

INFORMATION REPORT

JULY 2020

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INSURANCE AND OPEN SUPPLEMENTARY SOCIAL SECURITY

1) Private Insurance Superintendence - SUSEP CIRCULAR No. 609, OF 6/29/2020

[SUSEP Circular no. 609, of 6/29/2020](#), amended SUSEP Circular no. 515, of July 3, 2015. Now, art. 2 of Circular no. 515 reads as follows: "The biometric tables addressed in this Circular will be in effect from 7/1/2015 to 6/30/2021."

2) SUSEP CIRCULAR No. 610, OF 7/7/2020

[SUSEP Circular no. 610, of July 7, 2020](#), amended [SUSEP Circular no. 601, of April 13, 2020](#), which provides for the conditions for the registration of performance bonds in the registration systems ratified and managed by the registering entities accredited by SUSEP.

SUSEP Circular no. 601/2020 should take effect on 8/3/2020. However, due to the amendment, article 8 of SUSEP Circular no. 601/2020 now establishes that the Circular will come into effect on 11/3/2020.

3) Private Insurance Superintendence/Technical Board 2 - SUSEP/DIR2 ELECTRONIC CIRCULAR LETTER No. 001, OF 7/1/2020

[SUSEP/DIR2 Electronic Circular Letter no. 001, of 7/1/2020,](#)

provides for National Private Insurance Council - CNSP Resolution no. 382/2020. In the letter, SUSEP informs that, based on art. 15 of CNSP Resolution no. 382/2020 and its legal jurisdiction, it will perform conduct supervision activities only for educational and guidance purposes, and without imposing penalties, until December 31, 2020.

Art. 15 of the Resolution authorizes SUSEP to enact regulation and adopt the measures deemed necessary for the enforcement of the rule. Therefore, art. 15 of the Resolution does not grant SUSEP authority not to obey the Resolution but to enforce it only. Moreover, the Circular Letter is an instrument that interprets a rule and not a rule itself. Anyway, these are technical problems that do not prevent the supervised entities from presuming that the Circular Letter is lawful.

4) SUSEP ELECTRONIC CIRCULAR LETTER No. 006, OF 7/28/2020

[SUSEP Electronic Circular Letter no. 006, of July 28, 2020,](#)

was published in the Federal Official Journal - (DOU) and took effect on 7/29/2020. It clarifies that once Provisional Presidential Decree - MP no. 928/2020 lost effectiveness on 7/21/2020, the provision of the Circular Letter on the legal periods of administrative sanction procedures maintained before SUSEP, both those that were running when the MP was published and those that started during the effectiveness of the MP, is reestablished and the periods will start to run again on the day after the publication date of the Circular Letter in the DOU, that is, on 7/30/2020.

It is interesting to note that the Circular Letter goes beyond the MP, which addressed the suspension (and not the interruption to) the periods.

Also, SUSEP establishes that the documents must continue to be filed electronically.

5) SUSEP ANNOUNCES THE REGISTERING ENTITIES ACCREDITED TO OPERATE THE REGISTRATION SYSTEM

SUSEP announces that three entities, B3, CERC, and CSD, have already been accredited to operate the Operation Registration System (SRO) built to increase the transparency, efficiency, and safety of the registration of insurance, open social security, reinsurance, and capitalization operations in the insurance market.

The process to define the protocol for the entities' interoperability started on 7/9/2020.

Concerning the insurers with registration in the SRO, SUSEP informs that the tables of FIP Q14A, Q14B, Q14C, Q14D, Q64A, Q74A, and Q100 may be deactivated as soon as the registration is confirmed. New FPI deactivations will be announced as the migrations are made.

The implementation model designed jointly with the sector has three phases and will be completed within 3

years; the Performance Bond line will integrate the system as from the beginning of November.

For more information, [click here](#).

6) SUSEP INSTRUCTION No. 115, OF 7/3/2020

[SUSEP Instruction no. 115, of July 3, 2020](#), established the procedures to reset the Public Inquiry Module of the Electronic Information System of SUSEP (Sei/SUSEP) to allow any interested person with access to the Internet to check public documents of public proceedings stored in this System.

Any interested person may check, for an indefinite period, public proceedings and documents not subject to any legal restriction as to their access, printing, or saving in PDF format.

7) CALL FOR SUSEP PUBLIC INQUIRY No. 014, OF 7/10/2020

SUSEP submitted to [public inquiry](#) the draft of a [CNSP Resolution](#) on local reinsurers whose exclusive purpose is acceptance of risks through reinsurance or retrocession operations and their financing via debt issuance linked to (re)insurance risks.

This rule makes financing through the issuance of securities linked to (re)insurance risks (ILS – Insurance Linked Securities) viable.

According to the draft, in the ILS operations, widely used in the international scenario, the risk is transferred from a cedent to a local special-purpose reinsurer (RPE), which will finance the risk retention by issuance of debt linked to (re)insurance risks.

8) CALL FOR SUSEP PUBLIC INQUIRY No. 015, OF 7/20/2020

SUSEP submitted to [public inquiry](#) the [draft of a rule](#) that amends SUSEP Circular no. 517, of July 30, 2015.

The rule is intended to insert Section III - Independent Auditor's Report on Financial Statements and arts. 242-A and 242-B in Chapter III of Title III of SUSEP Circular no. 517/2015 concerning the independent auditor's report on financial statements of the supervised companies.

9) CALL FOR SUSEP PUBLIC INQUIRY No. 016, OF 7/21/2020

SUSEP submitted to [public inquiry](#) the [draft of a rule](#) that amends various circulars on damage insurance (see [reasons](#)).

This is the best and most important change in the rules on the structure of damage insurance sold in the Brazilian market in the past decades. The relevance of this change, although a change in the regulatory sphere, only compares with the opening of the reinsurance market, in the sphere of the structure of the products.

The significant innovation is that these rules, which are more detailed and protective, do not apply to great risks coverage (which, obviously, remains subject to the rules of the Civil Code and others), meeting an old demand of the sector, especially to the extent that the Brazilian economy became more complex and the open reinsurance market increased exponentially the possibility of more sophisticated products being offered in the Brazilian market.

Anyway, some rules have been reaffirmed, but the new rules introduced may be improved, such as the rule that generically holds the insurers responsible for their intermediaries. The solution may be limiting that responsibility to the cases in which the insurance has already been contracted, because before this, in the pre-contractual phase (which may imply responsibilities) and in the event of tacit acceptance of risks, the intermediary

may not even be regarded as "intermediary of the insurer."

Now the important is that – and it seems that we are on the right path, the rules applicable to great risks must establish an environment favorable to the innovation and the offer of more sophisticated products in alignment with the best practices of the developed markets.

Those interested may send, within 50 consecutive days from the publication of the notice, comments and suggestions via e-mail to comas.rj@susep.gov.br, using the specific standard table available on SUSEP website (<http://susep.gov.br/menu/atos-normativos/normas-em-consulta-publica>).

10) OPENING OF SUBSCRIPTIONS FOR REGULATORY SANDBOX

The period for the subscription of innovation projects for the Regulatory Sandbox in the insurance sector started on

7/20/2020 and will end on 8/19/2020, according to [Electronic Call no. 2/2020/SUSEP](#) posted on 6/19/2020. The Call details the rules for the subscription and participation and contains the list of documents requested by SUSEP. More information is available on [SUSEP website](#). The subscriptions must be made through SUSEP website by completing [this form](#).

11) Superior Court of Justice - STJ changes its understanding of the limitation period for refunding of the contributions to social security.

Recently, the STJ tried the special appeal - REsp no. 1803627, appeal representative of controversy, seeking the due interpretation of the limitation period for refunding of contributions to the supplementary social security plan named "Plan 4819", whose unlawfulness was recognized by the courts.

It seemed that the STJ would apply a three-year limitation period, applicable to unjust enrichment, to the refund of the contributions to the supplementary social security plan, whose unlawfulness was recognized in other trials.

However, the 3rd Panel of the STJ set a ten-year period for the refund of the contributions on the grounds that the case bears no relation to unjust enrichment. To check the proceeding, [click here](#).

Therefore, in the event of refunding of contributions to a supplementary social security plan whose unlawfulness was judicially recognized, the applicable limitation period is ten years as from the judicial recognition (art. 205, head provision, Civil Code).

Note that, although the decision has not been rendered on repetitive appeal and is not binding, this change deserves the attention of the supplementary social security entities.

MISCELLANEOUS

1) LAW No. 14026, OF 7/15/2020

[Law no. 14026, of July 15, 2020](#), was published in the DOU and took effect on 7/16/2020. It updates the legal basic sanitation landmark and amends the following laws: Law no. 9984/2000, to grant the National Water and Basic Sanitation Agency - ANA jurisdiction to enact reference rules on the sanitation service; Law no. 10768/2003, to change the name and assignments of the position of Water Resources Expert; Law no. 11107/2005, to prohibit services provided under the public services program contract under art. 175 of the Federal Constitution; Law no. 11445/2007, to improve the structural conditions of the basic sanitation in Brazil; Law no. 12305/2010, to set the terms for the final environmental disposal of wastes; Law no. 13089/2015 (Statute of the Metropolis), to extend its application to the micro-regions; and Law no. 13529/2017, to authorize the Federal Government to

participate in funds for the exclusive purpose of financing specialized technical services.

Finally, it revokes the following provisions: par. 2 of art. 4 of Law no. 9984, of July 17, 2000; par. 1 (former sole paragraph) of art. 3 of Law no. 10768, of November 19, 2003; the following provisions of Law no. 11107, of April 6, 2005: par. 1 of art. 12; par. 6 of art. 13; the following provisions of Law no. 11445, of January 5, 2007: pars. 1 and 2 of art. 10; arts. 14, 15, and 16; items I and II of the head provision of art. 21; item I of the head provision of art. 31; item I of the head provision of art. 35; the following provisions of Law no. 13529, of December 4, 2017: sole provision of art. 1; par. 3 of art. 4.

2) LAW No. 14027, OF 7/20/2020

[Law no. 14027, of July 20, 2020](#), amended Law no. 5768, of December 20, 1971, and set down rules for broadcasting concessionaires or permittees and organizations of the civil society to distribute for free prizes by drawing, gift voucher, contest, or similar distribution.

The Law added articles 1-A, 1-B, and 13-A to Law no. 5768/1971 and amended arts. 1, 2, and 4, of the same law. It also revoked item III of the head provision of art. 84-B of Law no. 13019/2014.

Finally, Law no 14027 determined the ratification of the authorizations granted to broadcasting concessionaires or permittees from 3/2/2020 until the date of its publication.

3) LAW No. 14030, OF 7/28/2020

[Law no. 14030, of July 28, 2020](#), provides for the meetings of corporations, limited liability companies, cooperatives, cooperative representation entities in the year of 2020, and amends Laws no. 5764/1971, 6404/ 1976, and 10406/2002 (Civil Code), among other provisions. In brief, the law relaxed the rules for the meetings of companies in the year 2020.

4) DECREE No. 10411, OF 6/30/2020

[Decree no. 10411, of 6/30/2020](#), regulates the analysis of the regulatory impact (AIR), addressed in art. 5 of Law no. 13874/19 and art. 6 of Law no. 13848/2019, and provides for its content, minimum requirements to be examined, the events the AIR will be compulsory, and the events the AIR will not be necessary.

AIR, when effectively applied to the routine of the Brazilian ruling production, will be a significant improvement to the construction of an adequate regulatory environment.

5) DECREE No. 10420, OF 7/7/2020

[Decree no. 10420, of July 7, 2020](#), amended Decree no. 9191, of November 1, 2017, which establishes the rules and guidelines for the Ministries to prepare, draft, amend,

consolidate, and forward proposed normative acts to the Presidency of Brazil. This Decree also revoked arts. 23 and 53, and Chapter VII of Decree no. 9191/2017.

6) DECREE No. 10424, OF 7/15/2020

[Decree no. 10424, of July 15, 2020](#), published in the DOU and effective on 7/16/2020, suspends the permission for the use of fire, addressed in Decree no. 2661/1998, in the Brazilian territory for 120 days.

7) DECREE No. 10425, OF 7/16/2020

[Decree no. 10425, of July 16, 2020](#), provides for the Council for Participation in Funds to Guarantee Risks of Credit to Micro, Small, and Medium-Size Companies and the Council for Participation in Education Credit Operations. The

purpose is to guide the Federal Government's participation in meetings of holders of units of the Funds to Guarantee Risks of Credit to Micro, Small, and Medium-Size Companies.

It also revoked Decree no. 9976/2019 and Decree no. 10280/2020.

8) DECREE No. 10427, OF 7/16/2020

[Decree no. 10427, of July 16, 2020](#), provides for the qualification of federal government undertakings in the port sector within the scope of the Investment Partnerships of the Presidency (PPI) for new procurements.

Thus, the federal government undertaking in the airport sector, named International Airport of Viracopos, in the City of Campinas, State of São Paulo, is qualified within the scope of the PPI, for new procurements, provided that the

Instrument of Adhesion to the Concession Agreement is signed within 90 days.

The Ministry of Infrastructure will submit to the PPI Council a report on the possibility of the financing-related debts of the current concessionaire being transferred to the new concessionaire within 90 days.

9) DECREE No. 10437, OF 7/22/2020

[Decree no. 10437, of July 22, 2020](#), amended Decree no. 10139/2019, which provides for the revision and consolidation non-decree normative acts. It also amended Decree no. 9215/2017, which deals with the publication of the Federal Official Journal (DOU).

Decree no. 10437 also revoked the sole paragraph of art. 2, sole paragraph of art. 15; and art. 20 of Decree no. 10139/2019, and the sole paragraph of art. 11 of Decree no. 9215/2017.

10) Office of the General Counsel for the Federal Government - AGU ADMINISTRATIVE RULE No. 249, OF 7/8/2020

[AGU Administrative Rule no. 249, of July 8, 2020](#), regulated the individually proposed transaction of credits administered by the AGU Prosecution Office and credits collected by the Federal Government Prosecution Office.

The regulation is intended to resolve administrative and judicial disputes. It will address only consolidated credits granted to individuals and legal entities and classified as irrecoverable or difficult to recover, at the administrative authority's discretion, provided that there are indications of asset stripping.

This is a Federal Government's measure to foster a good relationship between the taxpayers and the Tax Authority.

11) Office of the General
Counsel for the Federal
Government/Federal
Government Prosecution
Office -AGU/PGU
ADMINISTRATIVE RULE No.
014, OF 7/13/2020

[AGU/PGU Administrative Rule no. 014, of July 13, 2020,](#)
regulated the procedure for the individually proposed
transaction of debtor of credits collected by PGU, under
Law no. 13988, of April 14, 2020, and AGU Administrative
Rule no. 249, of July 8, 2020.

12) Brazilian Federal Revenue
- RFB ADMINISTRATIVE RULE
No. 1963, OF 7/3/2020

[RFB Normative Instruction no. 1963,](#) of July 3, 2020,
amends RFB Normative Instruction no. 1863, of December
27, 2018, which provides for the National Register of
Corporate Taxpayers (CNPJ). Annex III to RFB Normative
Instruction no. 1863, of 2018, was replaced with Annex I to
this Normative Instruction.

13) National Supplementary
Social Security
Superintendence - PREVIC
NORMATIVE INSTRUCTION No.
029, OF 7/21/2020

[PREVIC Normative Instruction no. 029, of July 21, 2020,](#)
established procedures for recognizing autonomous
certifying institutions, named Certifiers, and the respective
certificates. The Certifiers must adapt their certificates
until January 1, 2021. This Normative Instruction also
revoked arts. 2 to 9 of PREVIC Instruction no. 23, of June
28, 2019.

FINANCIAL MARKET, STOCK MARKET

1) DECREE No. 10414, OF 7/2/2020

[Decree no. 10414, of July 2, 2020](#), amends Decree no. 6306/2007, which regulates the Tax on Credit, Foreign Exchange and Insurance Transactions, or Transactions related to Bonds and Securities (IOF).

The Decree temporarily reduces to zero the rate of the IOF levied on certain transactions agreed between 4/3/2020 and 10/2/2020.

2) National Monetary Council - CMN RESOLUTION No. 4817, OF 5/29/2020

[CMN Resolution no. 4817, of 5/29/2020](#), sets the criteria for the accounting measuring and recognition of investments in affiliated companies, controlled companies, controlling companies jointly made by financial institutions and other institutions authorized to operate by the Brazilian Central Bank.

The Resolution also lists a series of documents that the institutions must keep for at least five years.

It also revokes Circular no. 3017, of December 6, 2000; Resolution no. 3619, of September 30, 2008; Resolution no. 3620, of September 30, 2008; and the following provisions of Resolution no. 4524, of September 29, 2016: items I and II of art. 1, item I of the sole paragraph of art. 1, arts. 5, 6, and 7, art. 9, and item I of art. 10.

3) CMN RESOLUTION No. 4818, OF 5/29/2020

[CMN Resolution no. 4818, of 5/29/2020](#), consolidated the general criteria for the financial institutions and other institutions authorized to operate by the Brazilian Central Bank to prepare and publish their individual consolidated financial statements.

This Resolution also provides that the Brazilian Central Bank has jurisdiction to set out rules and adopt the measures necessary to enforce the provisions of the Resolution.

Finally, Resolution no. 4818 revokes Resolution no. 3973, of May 26, 2011; Resolution no. 4636, of February 22, 2018; Resolution no. 4740, of August 29, 2019; arts. 1 to 13 of Resolution no. 4720, of May 30, 2019; and arts. 1 to 9 of Resolution no. 4776, of January 29, 2020.

4) CMN RESOLUTION No. 4819, OF 5/29/2020

[CMN Resolution no. 4819, of 5/29/2020](#), amended Resolution no. 4676, of July 31, 2018, which provides for the general conditions and criteria for real estate financing contracts with financial institutions and other institutions authorized to operate by the Brazilian Central Bank and regulates the allocation of funds raised from savings deposits.

Under the new Resolution, now article 25-A of Resolution no. 4676, of July 31, 2018 reads as follows: "Art. 25-A. The funds related to real estate financing contracts signed until September 30, 2020 may be released, at the discretion of the financial institutions and other institutions authorized to operate by the Brazilian Central Bank, after the guarantee bond is entered at margin of the record at the applicable Real Estate Register.

Sole paragraph. If the option addressed in the head provision is exercised, the provisions of art. 9 of this Resolution will not apply. (New Wording)"

5) CMN RESOLUTION No. 4837, OF 7/21/2020

[CMN Resolution no. 4837, of 7/21/2020](#), amended some articles and revoked the sole paragraph of art. 6 of Resolution no. 4676, of July 31, 2018, which provides for the general conditions and criteria for real estate financing contracts with financial institutions and other institutions authorized to operate by the Brazilian Central Bank and regulates the allocation of funds raised from savings deposits.

6) CMN RESOLUTION No. 4837, OF 7/21/2020

[CMN Resolution no. 4838, of 7/21/2020](#), provides for credit transactions of the institutions specified in the Resolution carried out within the scope of the Working Capital Program for the Preservation of Companies (CGPE).

The Resolution establishes the conditions, terms, rules for the grant of credit, and the characteristics of the credit transactions of the financial institutions and the institutions authorized to operate by the Brazilian Central Bank within the scope of the CGPE; credit cooperatives and consortium managers are not included in the mentioned institutions.

The Resolution also provides that the Brazilian Central Bank may set down rules for the enforcement of the Resolution.

7) Brazilian Central Bank - BACEN CIRCULAR No. 4022, OF 6/3/2020

[BACEN Circular no. 4022, of June 3, 2020](#), was published in the DOU on 6/5/2020 and took effect on 11/3/2020. It provides for the procedures for the authorization and cancellation of authorization for direct debit in pre-paid payment accounts.

8) BACEN CIRCULAR No. 4023, OF 6/3/2020

[BACEN Circular no. 4023, of June 3, 2020](#) amended Circular no. 3929, of February 13, 2019, which amends and consolidates the rules on the calculation of the base and collection of the contributions of the institutions associated with the Credit Guarantee Fund (FGC).

9) BACEN CIRCULAR No. 4024, OF 6/3/2020

[BACEN Circular no. 4024, of June 3, 2020](#), amended Circular no. 3644, of March 4, 2013, on the procedure for the calculation of the required capital of exposures subject to credit risk through the standardized approach (RWACPAD).

10) BACEN CIRCULAR No. 4035, OF 7/1/2020

[BACEN Circular no. 4035, of July 1, 2020](#), amended Circular no. 3975, of January 8, 2020, that provides for the compulsory payment levied on savings deposits, to change the rule on the daily yield of the balance of payment accounts corresponding to each modality of savings deposits and include the deduction of the required balance of interbanking transfers from cooperative banks to singular cooperatives (formed by 20 individuals at most) to finance working capital.

11) BACEN CIRCULAR No. 4036, OF 7/15/2020

[BACEN Circular no. 4036, of July 15, 2020](#), provides for the bookkeeping of the Bank Credit Note and Rural Credit Note by financial institutions. It also amends Circular no. 3616, of November 30, 2012, on the conditions for the

registration, in the registration and asset financial liquidation system, of information about guarantees for automotive vehicles in credit transactions and information about the ownership of automotive vehicles that are the subject of leases.

Thus, the financial institutions are authorized to keep the accounting records of the Bank Credit Note and Rural Credit Note.

12) BACEN CIRCULAR No. 4037, OF 7/15/2020

[BACEN Circular no. 4037/2020](#), amended Circular no. 4032, of June 23, 2020, which provides for the initial governance structure for the implementation of Open Banking in Brazil.

BACEN adjusted some rules to promote the implementation of Open Banking, according to the form, scope, and phases provided in the regulation in force.

Among the key measures is that BACEN will incorporate the content of the protocol into its regulatory process,

wholly or in part, as applicable, or will propose its incorporation into the regulation under the jurisdiction of the National Monetary Council. With this change, the structure responsible for the implementation of Open Banking will also act as consultant on the regulatory process.

Now, the regulation will deal with the cases in which associations give up serving on the decisionmaking board or are removed from the board.

BACEN also reaffirms its commitment to implementing the Open Banking, which is intended to build up a more efficient, competitive, and inclusive financial system.

Due to these adjustments, the date for the market to formalize the structure was postponed to 7/24/2020.

13) BACEN CIRCULAR No. 4,038, OF 7/28/2020

[BACEN Circular no. 4037, of July 28, 2020](#), amended some provisions of the Regulation Attached to Circular no.

3057/2001, Regulation of the Reserve Transfer System (STR), attached to Circular no. 3100/2002, Circular no. 3438/2009, Circular no. 3489/2010, Circular no. 3704/2014, and Circular no. 3917/2018, by virtue of the implementation of the Instantaneous Payment System (SPI). The Circular also revoked Circular Letter no. 3514/2011.

14) BACEN CIRCULAR LETTER No. 4070, OF JULY 16, 2020

[BACEN Circular Letter no. 4070, of July 16, 2020](#), amended Circular Letter no. 4056, of May 25, 2020, which establishes the procedures for adhesion to the instantaneous payment agreements (PIX) from its launching. Annex I to Circular Letter no. 4056, of May 25, 2020, which sets the requirements and terms for the formal tests to access the DICT directory, was amended as well.

15) BACEN CIRCULAR LETTER No. 4074, OF JULY 24, 2020

[BACEN Circular Letter no. 4074, of July 24, 2020](#), established the procedures to send documents and information, answers to requirements and filing of appeals, formalization of requirements, communications about evidence, and examination of authorization processes conducted by the Financial System Organization Department Financeiro (Deorf), among others.

16) Securities and Exchange Commission - CVM ADMINISTRATIVE RULE No. 075, OF 6/29/2020

CVM created the Sandbox Committee (CDS) through [CVM/PTE Administrative Rule no. 75, of June 29, 2020](#),

which establishes the strategic and operating nuclei to conduct CVM's actions related to the Sandbox.

CVM Administrative Rule no. 075, of 6/29/2020, was published in the DOU on 6/30/2020 to take effect on 8/1/2020. It provides for the formation and operations of the Sandbox Committee (CDS) addressed in art. 2, item III, of CVM Instruction no. 626, of May 15, 2020.

Those nuclei will be responsible for defining the admission process of participants that will be listed in the communication to the market, setting the additional procedures for the admission process, and making recommendations in respect of selection and priorities in case of an excessive number of proposals fit to be admitted.

CVM has recently regulated the formation and operations of the Regulatory Sandbox under [CVM Instruction no. 626, of May 15, 2020](#).

For more information, [click here](#).

17) MINISTRY OF ECONOMY - ME ADMINISTRATIVE RULE No. 260, OF 7/1/2020

ME Administrative Rule no. 260, of July 1, 2020, was published in the DOU and took effect on 7/3/2020. It regulates the disclosure of decisions of the Administrative Board of Tax Appeals (CARF) in the event of a tie vote.

18) Brazilian Federal Revenue - RFB NORMATIVE INSTRUCTION No. 1969, OF 7/28/2020

[RFB Normative Instruction no. 1969, of July 28, 2020](#), provides for the Tax on Credit, Foreign Exchange and

Insurance Transactions, or Transactions related to Securities (IOF).

This Normative Instruction revokes RFB Normative Instruction no. 907/2009; RFB Normative Instruction no. 1207/2011; RFB Normative Instruction no. 1256/2012; RFB Normative Instruction no. 1271/2012; RFB Normative Instruction no. 1402/2013; RFB Normative Instruction no. 1537/2014; RFB Normative Instruction no. 1543/2015; RFB Normative Instruction no. 1609/2016; RFB Normative Instruction no. 1649/2016; and RFB Normative Instruction no. 1814/2018.

19) CVM STATEMENT No. 861, OF 7/23/2020

[CVM Statement no. 861, of July 23, 2020](#), sets the procedures for testimonies via teleconference and videoconference within the scope of CVM as sanctioning authority.

20) CVM STATEMENT No. 864, OF JULY 28, 2020

[CVM Statement no. 864, of July 28, 2020](#), extended to October 31, 2020, the suspension of the effectiveness of art. 9 of CVM Instruction no. 476/2009, which provides that *“the offeror cannot make another public offering of the same type of securities of the same issuer within 4 months as from the final date or cancellation date of the offering unless the new offer is registered with CVM.”*

21) BACEN’s NORMATIVE ACT WILL HAVE A NEW NOMENCLATURE

BACEN is reviewing and consolidating its and CMN’s normative acts in compliance with [Decree no. 10139/2019](#) to adapt their nomenclature to the new standard set by the Federal Government.

The measure is intended to simplify the regulatory framework, improve its management, eliminate obsolete rules, and increase transparency at the bodies and entities of the Federal Government. Within the scope of BACEN, the measure will reach circulars, circular letters, joint normative acts, and other regulations in effect, except acts that produce concrete effects and those that do not set out rules that must be compulsorily obeyed.

Administrative Rule no. 107172, of March 11, 2020, outlines guidelines and distributes the tasks related to the matter. Each BACEN area will propose a revision and consolidation of the normative acts under its jurisdiction. To this end, each area will group together the rules by the main subject, indicate the order of priority, examination, consolidation, and presentation of the consolidated rules for the applicable authority to enact the act. The deadline for the publication of the first-stage results is November 30, 2020.

Under the new rules, acts of the federal administrative entities and bodies that are not decrees must be enacted as an administrative rule, resolution, or normative instruction, so that the Circulars will be named BACEN Resolutions and the Circular Letters, BACEN Normative

Instructions. BACEN must fulfill these criteria from 7/30/2020.

The current nomenclature will apply to non-consolidated normative acts until they are revised and consolidated as provided under Decree no. 10139.

On November 30, 2021, the deadline of the last stage of the process, all BACEN normative acts in effect must fulfill the nomenclature rule defined in the Decree and standardized by the Collective Board,

For more information, [click here](#) and [here](#).

TAX

1) LAW No. 14031, OF 7/28/2020

[Law no. 14031, of 7/28/2020](#), provides for the tax treatment of the exchange rate change for investments of financial institutions and institutions authorized to operate

by BACEN in affiliated companies, associated companies, branches, offices, or agencies domiciled abroad. This Law also amends Law no. 12 865/2013 on payment agreements and payment institutions of the Brazilian Payment System, and Law no. 12249/2010 on Financial Bonds.

2) Provisional Presidential Decree - MP No. 987, OF 6/30/2020

[MP no. 987, of 6/30/2020](#), amended Law no. 9440/1997, which establishes tax incentives for regional development.

This MP amended par. 1 of art. 11-C of Law no. 9440, which now reads as follows: “The new projects addressed in the head provision must be submitted until August 31, 2020 and fulfill the minimum amount of investments made by the qualified company in the region comprised by the incentive in the period between January 1, 2021 and December 31, 2025, as established by the Federal Executive Branch.

3) MP No. 988, OF 6/30/2020

[MP no. 988, of 6/30/2020](#), amended Law no. 9440/1997, which establishes tax incentives for regional development.

This MP provides for the extraordinary credit granted to the Ministry of Citizenship, corresponding to R\$ 101,600,000,000, according to the schedule in the Annex to the MP, and authorizes an internal credit transaction in the same amount to meet the expenditure to be paid with the credit.

4) MP No. 992, OF 7/16/2020

[MP no. 992, of 7/16/2020](#), provides for financing to micro, small and medium-sized companies, constructive credit assessed based on credits deriving from temporary differences, sharing of conditional sale, and exemption from proving good tax standing in the operations carried by BACEN by virtue of art. 7 of Constitutional Amendment

no. 106/2020 The MP also amends Law no. 13476/ 2017, Law no. 13097/2015, and Law no. 6015/1973.

It institutes the Working Capital Program for the Preservation of Companies (CGPE), a program for the financial institutions and institutions authorized to operate by BACEN, except credit cooperatives and consortium managers, to carry out credit transactions with companies with annual gross revenue for 2019 of up to three hundred million reais (R\$ 300,000,000.00) or an amount

proportional to the number of months of operation in 2019.

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