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**INSURANCE, OPEN SUPPLEMENTARY
PENSION PLAN AND FINANCIAL MARKET**

- 1) CNSP RESOLUTION no. 340, of September 30, 2016:** amends article 11 of CNSP Resolution No. 336/2016, adding Article 11-A, with the following wording:

"Article 11-A. The permission to use parts from disassembly does not prevent the use of new spare parts which have the same technical specifications of the manufacturer, when clear, sufficient and highlighted information on the origin and fitness of the product are provided to the receiver.

Sole Paragraph. The Insurer may only use non-original spare parts after specific authorization of the insured at the moment of the contracting."

The new rule, which authorized the access of the insurers to the so-called "grey market" (of non-original parts of the car manufacturer) is due to the actual possibility of not existing enough disassembly parts for all market demand, and resulted from request of the insurers which intend to operate popular car insurances.

Without this rule, in the absence of disassembly parts, it would be necessary to use original parts, which would significantly increase the price of the product.

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- 2) CMN RESOLUTION No. 4,526, of September 29, 2016:** amends the regulation attached to Resolution No. 3,932/2010, which deals with the destination of the funds raised in savings deposits by the entities parties of *Sistema Brasileiro de Poupança e*

Empréstimo [Brazilian Systems of Savings and Loans - SBPE].

Two changes were made. The first one added two new items to article 2 of the exhibit, which brings a list of housing financing transactions within the SFH [Housing Finance System]:

"XXVIII - the amounts to which articles 1 and 2 of this Resolution refers to, related to transactions contracted under the SFH conditions or secured in these transactions; and

XXIX - the financing for the acquisition of new residential real properties, with an evaluation amount of up to one million and five hundred thousand Reais (R\$ 1,500,000.00), contracted between September 30, 2016 and September 30, 2017, provided that the other conditions established in article 14 of the Regulation are observed."

The second amendment, in turn, introduced article 7-A, a provision which established that the total amount of the transactions dealt with in item XXIX mentioned above cannot exceed 12.5% of the limit defined by article 1, item I, letter "a" of the exhibit.

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- 3) REPORT OF THE REINSURANCE CONSULTING COMMISSION:** the purpose of Reinsurance Consulting Commission, created by CNSP Resolution No. 322/2015 and confirmed by CNSP Resolution No. 325/2015, is to propose actions designed to correct any asymmetries between the Brazilian reinsurance regulation and the best global practices.

Having such purpose in mind, meetings were held with representatives of CNSP, of the insurers, reinsurers and guests (among them, our partner João Marcelo dos Santos), seeking to identify which global or regional practices can be adjusted to the growth of the sector in Brazil and which specific practices of the Brazilian market must be maintained and improved.

At the end, the Consulting Commission presented a Report of its works, available in the link: http://www.susep.gov.br/setores-susep/gabin/2016_03_21_Comissao%20Consultiva%20Resseguros_Relatorio.pdf/view

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- 4) DECREE No. 8,872, of October 10, 2016:** provides for the connection of the entities of the indirect federal public administration.

Among the wide range of entities connected to different ministries and bodies, the maintenance of the connection of IRB - Brasil Resseguros S.A.; *Superintendência de Seguros Privados* [Superintendence of Private Insurance – SUSEP]; and *Superintendência Nacional de Previdência Complementar* [National Superintendence of Complementary Pensions – PREVIC] to the Ministry of Finance is highlighted.

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- 5) SUSEP INVESTMENTS BOOKLET - SEPTEMBER 2016:** document disclosed by SUSEP with the purpose of clarifying questions and doubts recurrently raised by the supervised entities, specifically regarding the activities of management, allocation and/or connection of assets.

The issuance of said booklet by SUSEP is a laudable measure, taking into account the quantities and the complexity of the investment rules, especially those applicable to assets that guarantee technical reserves.

The clarifications are in the form of questions and answers, and can be accessed through the link: http://www.susep.gov.br/setores-susep/cgsoa/copra/arquivos-ativos/Cartilha%20de%20Investimentos_v_201609.pdf.

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- 6) SUSEP CIRCULAR No. 540, of October 14, 2016:** provides for the rules and criteria for operation of coverages offered in Engineering Risk insurance plans, replacing SUSEP Circular No. 419/11, which was revoked.

The new Circular presents rules similar to those established by its antecessor, but some changes, improvements and novelties must be highlighted:

- i. Exclusion of the express prohibition of inclusion of coverages regarding the insurance of individuals, despite having maintained the prohibition to include civil liability coverages that are not set forth in the rule;
- ii. Mandatory inclusion of the expenses necessary for the removal of the waste to the maximum limit of indemnification of the basic coverage, up to the maximum percentage set forth in the policy, which must be of at least five percent (5%);
- iii. The expenses necessary for the removal of the waste may be the object of additional coverage with its own insured amount;

iv. Articles 11 and 12 of the Circular set forth the possibility of additional coverage to cover moral damages, financial losses, loss of profits, expected profits and any other emerging expenses for which the insured individual has civil liability to pay, in a decision made final and non-appealable or in an agreement expressly authorized by the Insurer, as a result of events guaranteed by the Civil Liability coverages set forth by article 10 (general civil liability and cross civil liability);

v. Article 13 maintains the possibility of contracting additional coverage for expenses with the removal of waste from the insured location, but modifies the limits applied, setting forth that once the Maximum Limit of Indemnification of the Additional Coverage is reached, any resulting loss will be encompassed by the Maximum Limit of Indemnification of the Basic Coverage, up to the limit of 5% set forth in article 7, and the deductible of the Basic Coverage is not applied in this case.

VI. Inclusion of additional coverage to guarantee the transport of materials to be incorporated in the work, provided that it is made by land and is not performed by a carrier company or independent carrier (in which cases other types of insurance are applicable); and

VII. Inclusion of Additional Fire Coverage after the Conclusion of the Work, provided that it is limited to the term of up to 90 days after the conclusion of the work.

Lastly, the Circular provides a few transition rules, which must be observed by the insurers:

- a. With the publication of this Circular on October 17, 2016, new plans submitted to the analysis of SUSEP should already be adapted to the new regulations.
- b. Meanwhile, for plans approved before the publication of the Circular, and which are in disagreement herewith, may only be traded until April 15, 2017. After this date, all of the plans must have been substituted by new plans adapted to the new regulation, and all of the old plans will be automatically ended and shelved by SUSEP.
- c. The insurance agreements for engineering risks in effect for which the effectiveness ends after April 15, 2017 cannot be renewed, remaining effective only until the regular expiry of its effectiveness or the effectiveness of the endorsements for extension of the term.

To the extent that the terms equally apply to all insurance companies, it is recommended that they seek to anticipate the adaptation of their products to the furthest possible extent, considering the concentration of requests at given moments may result in the need for greater time for analysis on the part of SUSEP.

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- 7) SUSEP RESOLUTION No. 179 of July 28, 2016:** creates the Data Supervision Committee (CDS) and approves its Internal Rules.

The CDS, which establishes the procedures for the different sectors of SUSEP to discuss and organize the demand for information to be provided by the supervised companies, has the



goal of promoting the improvement, rationalization and standardization of the use of data in the supervision of insurance, capitalization, reinsurance, brokers and open supplementary social pension plan.

The rule is a sign that, as anticipated by SUSEP, it intends to rationalize the enormous quantity of information provided to SUSEP by the entities under its supervision through the Periodic Information Form (FIP), Statistical Tables and other instruments.

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- 8) SUSEP ORDINANCE No. 6,679, of October 19, 2016:** creates the Work Group to debate regarding Civil Liability insurance – Bus (RC-Bus).

This type of insurance has faced problems such as the insolvency of very active insurers and the occurrence of frauds.

The works will have a term of 30 days to be performed, a term that may be extended only once.

The Work Group shall have representatives from *Superintendência de Seguros Privados - SUSEP* [Private Insurance Superintendence], *Agência Nacional de Transportes Terrestres – ANTT* [Brazilian Terrestrial Transport Agency], *Federação Nacional de Seguros Gerais – FenSeg* [Brazilian Federation of General Insurances], *Federação Nacional dos Corretores de Seguros Privados e de Previdência Privada, das Empresas Corretoras de Seguros e de Resseguros – Fenacor* [Brazilian Federation of Private Insurance and Reinsurance Brokers, Capitalization, Private Pension Plans, Insurance and Reinsurance Brokerage Companies] and *Federação Nacional*

das Empresas de Resseguro - FENABER [Brazilian Federation of Reinsurance Companies].

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- 9) BACEN CIRCULAR No. 3,812 of October 10, 2016:** amends article 3 of Circular No. 3,787/2016, which sets forth regarding matters under the competence of the Central Bank of Brazil related to the Special System for Tax and Exchange Regularization (RERCT).

The provision and its paragraph 4 shall become effective with the following wording:

“Article 3. The amended return of the statement of assets and capital abroad regarding the base-date of December 31, 2014 and subsequent base-dates, object of article 4, paragraph 2, item II, of Law No. 13,254 of 2016, must be submitted to the Central Bank of Brazil by December 31, 2016, through the statement form for Brazilian Capital Abroad (CBE), available on the website of the Central Bank of Brazil on the internet, at the address <http://www.bcb.gov.br>.

Paragraph 4. The amended return of the CBE within the scope of the RERCT regarding estates, whose succession is ongoing on December 31, 2014, must be made by December 31, 2016, on behalf of the deceased person, during the time in which the formal apportionment of assets remains pending.”

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- 10) CGS RESOLUTION No. 006 of September 28, 2016:** provides for the approval of the new version of the Guidance Manual of the System for the Digital Bookkeeping of the Tax, Social Security and Labor Obligations (eSocial).

Version 2.2 of the Manual, approved by the referred resolution, is already available through the link <http://www.esocial.gov.br>.

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11) CMN RESOLUTION No. 4,522 of October 29, 2016: authorizes the renegotiation of funding and investment rural credit transactions intended for coffee crops, contracted by the rural producers who obtained losses as a result of the drought and dry season in the municipalities of the state of Espírito Santo.

The Resolution sets forth the conditions for the renegotiation mentioned above, providing for the ascertainment of the outstanding balances, the terms for funding and delivery.

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12) BRAZILIAN ACCOUNTING STANDARDS - NBC TSP CONCEPTUAL STRUCTURE, of September 23, 2016: approves the Conceptual Structure for the Preparation and Disclosure of the General Purpose Accounting Information by Entities from the Public Sector.

This rule establishes the concepts that must be applied in the development of other Brazilian Accounting Rules Applicable to the Public Sector (NBCs TSP) of the Federal Accounting Council (CFC).

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13) GUIDANCE ON STANDARDS FOR THE REPORTING OF OPERATING LOSSES IN THE BDPO" - October 2016: specifies the standards for reporting to Susep the losses resulting from events of Operational Risk registered by the supervised market (Insurers, Open

Private Pension Plan Companies, Capitalization and Reinsurance Companies).

Note that the standards set forth by the referred guidelines are only mandatory for the reporting of operating losses to Susep, and the supervised entities can use different methodology for the internal reporting thereof.

The guidelines are available on the website of Susep, at the link <http://www.susep.gov.br/setores-susep/cgsoa/coris/requerimentos-de-capital/arquivos/Padroes%20para%20%20Reporte%20de%20Perdas%20Operacionais.pdf>.

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14) ADDITIONAL CHECKLIST – ENGINEERING RISK INSURANCE - October 2016: new list that must be observed by the insurers in the preparation of their plans for Engineering Risk Insurance, in addition to the Damage Insurance Checklist.

The referred list can be accessed through the link http://www.susep.gov.br/setores-susep/cgpro/cofir/LISTA_DE_VERIFICA_CAO_ADICIONAL_Riscos_de_Engenharia_v_outubro_2016LUIs.xlsx/view.

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15) SUSEP CIRCULAR No. 541, of October 14, 2016: sets forth the general guidelines applicable to the civil liability insurance for directors and officers of legal entities (RC D&O).

Published on October 17, 2016, SUSEP Circular No. 541/16 specifically regulates D&O (Directors and Officers) insurance, which was initially regulated by SUSEP Circular No. 437/12, but was lacking its own provisions at the time.

Thus, the market was already awaiting the regulation of the sector, especially after the realization of a public inquiry regarding the matter at the start of 2014.

The Circular comes at a moment where directors and officers are increasingly being held liable, due to the provisions brought by the Civil Code of 2002, updates of the Corporation Law in the last decades, anti-corruption rules and the significant increase in actions involving the inspection and penalization of corruption.

Among the novelties brought by the rule it must be highlighted:

- i. A broad list containing the definitions of terms brought by article 3, which includes terms such as: “policy based on occurrences”, “defense costs” etc.;
- ii. The very definition of D&O insurance as “civil liability insurance contracted by a legal entity (policyholder) to the benefit of individuals who exercise, and/or have exercised administrative and/or management positions, executives, at the company, and/or in its subsidiaries, and/or its affiliates, as a result of appointment, election or employment agreement (insured party)”;
- iii. The obligation to contract D&O with a claim-based policy, as already established by the market;
- iv. The now express possibility of the insurance company paying directly to the adversely affected third party, rather than reimbursing the insured party;
- v. The need to contract specific additional coverage for the costs of

defense and attorneys’ fees of the insured party, brought by paragraph 3 of article 5, which previously integrated the basic coverage of the insurance.

This rule may become a hindrance to the contracting of D&O exclusively for the managers of pension funds. Let us see:

Article 22 of CGPC Resolution No. 13/2004 restricts the contracting of insurance for the civil liability coverage for managers, former managers, employees or former employees of the closed supplemental pension plan companies (EFPC), allowing only coverage for funding the costs of defense.

This restriction is based on the equivocal premise that the existence of an insurance policy would aggravate the risk of committing irregularities. It occurs that the existence of an D&O policy introduces the figure of the insurer into the pool of stakeholders of the fund, an entity that not only covers any claims, but also inspects the reduction of the risks of the insured party.

Nevertheless, the absence of a guarantee for defense costs in the basic coverage shall have two practical effects in the contracting of D&O insurance for the managers pension funds:

For the managers simultaneously connected to companies and their respective pension funds, it will also be possible to insure the funding of their defense through the contracting of an All Risks D&O (including pension funds), with the contracting of special conditions which, in the case of liabilities resulting from the actions of the pension fund management limit the application of the insurance in

compliance with the referred article 22.

Meanwhile, for managers who operate exclusively in pension funds, the contracting of D&O is made difficult to the extent that all of the main coverages (whose contracting is mandatory) are prohibited by said article 22. In this case, if there is interest in contracting D&O insurance, each case must be analyzed separately in the search for a solution.

The publication of SUSEP Circular No. 541/16 and the proximity between SUSEP and PREVIC, which are not under the inspection of the same Ministry (Finance), seems to suggest the need to re-open the discussion regarding the applicability of such a restriction and the possible elimination thereof.

VI. Paragraph 4, article 5, seeking to satisfy the former desire of the market, provides that the guarantee may encompass the coverage of administrative and contractual fines and penalties imposed on the insured parties when exercising their duties, at the policyholder, and/or its subsidiaries, and/or its affiliates, putting an end to the old discussion held between the insurers and SUSEP.

VII. Express exclusion of the environmental risks, due to the fact that they are categories within a specific area of insurance.

VIII. Prohibition of references to foreign legislation (article 12), which seems counterproductive to us, considering the global nature of D&O.

Lastly, the Circular provides a few transition rules:

- a) With the publication of this Circular on October 17, 2016, new plans submitted to the analysis of SUSEP must already be adapted to the new regulation.
- b) The insurers that already operate with D&O insurance and wish to have no interruption in their operations with this insurance, shall submit a new insurance plan to SUSEP by February 28, 2017.
- c) The renewal of contracts in effect on the date of publication of this Resolution, the expiry of which will occur up to and including May 31, 2017, may be renewed only once, for a maximum term of 1 year; after May 31, 2017, they will remain in effect only until the end of their respective periods of effectiveness, and cannot be renewed.

Similarly to what occurs with the engineering risks (Circular 540, commented above), to the extent that the terms apply equally to all insurance companies, it is recommended that they seek to anticipate the adaptation of their products as much as possible, considering the concentration of requests at certain moments may result in the need for greater time for analysis on the part of SUSEP.

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16) DECREES OF OCTOBER 26, 2016: relieved Dilma Costa Rebello and Danilo Cláudio da Silva of the position of Directors of the Private Insurance Superintendence Office - SUSEP, appointing in their place Paulo dos Santos and Cássio Cabral Kelly.

Mr. Paulo, who has previously been the director and superintendent of SUSEP and held the position of president of Ibracor



until October 26, returns to the Independent Agency after making a career at the Central Bank.

Mr. Cássio, for his part, is a career employee of SUSEP and occupies the position for the first time.

Note that despite the executive offices of SUSEP having duties that are specific and distinct among them, the appointment has a generic nature, and it is not yet possible to establish which executive office each new director will assume.

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17) BRAZILIAN ACCOUNTING STANDARDS – NBC TSP 01; NBC TSP 02; NBC TSP 03, OF OCTOBER 21ST, 2016: the Federal Accounting Council (CFC) has published the first three rules of public accounting, of a total of five, which aim to facilitate social control, according to the Social Structure published by the Council earlier this month.

NBC TSP 01 deals with the registration of transactions' income without consideration, except for those without consideration that originate the combination of entities.

In turn, NBC TSP 02 aims to describe the accounting treatment of revenue originated from transactions and events with consideration.

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PUBLIC INQUIRIES

1) SUSEP PUBLIC INQUIRY NOTICE No. 13 of October 11, 2016: the Superintendent of the Private Insurance Superintendence Office - SUSEP decided in favor of re-opening Public Inquiry Notice No. 11/2016, which sets forth regarding the draft of a Susep Circular that sets forth the criteria for classification of the risk

area, with regard to insurers and open supplementary pension plan companies, and the location of contracting and payment regarding capitalization instruments, to be observed by the markets supervised by Susep in order to register their transactions, as well as setting forth other provisions.

The topic under discussion is relevant and generates many doubts regarding the correct form of registering certain risks.

The term for sending comments and suggestions via electronic message to the address consulta11-2016.rj@susep.gov.br is of 60 days, counted as of October 11, 2016.

The abovementioned draft is available on the webpage of Susep, at the link http://www.susep.gov.br/setores-susep/seger/copy_of_normas-em-consulta-publica/edital-de-consulta-publica-no-11-2016.

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2) SUSEP PUBLIC INQUIRY NOTICE No. 14, of October 20, 2016: the Superintendent of the Private Insurance Superintendence Office (SUSEP) made available for public inquiry a draft of the Susep Circular that amends Susep Circular No. 517/2015, outlining the criteria for use by the supervised markets for Reduced Risk Factors in the calculation of risk capital for registering their transactions.

The term for sending comments and suggestions via electronic message to the address coris.rj@susep.gov.br is of 30 days, counted as of October 20, 2016.

The abovementioned draft is available on the webpage of Susep, at the link http://www.susep.gov.br/setores-susep/seger/copy_of_normas-em-consulta-publica/edital-de-consulta-publica-no-14-2016.

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PENSION PLANS

- 1) PREVIC ORDINANCE No. 465 of September 29, 2016:** classifies the private supplemental pension (EFPC) entities into profiles for purposes of supervision within the scope of PREVIC.

The three profiles set forth by the referred ordinance are defined according to the size, complexity and risks inherent to the benefits plans managed.

This classification will be used beginning in the 2017 fiscal year.

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- 2) DECREE OF October 5, 2016:** Exonerated, by request, Mr. José Roberto Ferreira from the position of Director-Superintendent of the Brazilian Supplemental Pension Superintendence Office – PREVIC.

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- 3) ORDINANCE NO. 480, OF OCTOBER 6, 2016:** discloses the list of executives certified by the Technical Review Board – DITEC of PREVIC in the period between 1st and 30 of September 2016, as provided for in art. 16, II, Previc Instruction No. 28, of May 12, 2016.

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Ordinance No. 480, of October 6, 2016.

HEALTHCARE

- 1) ANS PUBLIC HEARING NOTICE No. 004 of October 14, 2016:** public hearing held in order to obtain subsidies, information, suggestions or criticisms

regarding the proposed normative resolution regarding the Specific Regulation of Corporate Agreements for Private Healthcare Plans.

ANS emphasizes that “the discussion seeks to reflect on the effects of increased entrepreneurship in Brazil and the consequent growth in the number of micro companies interested in signing corporate healthcare plan agreements.”

The hearing was held on October 24, and the content discussed within the scope thereof has the inquiry and non-binding nature.

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- 2) NORMATIVE RULING - DIDES No. 63 of October 25, 2016:** sets forth regarding the regulation of the paragraphs of article 7 of Normative Ruling No. 364/2014, which sets forth regarding the Quality Factor to be applied to the adjustment index defined by the ANS for healthcare professionals, laboratories, clinics and other non-hospital healthcare establishments.

Along general lines, this regulation divides the Quality Factor into two levels: A and B. This division will use the established criteria in partnership with the professional councils in the healthcare sector or healthcare agencies, laboratories, clinics and other non-hospital healthcare establishments, and the ANS.

According to article 3 of said ruling, “the quality factor shall be applied to the adjustment of the written agreements signed by the Operators with their non-hospital healthcare service providers”.

Within this context, the healthcare service providers that are classified under Level A of the Quality Factor will have an adjustment percentage of 105%

of the National Extended Consumer Price Index (IPCA), while those classified under Level B of the Quality Factor will have a percentage of 100% of the IPCA.

Lastly, the healthcare service providers that do not meet the criteria of either of the two levels mentioned above will have an adjustment based on a percentage of 85% of the IPCA.

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- 3) ANS ORDINANCE No. 8,471 of October 5, 2016:** the Director-President of the Brazilian Supplemental Healthcare Insurance Agency (ANS) delegates to the Director of the Department for Rules and Qualification of Healthcare Operators (DIOPE), the competence to perform activities that involve the establishment of an agreement between ANS and the managing financial institutions for the acceptance of quotas of a Fund Dedicated to the Supplemental Healthcare Sector as assets that serve as guarantees, including signature, renewal and any amendments to said instrument.

The competence object of this ordinance cannot be sub-delegated.

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- 4) MS ORDINANCE No. 2,068 of October 21, 2016:** Institutes guidelines for the organization of integrated and humanized full healthcare for women and their newborns in Share Rooms.

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TAX

- 1) DECREE No. 8,870 of October 5, 2016:** sets forth regarding the application of simplified procedures in the export transactions performed by micro companies and small companies that opt to use the Simplified Tax system.

Decree No. 8,870/2016 sets forth regarding the simplified export procedure, named Simplified Export, intended for micro companies and small companies that opt to use the Simplified Tax system. Simplified Export shall observe: a) the unicity of the procedure for registering the export transactions, from the viewpoint of the user; b) the single entry of data; c) the integrated process between the bodies involved; and d) the monitoring of the simplified procedure. Note that the Simplified Export transactions are performed through a logistics operator and legal entities providing international logistics services.

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- 2) STJ - JUDGMENT OF REPETITIVE APPEAL RESP No. 1.001.779 - DF - PROHIBITION OF DOUBLE TAXATION OF INCOME TAX ON BENEFITS AND REDEMPTION OF CONTRIBUTIONS:** In this judgement of a termination action the STJ reiterated that the benefits and redemptions resulting from the contributions paid under the system set forth by Law No. 7,713/88 (January 1989 to December 1995), with the assessment of income tax upon payment, shall not be taxed again, under penalty of violating the rule prohibiting "bis in idem"

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- 3) ANSWER TO INQUIRY No. 146 of September 29, 2016:** In this answer to inquiry the Federal Revenue Office of Brazil explained that a private supplemental pension entity that pays or credits, starting on March 11, 2015, revenue subject to the assessment of income tax based on the progressive table, when corresponding to calendar-years prior to receipt, taxing them

exclusively at the source, in the month of receipt or credit, separately from the other revenues received during the month.

The beneficiary of the earnings must indicate in their Annual Income Tax Return, using the Form for Taxable Revenues of Legal Entities Cumulatively Received by the Taxpayer/Dependent, the taxation method adopted thereby, by choice, according to the terms of the governing legislation (Annual Return or Exclusive Taxation at the Source).

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- 4) RFB NORMATIVE RULING No. 1,665 of October 19, 2016:** RFB Normative Ruling No. 1,665/2016 amended RFB Normative Ruling No. 1,627/2016, which regulates the Special Exchange and Tax Regularization System (RERCT), instituted by Law No. 13,254/2016. Said amendments determine that: a) the request and authorization of the declaring taxpayer with the financial institution abroad, in cases involving financial assets that are not repatriated, in aggregate amounts higher than USD 100,000.00, must be made by October 31, 2016 (final term for adhesion to the program), while the sending of the information by the foreign financial institution must be made by December 31, 2016; b) the presentation of the Annual Tax Return (DAA) was extended to December 31, 2016. Note that in the details column of the form for assets and rights of the DAA, the declaring taxpayers must list, in a detailed manner, the information regarding the funds, assets and rights declared in the Tax and Exchange Regularization Return (Dercat); c) the order to exclude the taxpayer from the program will be preceded by

notification thereto in order to provide clarification.

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5) SUSPENSION OF ORDINANCE 706/15:

The Taxation and Finance Commission approved proposal (PDC 233/15) by representative Júlio Lopes (PP-RJ), which suspends the ordinance from the Executive Branch that updated the rate of inspection of the markets for insurance and reinsurance, capitalization and open supplemental pension. Ordinance 706/15 is said ordinance.

The project is still under analysis by the Constitutional, Legal and Citizenship Committee. If approved, it will be voted in a Full Session.

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PARTNERS OF THE FIRM AND RESPECTIVE AREAS



Daniela Matos
Insurance and
Reinsurance

Telephone: (11) 5643-
1065



**João Marcelo dos
Santos**
Insurance and

Reinsurance
Telephone: (11) 5643-
1066



**Julia de Menezes
Nogueira**
Tax Law

Telephone: (11)
5643-1062

jnogueira@santosbevilaqua.com.br



**Juliano Nicolau de
Castro**

Labor Law
Telephone: (11)
5643-1061

jcastro@santosbevilaqua.com.br



Keila Manangão
Litigation and
Arbitration

Telephone: (21)
2103-7638

kmanagao@santosbevilaqua.com.br



Marco Antonio Bevilaqua
Insurance, Reinsurance,
Supplementary Pension Plan
and Supplementary Health

Telephone: (11) 5643-1063

mbevilaqua@santosbevilaqua.com.br



Roberto F. S. Malta Filho
Corporate, Contracts,
Mergers and Acquisitions,
Arbitrations and Judicial
Recoveries/Restructuring

Telephone: (11) 5643-1064

rmalta@santosbevilaqua.com.br