to in items I and II herein, so that the applicable actions be taken.

Paragraph 1 - The reports referred to in items I and II herein shall bring an analysis of said facts by the Markets Supervision and, as applicable, the advisable recommendations.

Paragraph 2 - In the exercise of its duties, the Markets Supervision may demand that Participating Institutions provide it with written information and clarifications, and with indicators of compliance with the minimum requirements set out herein.

Article 20 - The Markets Supervision is subordinate to the Monitoring Commission, which shall provide instructions to it by establishing the relevant guidelines that shall govern its activities.

CHAPTER IX – MONITORING COMMISSION FOR PRIVATE BANKING ACTIVITIES IN THE DOMESTIC MARKET

Article 21 - The Monitoring Commission shall:

- I. Be informed of, analyze and approve the reports prepared by the Markets Supervision;
- II. Send the above mentioned reports to the Board of Regulation and Best Practices, following analysis thereof;
- III. Provide instructions to the Markets Supervision, which shall also be assigned tasks, in all aspects necessary for achievement of the objectives set out herein; and
- IV. Request additional explanations, information and clarifications on due observance of norms and principles set out in this Code.

Article 22 - The Monitoring Commission shall be made up of nine (9) members, of which one shall be the president, one the vice-president, nominated by ANBIMA's Private Banking Committee, and appointed by ANBIMA's Executive Board, from among reputable and honest individuals renowned for their knowledge of the operations governed by this Code.

Paragraph 1 - The president and vice-president of the Monitoring Commission shall be chosen by ANBIMA's Executive Board from among the members nominated by ANBIMA's Private Banking Committee.

Paragraph 2 - The term of office of the Monitoring Commission shall be for two (2) years, reappointment being allowed.

Paragraph 3 - The members of the Monitoring Commission shall be vested in their respective positions by ANBIMA's president upon execution of the relevant instruments of appointment.

Paragraph 4 - The members of the Monitoring Commission shall remain in their positions until new members take office.

Paragraph 5 - In the event of vacancies, ANBIMA's Executive Board shall appoint, as nominated by the Private Banking Committee, a new member to complete the term of office.

Article 23 - The Monitoring Commission shall meet ordinarily every three (3) months, and extraordinarily, whenever needed, at its president's call, or within no more than fifteen (15) days, whenever a report is sent by the Markets Supervision with the recommendation that proceedings be incepted.

Sole Paragraph - The meetings of the Monitoring Commission shall be presided over by its president or, in his absence, by its vice-president, or by any other member appointed by the Commission, in that the manager responsible for the Supervision of the Private Banking Activities shall exercise the function of secretary.

Article 24 - The resolutions of the Monitoring Commission shall be taken by majority vote of the members present at the meeting.

Article 25 - The meetings of the Monitoring Commission shall be incepted on first call with the presence of, at least, five (5) members.

Paragraph 1 - If a quorum is not reached on first call, the meeting of the Monitoring Commission shall be incepted, on second call, thirty (30) minutes after the time set for the meeting, with the presence of at least three (3) members.

Paragraph 2 - If a quorum is not reached on second call, a new meeting of the Monitoring Commission shall be convened by its president.

Paragraph 3 - In the event of a tie of resolutions by the Monitoring Commission, the matter shall be subject to the Board of Regulation and Best Practices.

Article 26 - The members of the Monitoring Commission may declare themselves impeded , to vote on the Commission’s resolutions.

Paragraph 1 - The members of the Monitoring Commission with interests in the matters on the agenda may claim the impediment of any member, on the basis of impediment, to vote resolutions subject to the Commission.

Paragraph 2 - Said declaration and claim for impediment, referred to in Paragraphs 2 and 3 herein, shall be duly justified and sent to appraise to the president of the Monitoring Commission. In the absence of the president, the vice-president shall be in charge.

Article 27 - The members of the Monitoring Commission shall not be remunerated for their functions.

CHAPTER X - BOARD OF REGULATION AND BEST PRACTICES FOR PRIVATE BANKING ACTIVITIES IN THE DOMESTIC MARKET

Article 28 - The Board of Regulation and Best Practices shall:

- I. Be informed of and analyze the reports sent to it by the Monitoring Commission;
- II. Incept, always upon justification, as set out in the Code of Proceedings and Best Practices, any proceedings involving breach of the provisions of this Code;
- III. Hear and decide, under one single level of jurisdiction, the proceedings referred to in item II herein, by imposing the applicable penalties;
- IV. Govern the use of trademarks and other signs relative to ANBIMA’s Regulation and Best Practices in respect of Private Banking Activities within the domestic market;
- V. Issue resolutions (“Resolutions”);
- VI. Issue guidance opinions (“Guidance Opinions”);
- VII. Decide on requests for dismissal of any proceeding e/or requirement provided for herein;
- VIII. Request that Participating Institutions provide additional explanations, information and clarifications on the observance of the rules and principles set out in this Code;
- IX. Introduce new supervising mechanisms to be adopted by the Markets Supervision;
- X. Monitor due compliance with the minimum requirements set out in Chapter IV of this Code; and
- XI. Approve execution of a Compliance Agreement between ANBIMA and the Participating Institutions, in order to implement the prerequisites for adhesion hereto.

Paragraph 1 - The resolutions shall be binding on the Participating Institutions, the object of which shall be the interpretation and clarification of the rules of this Code.

Paragraph 2 - The Guidance Opinions and letters of recommendation shall not be binding, since they constitute mere recommendations.

Paragraph 3 - The Resolutions and Guidance Opinions shall be announced on ANBIMA’s means of communication.

Article 29 - The Board of Regulation and Best Practices shall be made up of twelve (12) members, of which one shall be the president, one the vice-president, nominated under Paragraphs 1 and 2 herein, and appointed by ANBIMA’s Executive Board from among reputable and honest individuals renowned for their knowledge of the operations governed by this Code.

Paragraph 1 - The members of the Board of Regulation and Best Practices shall be appointed as per the following criteria:

- I. Four (4) of its members shall be nominated by ANBIMA's Executive Board, chosen from among professionals engaged in Private Banking Activities;
- II. Six (6) of its members shall be nominated by other institutions chosen by ANBIMA's Executive Board; and
- III. The president and vice-president of the Monitoring Commission shall be members as of right of the Board of Regulation and Best Practices, with no right to vote.

Paragraph 2 - The president and vice-president of the Board of Regulation and Best Practices shall be appointed by ANBIMA's Executive Board.

Paragraph 3 - The term of office of the members of the Board of Regulation and Best Practices shall be for two (2) years, reappointment being allowed.

Paragraph 4 - The members of the Board of Regulation and Best Practices shall be vested in their respective positions by ANBIMA's president upon execution of the relevant instrument of appointment.

Paragraph 5 - The members of the Board of Regulation and Best Practices shall remain in their respective positions until new members take office.

Paragraph 6 - In the event of vacancies, new members shall be appointed to complete the respective terms of office, under Paragraph 1 herein.

Article 30 - The Board of Regulation and Best Practices shall meet ordinarily every six (6) months and extraordinarily, whenever needed, at its president's call, or within no more than thirty (30) days whenever a report is sent to it by the Monitoring Commission recommending inception of proceedings.

Paragraph 1 - The regular meetings of the Board of Regulation and Best Practices shall be called by its president or by its substitute, under the terms of this Code.

Paragraph 2 - The meetings of the Board of Regulation and Best Practices shall be presided over by its president, and the superintendent of Markets Supervision shall exercise the function of secretary.

Paragraph 3 - In the absence of the president of the Board of Regulation and Best Practices, the meetings shall be presided over by its vice-president, and in the absence of this latter, by any other member present at the meeting, to be appointed in order of age.

Article 31 - The meetings of the Board of Regulation and Best Practices shall only be incepted with the presence of at least eight (8) of its members.

Sole Paragraph - If the quorum under the main clause herein is not reached, the meeting of the Board of Regulation and Best Practices shall be incepted, on second call, thirty (30) minutes after the time set for the meeting, with the presence of at least six (6) of its members.

Article 32 - The resolutions of the Board of Regulation and Best Practices shall be taken by majority vote of the members present, and the president shall cast the deciding vote, if necessary.

Paragraph 1 - The president of the Board of Regulation and Best Practices shall not have the right to vote, except in the cases of a tie vote, as provided in the main clause herein. In the absence of the president, the deciding vote shall be cast by the vice-president and in the absence of this latter, by the member substituting him pursuant to the terms of this Code.

Paragraph 2 - The members of the Board of Regulation and Best Practices may declare themselves disqualified, on the basis of impediment, to vote resolutions of the Board.

Paragraph 3 - Both the members of the Board of Resolution and Best Practices and the Participating Institutions interested in the matters in the agenda may claim disqualification, on the basis of impediment, of any of their respective members to vote resolutions of the Board of Regulation and Best Practices.

Paragraph 4 - The declaration and claim for disqualification referred to in Paragraphs 2 and 3 herein shall be duly justified and analyzed by the president, who shall be substituted hereunder, should he be absent.

Paragraph 5 - If, by virtue of the substitution rules set out in this Code, the Presidency of the meeting, at that time, is exercised by a member who claims himself disqualified, the decision shall be made by one of the other members present, to be chosen by age.

Paragraph 6 - If the 4-member quorum is not reached as a result of the declaration of or claim for disqualification referred to in Paragraphs 2 and 3 herein, a new meeting shall be called to resolve on the matter.

Article 33 - The members of the Board of Regulation and Best Practices shall not be remunerated for their functions.

CHAPTER XI - INCEPTION, CONDUCTION AND JUDGMENT OF PROCEEDINGS OF REGULATION AND BEST PRACTICES AND EXECUTION OF DEED OF UNDERTAKING

Article 34 - The inception, conduction and judgment of proceedings, as well as the proposal for execution of any Deed of Undertaking, shall be governed by ANBIMA Code of Proceedings and Best Practices.

Sole Paragraph - In the event of conflict between the rules of this Code and the rules set forth by the ANBIMA Code of Proceedings and Best Practices, the rules of this Code shall prevail.

CHAPTER XII - PENALTIES

Article 35 - Participating Institutions which fail to comply with the principles and norms stated in this Code shall be subject to the following penalties:

- I. Public admonition by the Board of Regulation and Best Practices, to be announced on ANBIMA's means of communication;
- II. Pecuniary penalty in the amount of up to one hundred (100) times the greatest monthly dues received by ANBIMA;
- III. Temporary ban, announced on ANBIMA's means of communication of the use of ANBIMA's texts and Seal under Article 17 of this Code, on any advertisements, sites, promotional material and agreements relative to Private Banking Activities; and
- IV. Removal from ANBIMA, announced on ANBIMA's means of communication.

Paragraph 1 - The penalty of removal from ANBIMA must be approved by ANBIMA's General Meeting.

Paragraph 2 - For non-members Participating Institutions, the penalty of removal shall be replaced with revocation of the respective Agreement to Adhere to this Code of Regulation and Best Practices (Adhesion Agreement), and such decision may be made by the Board of Regulation and Best Practices, which shall dispense with approval by ANBIMA's General Meeting.

Paragraph 3 - In cases involving the penalty set out in item III above, the Participating Institution shall refrain from using ANBIMA Seal in materials and documents therein mentioned immediately following the decision issued by the Board of Regulation and Best Practices determining said suspension, in that such penalty shall be observed for the whole time-period stipulated in the decision.

Article 36 - Whenever the penalties of Article 35 are imposed, the ANBIMA Board of Regulation and Best Practices shall deem any breach of the obligations agreed to in the Deed of Undertaking executed under the Code of Proceedings to constitute an aggravating circumstance.

Article 37 - Without prejudice to the other provisions of this Chapter, ANBIMA's Markets Supervision may impose a pecuniary penalty in the amount of one hundred fifty Brazilian reals (R\$ 150.00) per day in arrears on the Participating Institutions which fail to comply with the deadlines stipulated in this Code.

Sole Paragraph - The pecuniary penalty herein is limited to the amount equivalent to thirty (30) days in arrears.

CHAPTER XIII - FINAL PROVISIONS

Article 38 - Any change to the provisions of this Code may only be made by ANBIMA's Executive Board, upon approval of the General Meeting.

Article 39 - The deadlines referred to in the provisions of this Code shall start running on the first business day following notice of the interested party, and shall end on the expiration date.

Sole Paragraph - If the expiration date falls on banking holidays, Saturdays, Sundays or on days when ANBIMA does not function or when ANBIMA's business hours are reduced, the deadline shall be deemed to be extended until the first subsequent business day.

Article 40 - All of the organizational components mentioned in this Code with respect to ANBIMA, including ANBIMA's employees or representatives appointed by Participating Institutions or other entities, shall keep in strict confidentiality all the information and documents they may have had access to by virtue of their functions.

Article 41 - The Executive Board may alter the minimum amount stipulated by Article 1, Paragraph 2.

Article 42 - Participating Institutions shall comply with the minimum limit set out in Article 8, item II, letter "e" within the following deadlines: (i) December 31st 2013, to reach the minimum limit of 30%; (ii) December 31st 2014, to reach the minimum limit of 40%; (iii) December 31st 2015, to reach the minimum limit of 50%; and (iv) December 31st 2016, to reach the minimum limit of 75%.

Article 43 - Adhesion to this Code shall imply adhesion to the Code of Proceedings and Best Practices, which provides for the conduction of sanctioning proceedings for determination of breaches involving the rules under ANBIMA Codes of Regulation and Best Practices.

Article 44 - Participating Institutions shall pay to ANBIMA a periodical maintenance fee ("Maintenance Fee") to cover ANBIMA's costs incurred by ANBIMA's supervising activities connected with this Code, in that ANBIMA's Executive

Board shall stipulate both the time-period and the amount of said Maintenance Fee, which may be reviewed on an annual basis.

Article 45 - The deadline for Participating Institutions to adapt to the new provisions of this Code, as well as to the requirements for adhesion hereto, shall be announced on ANBIMA's means of communication.

Article 46 - This Code is effective as of February 1st 2013.