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The Legal 500 Brazil Banking and Finance 2024 Legal Overview

Ao receber o honroso convite da insigne Professora Doutora Beyla Esther Fellous, distinta profissional e importante dentro da cátedra e da exegese do Direito Internacional e do Público, com o intuito de escrever artigo em homenagem ao excelentíssimo Professor Doutor Francisco Resek, Ministro da Suprema Corte Brasileira (Supremo Tribunal Federal), Chanceler do Brasil, Ministro das Relações Exteriores e Juiz da Corte Internacional de Justiça de Haia, imediatamente retornei no tempo e escutei novamente os valorosos discursos e votos do iminente Ministro na D. Corte que tanto me motivavam na carreira, carregados de ética e de moral, bem como quando presidiu e integrou tribunais arbitrais no âmbito do Centro internacional de solução de litígios relativos a investimentos do Banco Mundial (Washington) e no da Corte Internacional de Arbitragem da Câmara Internacional de Comércio (Paris), permitindo revisitar as leis e regras gerais que permeiam as instituições financeiras no Brasil.

This article has been published recently as a Q&A for *The Legal 500 Country Comparative Guides 2024 – Brazil Banking and Finance* and provides an overview of the banking and finance laws applicable in Brazil. For a full list of jurisdictional Q&As visit legal500.com/guides

Summary: overview of the banking and finance laws and regulations applicable in Brazil.

1. What are the national authorities for banking regulation, supervision and resolution in your jurisdiction?

The Brazilian Financial System is comprised of the following authorities mentioned in the chart in [Exhibit 1](#) attached hereto. The Brazilian Monetary Council (*Conselho Monetário Nacional*, CMN) is the ultimate ruling body for the currency and credit policies (coordinates the macroeconomics policies of the Brazilian federal government), deciding inflation goals, foreign exchange rules, as well as main directives for financial institutions. The Central Bank of Brazil (*Banco Central do Brasil*, BCB) is the gatekeeper for all CMN rules. Moreover, BCB monitors and inspects financial institutions and set the (a) monetary, (b) foreign exchange and (c) credit policies forth.

2. Which type of activities trigger the requirement of a banking license?

The use of public economies/money or own money to lend or to held in custody for third parties. According to article 17 of Law 4595, of December 31st, 1964 (Reorganization of The Brazilian Financial System Law, “Federal Law 4595/64”), amended from time to time, “For the purposes of current legislation, financial institutions are considered as public or private corporate persons that have as their major or ancillary activity the gathering, intermediation or investment of their own or third party financial resources in local or foreign

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currency, and custody services of assets belonging to third parties. Sole Paragraph: For the purposes of this law and of current legislation, individual persons who perform any of the activities referred to in this article in a permanent or occasional manner are considered equivalent to financial institutions.” The exercise of such activities, in permanent or occasional manner triggers the requirement of a banking license.

3. Does your regulatory regime know different licenses for different banking services? According to Brazilian regulatory regime, currently it is possible to have the following licenses²:

(a) Foreign Exchange Bank – financial institutions that carries exchange transactions, transfers of funds to and from abroad, import and export financing, advances on foreign exchange contracts and other operations out, including the provision of services, as determined by the foreign exchange regulation;

(b) Commercial Bank - institutions with the objective to raise funds to provide a timely and adequate supply of funding needed to finance, in the short and medium term, commerce, industry, service providers, individuals and third parties in general. These institutions may receive bank / cash demand or time deposit;

(c) Development Banks, such as Brazilian Economic and Social Development Bank - *Banco Nacional de Desenvolvimento Econômico e Social, BNDES* – financial institutions which objective is to raise funds for medium and long terms financings for economic and social development projects/resources from long term deposits, investment funds and interbank transfers;

(d) Investment Banks - institutions which objective is to raise funds for investment purposes, temporary acquisition of equity in companies, asset management or medium and long-term financing operations, for the supply of companies' working or property, plant or equipment needs;

(e) Multiple Bank - financial institutions that operate multiple portfolios, performing, at least, two of the following activities, one of them being mandatorily commercial or investment portfolio: (a) commercial bank; (b) investment and/or development bank; (c) real state credit entity; (d) credit, financing and investment entity; and (e) commercial leasing;

(f) Savings Bank/Account - *Caixa Econômica Federal* - a Publicly-held commercial bank, with the aim to grant loan and financings to social projects. Currently, there is only one Savings Bank in Brazil: *Caixa Econômica Federal, CEF*;

(g) Credit, financing and investment companies (*Financeiras*) – with the aim of: (i) financing consumer purchases of goods and services; and (ii) trading credit instruments such as promissory notes, bills of exchange, etc.;

(h) Brokerage firms (*Corretoras*) – Brokerage firms deal in authorized securities and other negotiable instruments at CVM, under Federal Law 4728 of July 14th, 1965 (“Federal Law 4728/65”, the “Brazilian Capital Market Law” - which governs the financial and capital markets in Brazil, including specific regulation applicable to broker-dealers, and the respective regulatory powers granted to CMN and BCB in its regula-

² Source: <https://www.bcb.gov.br/estabilidadefinanceira/bancoscaixaseconomicas>

tion and supervision) and Federal Law 6385 of December 7th, 1976 ("Federal Law 6385/76"). These companies may be established as corporations or limited liability companies, and they operate as intermediary parties in transactions between the stock exchanges and investors, carrying the following activities: (i) organize, manage and participate in consortia for underwriting and managing securities offerings; (ii) purchase and resell of securities; (iii) distribution and placement of securities, CMN Resolution 2099 of August 17th, 1994, as amended, regulates the organization and operation of *Corretoras* and specifies all activities that such entities may perform;

(i) Dealers (*Distribuidora de Títulos de Valores Mobiliários* or DTVM) – These entities are also subject to Federal Laws 4728/65 and 6385/76. Their main business is to subscribe securities issued for resale or distribution, thus acting as intermediaries in the placement of public offerings. Their business is similar to that of *Corretoras*, and according to the Joint Decision of CVM and CMN No. 17 of March 2nd, 2009, DTVMs are now able to directly deal at the stock exchange. Such companies' organization and operation are set forth in CMN Resolution 5008 of March 24th, 2022. They may be organized as corporations or limited liability;

(j) Leasing companies (*Sociedades de Arrendamento Mercantil*) – The main role of leasing companies is to perform financial leasing transactions;

(k) Payment Institutions – Brazilian payment institutions are regulated by Federal Law 12865 of October 9th, 2013, which grants authority to the CMN and BCB to regulate those entities. Therefore, there are some CMN resolutions and Central Bank rulings that govern and detail the requirements and procedures for an entity to do business as a payment entity ("Payment Entity") in Brazil;

(l) Investment Advisory Services and Asset Management – Investment advisory services may be rendered by duly licensed financial institutions and also by asset management companies ("Asset Management Companies"): Asset Management Companies are not financial institutions nor payment institutions and therefore do not need authorization from the Central Bank to operate. However, if their services involve the management of a portfolio of securities, the company will require the authorization of the CVM. Asset Management Companies duly accredited by the CVM are allowed to manage securities portfolios for individuals, entities or investment funds (i.e., mutual investment funds, securities and financial assets managed portfolios). Please note that Asset Management Companies shall not trade securities directly on a stock exchange. Only a duly authorized brokerage firm registered with the relevant stock exchange is eligible to do that. Assets can, however, trade fixed-income securities directly. Certain Brazilian Asset Management Companies also discharge services and perform activities that are ancillary to asset management activities, which may require additional licenses from the CVM.

4. Does a banking license automatically permit certain other activities, e.g., broker dealer activities, payment services, issuance of e-money? No, as per the license request, activities and type financial and non-financial institution to which the license is required to be listed. Specific requirements of minimum capital required and Basel III indexes, as well corporate governance characteristics will apply and shall be observed on the request and from that on.
5. Is there a "sandbox" or "license light" for specific activities? Since June 13th 2019, with the publication of a Joint Communiqué of the Ministry of Economy, BCB, CVM and Brazilian Insurance Authority – *Superin-*

tendência de Seguros Privados, Susep, there is a public intention to implement a regulatory sandbox system in Brazil. It is an environment controlled by the BCB and in which the entities are authorized for a certain period to test an innovative project in the financial area or on payment means, observing a specific set of rules, which, in turn, will control and limit their activities, with the aim to stimulate innovation and diversity of businesses models, competition among product and services providers and to attend the needs of the users of the Brazilian Financial System and the Brazilian Payments System, as well as to assure the health of such systems.

6. Are there specific restrictions with respect to the issuance or custody of crypto currencies, such as a regulatory or voluntary moratorium? Crypto assets are not yet regulated in Brazil, but the Brazilian Congress is expected to vote regulation on a bill of law to regulate the country's cryptocurrency market in the first semester of 2024. BCB has opened a public consultation in this connection.
7. Do crypto assets qualify as deposits and, if so, are they covered by deposit insurance and/or segregation of funds? No, according to BCB crypto currencies are not considered currencies (except for the central bank digital currencies (CBDC)), because they do not have all major currency characteristics – which are mean of exchange, reserve of value and unity of count and are not issued by monetary authorities. For the purpose of this guidance, crypto assets are divided into three broad categories, depending on the nature of the rights granted to their holder: (a) **security tokens**: confer rights of ownership, participation, partnership or remuneration in a specific venture that is the issuer (similar to shares issued by public companies)/ (b) **utility tokens**: grant access or use rights in a service or product offered by the issuing venture; and (c) **cryptocurrencies**: mainly used as a means of payment, exchange or clearing that are not limited to a specific venture. Bitcoin and most stablecoins are examples of cryptocurrencies.

CVM considers security tokens as “securities”. Those are investment instruments with the same characteristics as securities. The legal status of utility tokens and cryptocurrencies has not yet been defined by any Brazilian law or regulatory authority.

Moreover, in 2014, BCB issued a communiqué on cryptocurrencies (referred to as “virtual currencies”), pursuant to which it clarified that those assets are outside the scope of “electronic currency”, as they are not issued by sovereign governments, and should be not legal tender. In 2017, the BCB issued other communiqué confirming that cryptocurrencies are not “electronic currency” and are not regulated or supervised by Brazilian financial authorities. Moreover, Brazilian courts have already endorsed such understanding, stating that that transactions involving the sale and purchase of cryptocurrencies are not regulated in the country, as they are not considered as electronic currency or securities. Hence, they cannot qualify as deposits in Brazil and they are not covered by deposit insurance.

8. If crypto assets are held by the licensed entity, what are the related capital requirements (risk weights, etc.)³? Aiming at a balance between regulation by activity and by entity, identical prudential treatment applied to banks is applied to payments institutions (“PIs”), regardless of the type of entity that performs it, except when considerations of size, systemic relevance or complexity justify a different treatment. Another objective of the new framework was to preserve the attractiveness of PIs as an entry option for newcomers

³ *BCB Financial Stability Report, volum 21, number 2, November 2022.*

to the financial system. The approach for members of conglomerates led by PIs in the case of prudential rules created incentives for excessive risk-taking by such PIs.

The conglomerates integrated by at least one PI were segregated into three types: (a) type 1: prudential conglomerate led by a FI; (b) type 2: prudential conglomerate led by a PI and not integrated by a FI; and (c) type 3: prudential conglomerate led by a PI and integrated by at least one FI. The concept of regulatory capital applicable to PIs is redefined. Thus, the accounting concept of adjusted net worth is replaced by the concept of prudential capital (PR), in which assets that are unable to absorb losses are deducted. In order to ensure easiness of entry for new PIs, deduction rules involving intangible assets are waived for two years after operating license is granted by BCB.

The capital requirement for payment activities is calculated using the total amount of payment transactions in the preceding year. This methodology is applied to electronic money issuance, acquiring of payment transactions and payment initiation services that are considered in the calculation of risk weighted assets related to payment services (RWA_{SP}).

The BCB has established in its credit risk framework a specific treatment for credit card exposures. For type 2 conglomerates, a simpler treatment is justified, and the capital requirement is calculated using a percentage of transactions volume.

The coverage of the financial risks incurred by PIs, previously without a specific prudential treatment, follows the same rules applicable to FIs, in line with recommendations by BCB, observing criteria of proportionality, covering credit risk, market risk and operational risk.

Furthermore, BCB Resolution 80 of March 25th, 2021 set forth minimum capital requirements for a payments institution to ask for authorization, ranging from: (a) BRL 2,000,000.00 (two million reais) to (b) BRL 1,000,000.00 (one million reais) (exclusively for payments institution which does not manage the payment account nor have the funds transferred during the transaction). For e-currency issuer and postpaid payment issuer: BRL 3,000,000.00 (three million reais). Other licensed banks with the aim to render payment services must add BRL 2,000,000.00 (two million reais) for each payment service rendered.

The new requirements will be gradually enforced, effectively on January 2023 and achieving full implementation in January 2025. This schedule ensures sufficient time for institutions to adjust their internal controls and their capital structure.

9. What is the general application process for bank licenses and what is the average timing? According to Federal Law 4595/64, financial institutions are subject to prior authorization from BCB in order to be able to operate in Brazil. This authorization involves a prior analysis phase, specific procedures and compliance with certain requirements depending on the type of activity to be performed. It should be noted that performance of activities that are specific for financial institutions without the prior authorization by BCB is subject to an administrative process with BCB/CVM and might constitute a crime under Federal Law 7492/86.

As a general rule, BCB shall grant a license to a bank to operate within 12 (twelve) months. The deadline counts from the date when the complete application/request is filed with BCB. The granting of a license to operate in Brazil by the BCB is conditioned to:

(a) Minimum capital requirements - Minimum paid-in capital and net shareholders' equity specified below shall be permanently complied with by financial institutions and other institutions authorized to operate by BCB⁴:

(i) seventeen million and five hundred thousand Reais (BRL 17,500,000): commercial bank and multiple banks with commercial portfolio;

(ii) twelve million and five hundred thousand Reais (BRL 12,500,000): investment bank; development bank; corresponding portfolios of a multiple bank and savings bank;

(iii) seven million Reais (BRL 7,000,000): foreign exchange bank, credit, financing and investment society; real estate credit society; leasing society; and corresponding portfolios of a multiple bank;

(iv) four million Reais (BRL 4,000,000): development agency;

(v) three million Reais (BRL 3,000,000): mortgage company;

(vi) payments institutions: (a) from two million Reais (BRL 2,000,000) up to (b) one million Real (BRL 1,000,000) (exclusively for payments institution which does not manage the payment account nor have the funds transferred during the transaction). For e-currency issuer and postpaid payment issuer: three million Reais (BRL 3,000,000). Other licensed banks with the aim to render payment services must add two million Reais (BRL 2,000,000) for each payment service rendered;

(vii) one million five hundred thousand Reais (BRL 1,500,000): security and stock broker societies and security and stock dealer societies qualified to conduct repurchase operations as well as performing firm guaranty operations of security subscription for later sale, margin account or swap operation where there is assumption of any rights and obligations with the counterparts;

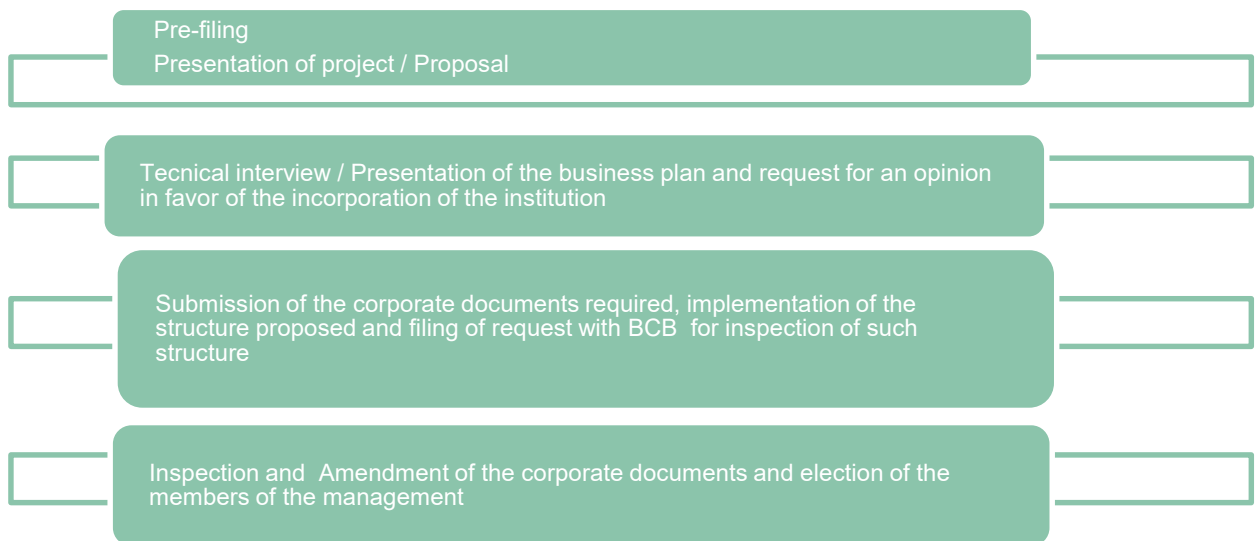
(viii) five hundred and fifty thousand Reais (BRL 550,000): security and stock broker societies and security and stock dealer societies conducting activities not mentioned in subparagraph (v) above;

(ix) three hundred and fifty thousand Reais (BRL 350,000): foreign exchange broker society; and
x) two hundred thousand Reais (BRL 200,000): micro-entrepreneur credit society.

Please note that in case of multiple banks, minimum capital requirements depend upon the types of portfolios held. The minimum capital requirement for such institutions can be set by the sum of each portfolio. For instance, a multiple bank with a commercial bank portfolio and a leasing portfolio would have to meet the following minimum capital limits: MINIMUM CAPITAL REQUIRED = CAPITAL REQUIRED BY PORTFOLIO 1 + CAPITAL REQUIRED BY PORTFOLIO 2 MINIMUM CAPITAL REQUIRED = BRL 17,500,000 (COMMERCIAL BANK PORTFOLIO) + BRL 7,000,000 (LEASING PORTFOLIO) MINIMUM CAPITAL REQUIRED = BRL 24,500,000.

In summary, the authorization process encompasses the following phases:

⁴ According to BCB PTAX foreign exchange sell rate (February 23rd, 2024: 1.0000USD=BRL 4.9851).



Phase 1: BCB prior analysis

(b) in order to request authorization to establish a financial institution in Brazil, the organizing group must appoint a technically qualified person as a contact with BCB for clarification purposes of any issue related to the project. In addition, members of the future controlling group and major shareholders, i.e., those that own more than 5% of total capital, must be identified;

(c) all members of the future controlling group and major shareholders shall grant BCB full access to their income tax data relating to the last three fiscal years. Moreover, they shall grant BCB full access to information on the inventory of properties and rights and debts and mortgages. The absence of restrictions on the personal data mentioned above is essential to obtain BCB's authorization for the operation of a financial institution in Brazil;

Phase 2: Filing a Request with BCB

Financial institution' shareholders will have up to 90days to file a request based on BCB prior analysis and to file corporate documents, shareholders agreements (if any) and feasibility reports/business plans:

(d) in case necessary, BCB will require the publication of a statement of purpose by naturals and legal entities that form part of the controlling group of the financial institution;

(e) a detailed economic and financial feasibility analysis report must be made available to BCB, containing at least a three-year forecast of the financial institution's operations. This report must comprise the following data: (i) market analysis, describing which market segments the financial institution will be focusing on; (ii) a market segment swot analysis (the opportunities, weaknesses, threats and strengths of the institution in comparison to other competitors); (iii) information on the main premises (such as growth rate, customers income, interest rate and so on) for each market segment used in the business plan; (iv) capital

structure to be adopted by the financial institution, indicating the source of funds and assets/liabilities evolution over time;

(f) a detailed business plan must be made available to BCB, containing at least a three-year forecast of the financial institution's operations. It must comprise the following data: (i) organizational structure, clearly indicating the responsibilities and attributions of each organizational level; (ii) description of the main procedures for controlling risks associated with the financial institution's operations, such as operational risk, credit risk and market risk; (iii) internal and external auditing procedures and specifications; (iv) strategic goals; (v) definition of main products and services to be provided and public targeted; (vi) specification of information technology infrastructure necessary to provide the desirable products and services to customers and to assure full compliance with the risk management policies to be adopted by the financial institution; (vii) definition of the time frame needed to initiate activities after authorization has been granted by the Central Bank; and (viii) description of the criteria to be utilized for selecting top management.

Phase 3: Operation and Monitoring (Based on Timing stated on Business Plan)

Finally, it is important to note that once the authorization to operate is granted by BCB, the interest party setting the financial institution up must state to BCB that its structure is confirmed as mentioned in the business plan. The financial institution shall be incorporated and must operate within the time frame estimated in the business plan. During the period which is the first 3 years of operation, BCB will monitor business as mentioned in the plan. If anything is contrary or out as stated, comply or justify policy will be applied and BCB will determine deadlines to be complied.

10. Is mere cross-border activity permissible? If yes, what are the requirements? Under Brazilian law in effect, foreign financial institutions may only conduct activities in Brazil after making application requesting the Central Bank's authorization and such authorization is granted. However, cross-border business, such as cross-border loans made by foreign entities to persons domiciled in Brazil and foreign investment in Brazilian capital markets, do not depend on local licenses for foreign parties to enter into such transactions (e.g., the lending bank or the foreign investor). However, such cross-border business usually requires local registration, such as the so-called registration of financial transactions (ROF) in the case of cross-border loans, and enrollment with the taxpayers' registry in the case of cross-border loans and investments in the capital markets.
11. What legal entities can operate as banks? What legal forms are generally used to operate as banks? In Brazil, banks can operate under corporations only.
12. What are the organizational requirements for banks, including with respect to corporate governance? The financial regulation in Brazil pursues the proportionality of the prudential regulation considering the institution's risk profile and the segment to which it is allocated, with regard to the Organization for Economic Cooperation and Development, OECD and the Financial Stability Bureau, FSB's corporate governance guidelines for financial institutions.

Corporate governance structure must be proportional to the size, complexity, structure, economic importance, risk profile and business model of the financial institution and its economic group. Financial institutions allocated in group S1 (please refer to answer to question 15) shall have corporate governance structures compatible with their role and potential impact to the economic stability in Brazil and abroad.

High management and the Board of Directors (*Conselho de Administração*) have the obligation to search for the best corporate governance ever for their banks.

A common corporate governance structure of a bank (listed) must have: Board of Directors, executive office, committees (risk, credit, products), internal audit, compliance (in general, with direct report to the President of the Executive Office of the Bank), audit committee. Furthermore, financial institutions shall appoint before the BCB executive officers responsible for data protection, risk, compliance, investment funds, AML/CTF controls and other transactions.

Listed banks, listed financial institutions or leaders of S1, S2 or S3 conglomerates (to be explained below in question 15) shall create an audit committee (BCB Resolution 4910 of May 27th, 2021). The composition of the committee may vary depending on the participation of the bank in a prudential conglomerate or in case the bank or institutions that are part of its prudential conglomerate are publicly held corporations. However, the audit committee must have, at least, three members with a maximum term of office of five years, for publicly-held banks, or without term of office, for closely-held banks.

As set forth into CMN Resolution 3921 of November 25th, 2010, it is necessary to create a remuneration committee: (i) for closely-held banks, in case the bank is also obliged to create an audit committee (as per the previous item above); and (ii) for publicly-held banks, mandatorily. The remuneration committee must have, at least, three members with fixed term of office, no longer than ten years. Additionally, at least one of the members must be a non-manager member.

Financial institutions are required to obtain an external auditor's opinion on the financial statements (annually). Only audit firms registered with the CVM may audit financial statements of listed companies and financial institutions. CVM requires all members of the audit firms to be accountants. The CVM conducts periodic audits on the work of external auditors of listed or foreign entities and no irregularities were identified in 2016. External Auditors are subject to regulations issued by the CMN and the BCB, as well as by those issued by CVM, The Brazilian Accounting Council (*Conselho Federal de Contabilidade, CFC*) and Brazilian Institute of External Auditors (*Instituto dos Auditores Independentes do Brasil, Ibracon*) – only if the rules issued by the last ones are not in conflict with the ones issued by CMN or BCB. For clarification purposes, resolutions issued by the CFC establish the professional rules for the work of external auditors.

Banks are subject to information disclosure standards in relation to accounting and prudential information. Listed banks and financial institutions listed are required to establish an Audit Committee and must publish accounting statements in accordance with IFRS annually⁵. Such financial statements shall be published on their website, also.

Notwithstanding the obligatory committees mentioned above, BCB imposes certain obligations to banks regarding internal controls, internal audit and ombudsman office, which may be performed by independent committees or units. According to BCB Resolution 4968 of November 25th, 2021, banks must implement internal controls structures in order to, among others, segregate the activities assigned to members of the

⁵ IMF Country Report No. 18/340, November 2018.

institution so that conflicts of interest are avoided, as well as to adequately monitor areas identified as having potential conflicts of interest.

Furthermore, pursuant to BCB Resolution 4879 of December 23rd, 2020, banks must implement and maintain an internal audit activity, which must be continuous, effective and independent of the audited activities, as well as be performed by a specific unit of the institution. Additionally, financial institutions must incorporate an ombudsman office, under the terms of BCB Resolution 4860 of October 23, 2020, which cannot be linked to an organizational component of the institution that represents a conflict of interest or of attributions (e.g., internal audit and compliance). The bylaws of the financial institution must expressly provide on certain aspects of the ombudsman office (e.g., its purpose, activities and attributions).

13. Do any restrictions on remuneration policies apply? During the Covid-19 pandemic, CMN issued Resolution 4820 on May 29th, 2020 with the aim of restricting the payment of dividends by financial institutions in Brazil, which could only pass on to partners and shareholders the minimum dividend established in their respective bylaws. Afterwards, CMN Resolution 4885 of December 23rd, 2020 changed the measure, making it more flexible so that the distribution of results could be carried out with a limit of up to 30% of the net profit of financial institutions. Moreover, it is important to note that all major banks in Brazil are listed companies and must publicly inform Board of Directors and Executive Office remuneration/compensation in the Regulatory Form (*Formulário de Referência*). Salary and stock option are informed in a consolidated basis.

Pursuant to CMN Resolution 3921 of November 25th, 2010, banks must implement a remuneration committee and policy for its administration, which shall be compatible with the risk management policy and should not encourage behavior that increases risk exposure above recommended levels. The remuneration committee, as applicable, and/or, in the last instance, the board of directors, is responsible for supervising the planning, implementation, controlling and reviewing this policy. With respect to the variable remuneration, the institutions must take into consideration, with regard to the overall amount and allocation of the remuneration certain factors, such as: (a) the current and potential risks; (b) the institution's overall result, in particular the recurring profit realized; and (c) the institution's capacity to generate cash flows. Among the criteria to pay variable remuneration to managers, it is necessary, at least, to take into consideration: (a) individual performance; (b) the performance of the business unit; (c) the performance of the institution as a whole; and (d) the relationship between the three performances listed above. There is no specific consequence provided by BCB's rules regarding the breach of the remuneration requirements mentioned above. However, CMN Resolution 3921/10 sets forth that BCB is authorized to adopt necessary measures to ensure compliance with the referred ordinance. In this scenario, the regulator may commence an administrative proceeding against the institution and its managers, based on general breach of regulation, under Federal Law 13506 of November 13th, 2017. As a final note, due to the impacts of the COVID-19 pandemic, the BCB has imposed certain temporary restrictions regarding remuneration of bank managers. In this sense, CMN Resolution 4820 of May 29th, 2020 expressly prohibited banks from increasing the fixed or variable (stock option) remuneration of officers, managers, directors or members of the audit committee. This resolution is still in force.

Furthermore, Federal Law 13506 of November 13, 2017 provides for certain restrictions on licensed banks' activities, imposing limits to banks and other financial institutions on (a) payment of dividends; (b) interest on equity or, in any other way, (c) remuneration of shareholders, managers or members of statutory bodies based on results obtained from false or incorrect accounting or financial statements.

14. Has your jurisdiction implemented the Basel III framework with respect to regulatory capital? Are there any major deviations, e.g., with respect to certain categories of banks? Since October 1st, 2013 Brazil has adopted Basel III framework, BCB requiring as minimum index of **11% since then, except for union banks (*bancos cooperados*), which in turn, must observe a minimum percentage of 13%**.

In fact, such question is very interesting because one can verified that the higher Basel Index, the less leveraged is the institution and less risky. Other fact is that the less are the property/plant/equipment (“ppp”), more likely is the institution to comply with the obligations. For instance, if a bank has 30% of its ppp, this means that BRL30.00 of BRL100.00 will be invested in ppp, with no immediate liquidity (i.e., long term bonds, real estate, cars, materials...) For information purposes, ppp index approved by BCB is **50%**.

Even for digital banks no major deviations are observed (please refer to tables attached hereto as Exhibit 15). Although, fund raising amounts are clearly lower in digital banks ppp indexes are lower too. However, Basel indexes are all higher the required by BCB.

15. Are there any requirements with respect to the leverage ratio? The Brazilian Financial System operates under the regulation set by the CMN, the BCB and the CVM to ensure efficient intermediation of resources and promote financial stability. Banking prudential regulation is proposed by BCB and approved by CMN in the form of CMN Ordinances. Recently, with the changes in the Brazilian Financial System, BCB was allowed to issue resolutions also. However, CMN ordinances are the highest level of primary regulation in the system. These ordinances, which in turn are locally called Resolutions are approved by the BCB's Board of Governors within the scope of its regulatory powers and are published in the form of BCB Resolutions since mid-2020. Before this period, BCB regulations used to be denominated “Circulars”. BCB allocates financial institutions in segments S1, S2, S3, S4 AND S5 for prudential regulation proportional implementation purposes (pursuant of article 9 of CMN Resolution 4553 of January 30th, 2017).



Considering the size – the ratio “Total exposure of financial institution/Brazilian GDP⁶” – There are five financial institutions’ segments in Brazil:

S1 - compounded of multiple banks, commercial banks, investment banks, foreign exchange banks and savings banks that (i) have a size equal to or higher than 10% of the Gross Domestic Product (GDP); or (ii) carry out relevant international activity, regardless of the size of the institution;

⁶ Real GDP: 1.5 – Annual percentage change and USD2.27 billion- IMF Data Mapper, October 2023, source: <https://www.imf.org/external/datamapper/profile/BRA>

S2 – compounded of (i) multiple banks, commercial banks, investment banks, foreign exchange banks and savings banks, with a size less than 10% and equal to or higher than 1% of GDP; and (ii) other institutions with a size equal to or higher than 1% of GDP;

S3 – compounded of institutions with a size of less than 1% and equal to or higher than 0.1% of GDP;

S4 – compounded of institutions with a size of less than 0.1% of GDP;

S5 – compounded of institutions with a size of less than 0.1% of GDP and that use the simplified methodology for the minimum regulatory capital (only non-bank financial institutions).

Aiming to introduce proportionality in banking regulation —without compromising its effectiveness — financial institutions in Brazil are categorized in five segments, S1 through S5, according to their risk profile and the relevance of their international activity. In this proportionate approach, institutions more exposed to risks or with relevant international activity (S1) have to comply with a more comprehensive and complex regulation, while institutions with less risk exposure (S5) must observe simpler rules.

16. What liquidity requirements apply? Has your jurisdiction implemented the Basel III liquidity requirements, including regarding LCR and NSFR? The soundness of financial institutions depends on the compliance with regulatory requirements related to minimum capital ratios, exposure limits and adequacy of risk management framework:

(a) **Regulatory Capital** (*Patrimônio de Referência*, PR): it is the prudential regulation capital benchmark measured according to the criteria defined by CMN in accordance with Basel III standards;

(b) **Risk-weighted assets** (RWA): the weighted sum of financial traded/intermediary's assets and off-balance sheet's exposures weighted according to risk-weighted factors and with regard to components of credit, market and operating risks;

(c) **Regulatory Capital Ratio**: It is the ratio indicating the institution's compliance with the regulatory minimum capital (8%) calculated as follows: PR (regulatory capital)/RWA (risk-weighted assets). The Tier I Capital and Common Equity Tier (CET1) Capital ratios minima are 6% and 4.5%, respectively;

(d) **CET1 Capital Buffers**:

a. Countercyclical: in order to mitigate the effects of excessive optimism/pessimism on the system-wide risk taking/aversion (countercyclical buffer upper limit: 2.5% of RWA);

b. Conservation: an extra capital to reduce excessive volatility in the financial institution's regulatory capital (2.5% of RWA);

c. Systemic (D=SIB) buffer: to be held by domestically systemically major institutions which might be exposed to more risk;

(e) **Liquidity Indicators**:

a. **Liquidity Coverage Ratio (LCR)**: Financial institutions must hold quality liquid assets in order to withstand cash outflows for 30 (thirty) days. These assets must be readily available to be used in a stress

scenario. Institutions allocated in segment S1 are obliged to keep LCR above a minimum threshold. Such threshold is monitored in a daily basis;

b. **Net Stable Funding Ratio (NSFR):** is the ratio between the amount of available stable funding (ASF) to the amount of required stable funding (RSF) to be applied under a stressed scenario within a specific period of 1 (one) year. Again, institutions under segment S1 had to hold at least a 1 NSFR, monitored monthly;

c. **Leverage Ratio (LR):** is the Tier 1 Capital ratio to the total exposure (without risk-weighting) of a financial institution. The minimum ratio required is 3%. LR complements the prudential requirement.

17. Do banks have to publish their financial statements? Is there interim reporting and, if so, in which intervals? Brazilian banks are organized as *Sociedades Anônimas* and, as such, must publish financial statements in agreement with the rules as set forth in the Brazilian Corporation Law (*Lei das Sociedades por Ações*, a.k.a. *Lei das S.A.*, Federal Law 6404 of December 15th, 1976) and as per BCB Comunicado 20467 of January 5th, 2011 until the 60th day counted from the date of the midterm financial statements (June 30th of each year) and (b) until the 90th day counted from the date of the financial statements of December 31st of each year.

This information must be disclosed on a consolidated basis for institutions belonging to the same prudential conglomerate in a form commensurate with the scope and complexity of operations and of systems and processes employed in risk management. Additionally, banks which are incorporated as a corporation or subject to the constitution of an audit committee must make a range of disclosures on a semi-annual basis, including the following: individual balance sheet of the institution or the prudential conglomerate's balance sheet, if applicable; individual balance sheet of the institution or the prudential conglomerate's balance sheet, in comparison with the published financial statements; list the institutions that comprise the scope of consolidation of the balance sheet, as well as the published consolidated balance sheet; disclose the values of total assets, net worth and area of activities of any of the institutions where individual disclosures have been made. Further requirements include the quarterly disclosure of information related to the calculation of the LCR (BCB Resolution 4401 of February 27th, 2015); quarterly and semi-annually disclosure of information related to the calculation of the leverage ratio (BCB Circular 3748 of February 27th, 2015); and four-monthly and annual disclosure of information pertaining to the assessment of global systemic importance (IAISG) on a (BCB Resolution 54 of December 16, 2020)⁷.

18. Does consolidated supervision of a bank exist in your jurisdiction? If so, what are the consequences? The supervisory review process is underpinned at the assessment of risks and controls, which is enrolled as an integrated and continuous process that can be break down into two (2) main macroprocesses: *monitoring* and *supervision*:

a. Monitoring aims at identifying threats both to Brazilian Financial System's stability, from a macro-prudential perspective, and to individual financial institutions, from a micro-prudential perspective; and

⁷ IMF Country Report No. 18/340, November 2018.

b. Supervisory activities are currently segregated into three main sectors: banking institutions, credit unions and non-banking institutions.

Monitoring: The monitoring process is carried out from two perspectives: (a) macroprudential, focused on the identification and evaluation of vulnerabilities that may impact the Brazilian Financial System, and (b) microprudential, aimed at monitoring the risks to which the Supervised Entities (SE) are exposed, as well as the compliance to operational and prudential limits.

a. Microprudential monitoring is responsible for assessing several issues such as credit and liquidity risks in the banks' balance sheets, as well as their resilience and solvency positions. It also monitors recent developments in the financial markets, e.g. capital, monetary and derivatives markets.

b. Macroprudential monitoring processes encompass the assessment of vulnerabilities to financial stability; risks arising outside the BCB jurisdiction, which emerge from investment funds, insurance companies and pension funds; and systemic risk assessment, through stress testing, sensitivity and contagion analysis.

Supervision: The supervisory function organizes into a "twin peaks" model: prudential and conduct.

a. Prudential – focus on the solvency and liquidity profiles of an individual institution;

b. Conduct – focus on client and consumer protection issues, as well as Anti-Money Laundering and Counter-Terrorism Financing (AML/CFT) activities.

The BCB systematically oversees the SEs' relationship with their clients/users of financial products/services and pursues the prevention of money laundering and terrorism financing (AML/FT).

Hence, the consequences of a consolidated supervision can be the implementation of a higher /strengthened supervision due to the values of consolidated assets, net worth and area of activities of any of the institutions when compared to the individual disclosures have been made, in order to mitigate risks and to foster the soundness of the Brazilian financial market.

19. What reporting and/or approval requirements apply to the acquisition of shareholdings in, or control of, banks?

The acquisition and transfer of equity in banks in Brazil are subject to the following requirements set forth by CMN Resolution 4970 of November 25th, 2021 and BCB Resolution 23 of October 20, 2020:

(a) Acquisitions and transfers of the corporate control and any change, direct or indirect, in the controlling group that may entail changes in the management of the institution, must be authorized by BCB;

(b) Operations involving direct or indirect acquisition, expansion and assumption of 15% or more of the total corporate capital, but not involving a change of corporate control, require submission to BCB;

(c) As a general rule, it is necessary to inform BCB regarding any direct or indirect changes in the corporate capital owned by:

- i. controlling shareholder or participant of controlling group;
- ii. foreign individuals or legal entities;
- iii. institutions regulated by the BCB; and
- iv. shareholders with 5% or more of the total corporate capital of the institution.

Pursuant to CMN Resolution 4,970/21, controlling group is defined as the holder of the majority of the voting capital in corporations or the holder of, at least, 75% of the corporate capital in limited liability companies.

Additionally, the regulation sets the types of entities that may be controlling shareholders of a financial institution, as follows:

- (a) individuals;
- (b) financial institutions headquartered in Brazil or abroad;
- (c) other institutions regulated by the BCB; and
- (d) holding company that has as exclusive corporate purpose of participation in institutions regulated by BCB.

Acquisitions and change of corporate control and any change, direct or indirect, in the controlling group that may entail changes in the management of the institution, must be priorly authorized by the BCB. Transactions involving direct or indirect acquisition, expansion and assumption of 15% or more of the total corporate capital, but not involving a change of corporate control, require submission to BCB.

20. Does your regulatory regime impose conditions for eligible owners of banks (e.g., with respect to major participations)? All members of the future controlling group and qualified shareholders must authorize BCB to obtain full access to their income tax data relating to the last three fiscal years, for the sole purpose of usage for authorization proceedings. Besides, they must authorize BCB to obtain information regarding the inventory of properties and rights and debts and mortgages. The absence of restrictions on the personal data mentioned above is essential to obtain BCB's authorization for the operation of a financial institution in Brazil. Furthermore, if necessary, the BCB may require the publication of a statement of purpose by naturals and legal entities that form part of the controlling group of the financial institution. Moreover, a complete bio with experience in the market and similar market shall be presented to BCB, as a profile with related information and sensitive information.
21. Are there specific restrictions on foreign shareholdings in banks? Recently ruled by Presidential Decree 9544 of October 29th, 2018 and Presidential Decree 10029 of September 26th, 2019, as well as and specific regulation by BCB, aiming at reducing bureaucracy, speeding up the authorization proceeding and stimulating the participation of new players in the financial market, such decree provoked certain flexibility in the acquisition of stake in financial institutions by foreigners. Before such decrees and regulation, any increase of foreign participation in financial institutions in Brazil required a manifestation of express interest by the Brazilian federal government and publication of a specific Presidential Decree in this regard. As regards the authorization process, foreign investors are subject to the same rules regarding license to operate in

Brazil (mentioned in answer to question 9 above), which are applicable both to foreign and local investors interested in acquiring an equity stake at a local financial institution.

Below, a summary of specific main conditions that must be met prior to the Central Bank's approval for a foreign financial institution to set up a branch in Brazil is presented (please note that general authorization requirements mentioned in caption 9 above must be met in addition to the ones mentioned below). Such guidelines are based on CMN Resolution 4970 of November 25th, 2021 and BCB Circular 3977 of January 22nd, 2020. According to this ordinance the following information must be provided to BCB in applications filed by foreign counterparts to operate in the Brazilian financial sector:

- (a) amount of foreign participation in the total capital of a local subsidiary of a financial institution (not applicable to branches);
 - (b) importance of the entrepreneurship for the Brazilian economy, listing all benefits that could be gathered by the local financial system, such as new technologies, greater variety of products and services, incrementing competitiveness and so on;
 - (c) detailed description of existing activities of the foreign investor in the Brazilian Financial System, including any participation in local economic groups;
 - (d) relevance of the local transactions to the strategic plans of the foreign investor, including added-value analysis on any existing activities in Brazil;
 - (e) risk rating classification of the applicant, including the entire economic group, if applicable;
 - (f) indication of any financial institutions that maintain direct or indirect relations with the financial institution domiciled abroad;
 - (g) indication of regulatory bodies that supervise the financial institution domiciled abroad, if applicable; and
 - (h) other information considered relevant for the analysis by the Brazilian government. CMN Resolution 4970 of November 25th, 2021 sets down the conditions to be met both by Brazilian and foreign applicants to operate in the domestic financial system.
22. Is there a special regime for domestic and/or globally systemically important banks? BCB has sent in 2019 the Bill of Complementary Law 281 of December 23rd, 2019 ("Bill 281/19"), with the aiming o adopting the Financial Stability Board Key Attributes of Effective Resolution attributes, seeking convergence to the international standard for resolution regimes, designed to provide national authorities with tools to resolve systemically relevant financial institutions in an orderly manner, without interrupting the provision of their critical functions to customers and the economy as a whole. The Bill has been approved by the chamber of federal deputies but detailed ruling is still need.
23. What are the sanctions the regulator(s) can order in the case of a violation of banking regulations?

Main Brazilian banking regulation comprise:

- (a) Federal Law 4595/64 (the “Brazilian Banking Law”), which created reorganized the Brazilian Financial System (SFN) and, thus, the basis of the regulatory framework of the banking sector, including the definition and activities of financial institutions and the regulatory powers granted to CMN and BCB in the SFN;
- (b) Federal Law 4728/65 (the “Brazilian Capital Markets Law”), which rules the financial and capital markets in Brazil, including specific regulation applicable to broker-dealers, and the respective regulatory powers granted to CVM, CMN and BCB in its regulation and supervision; and
- (c) Federal Law 4131 of September 3rd, 1962, which sets forth the general foreign exchange and foreign investments legal framework in Brazil;
- (d) Complementary Law 105 of January 10th, 2011, dealing with bank secrecy;
- (e) Federal Law 9613 of March 3rd, 1998 (the Anti-Money Laundering Law), imposing obligations related to the prevention of anti-money laundering and terrorism financing (AML/CTF); and
- (f) Federal Law 13810 of March 8th, 2019 requiring compliance with sanctions imposed by resolutions of United Nations Security Council (UNSC) against persons under investigations or accused of the crime of terrorism or its financing. In this context, the Brazilian Banking Law and the Brazilian Capital Markets Law granted powers to CMN and BCB to act as the main regulators in charge of the banking sector, provided that CMN undertakes a general regulatory role, while BCB is in charge of regulating specific aspects and supervising compliance with the regulation.

Backed on the legal framework above, CMN and BCB have enacted a comprehensive and extensive regulation of the financial sector, amongst those we should highlight the following:

- (a) CMN Resolution 4970/22 and BCB Resolution 238 of August 31st, 2022, ruling the incorporation and authorization proceeding of financial institutions, appointment of officers, main corporate events and cancellation of authorization to operate;
- (b) CMN Resolution 4553/17, that sets forth the segmentation of financial institutions for purposes of applying the prudential regulation in a proportional manner;
- (c) BCB Circular 3978 of January 23rd, 2020, which regulates the AML/CTF obligations, set forth by Federal Law 9613/98 and Federal Law 13260 of March 16th, 2016 (Federal Law 13260, which sets forth crimes associated with terrorism acts, including terrorism financing). Furthermore, CMN and BCB have enacted extensive regulation regarding other matters, including regulation on internal controls, ombudsman, cybersecurity, internal and independent audits, risk management, frauds prevention, customer service support and accounting.

Please note that the activities performed by financial institutions are subject to extensive regulation and they are subject to a series of restrictions regarding their operating procedures and business. In this context, Federal Law 13506/17 provides certain restrictions on licensed banks' which are forbidden to:

- (a) trade securities, financial instruments and other assets, or carry out credit or leasing transactions, at prices that do not match market prices, causing losses for itself or for third-parties;

- (b) distribute dividends, pay interest on equity or, in any other way, remunerate shareholders, managers or members of statutory bodies based on results obtained from false or incorrect accounting or financial statements;
- (c) issue debentures and founders' shares (*partes beneficiárias*); and
- (d) acquire real estate not intended for its own use, except for those received in settlement of loans in stress or doubtful solutions (TLAC) or when expressly authorized by BCB, in compliance with the regulation issued by CMN.

According to Article 42 of Federal Law 4594/64 as amended by Federal Law 13506/17, "violations to the provisions of this law and to the rules will be subject to the punitive action of the Central Bank of Brazil, as set forth in law in effect at that time."

Following Financial Action Task Force (FATF) and OECD guidelines, Brazilian Congress enacted Federal Law 9613/20 which is the main source for AML/CTF obligations. Before that, banking associations and the Brazilian Corporate Governance Institute (*Instituto Brasileiro de Governança Corporativa – IBGC*) have issued non-binding guidelines in this regard. The provisions of this law are broad and require specific regulation in order to enable compliance by regulated entities. Therefore, BCB has enacted Circular 3978 of January 23rd, 2020 to rule in detail AML/CTF obligations applicable to financial institutions. In addition to that, Federal Law 9613/20 and BCB Circular 3978/20 set forth requirements that financial institutions shall comply to implement an AML/CTF governance structure using a risk-based approach. This structure must be compatible with clients; institution; transactions, operating, products, services; employees, partners, and outsourced service providers' risk profiles.

BCB Circular Letter 4001 of January 29th, 2020 sets forth a non-exhaustive list of AML/CTF of processes and guidelines to which financial institutions shall comply:

- (a) set and implementation of internal risk assessments and policies;
- (b) maintenance of transaction records;
- (c) implementation of processes for identifying, qualifying and classifying its clients (KYC), partners, employees and outsourced service providers;
- (d) set and implementation of processes to monitoring, selection and analysis of suspicious transactions and situations (to which the BCB sets forth a non-exhaustive list in);
- (e) report to Financial Activities Control Board (Coaf) (AML Authority in Brazil) of such suspicious transactions and situations to the regulators; and
- (f) appointment of an officer to be in charge of the AML/CTF controls.

The report of suspicious transactions and situations is mandatory and must be made to the Financial Activities Control Board (Coaf). Specific transactions that are considered potentially suspicious and must be reported independently of the institution's internal risk assessment, while there is other that require an internal assessment in order to determine if they should be reported or not.

Additionally, to the laws mentioned above, Federal Law 13810/19 and BCB Resolution 44 of November 24th, 2020, set forth sanctions issued by UNSC; and BCB Resolution 131 of August 20th, 2021 sets forth, among other things, specific sanctions applicable in case of breach of AML/CTF rules by financial institutions.

With regard to secrecy, Complementary Law 105/01 (the "Bank Secrecy Law") sets forth the general bank secrecy requirements applicable to financial institutions. The Bank Secrecy Law establishes that, as a general rule, financial institutions must keep secrecy of its active and passive transactions and services provided to clients. Under the following circumstances, financial institutions may disclose information that otherwise shall be protected by banking secrecy obligations: (a) the exchange of information between financial institutions, for registration purposes, including through risk management centers; (b) information contained in the register of issuers of checks without provision of funds and defaulting debtors, to credit protection entities; (c) information required to identify taxpayers and the global amounts of the respective transactions to the Federal Revenue; (d) communication, to the competent authorities, of the commitment of crimes or administrative offenses, including information on transactions that involve funds from any criminal activity; (e) the disclosure of confidential information with the express consent of the client; (f) information under the terms and conditions established in other situation provided in the Bank Secrecy Law; and (g) financial and payment data, related to credit transactions and payment obligations performed or in progress by individuals or legal entities, to credit rating agencies, for the formation of credit history, under the terms of a specific law. Financial institutions must disclose information originally protected by bank secrecy, when such disclosure is required by authorities with jurisdiction over them for the purpose of providing evidence on any illegal act, at any stage of the investigation or judicial process, and especially as regards the following crimes: (a) terrorism; (b) illicit trafficking in narcotic substances or related drugs; (c) smuggling or trafficking in arms, ammunition or material intended for their production; (d) extortion through kidnapping/ramson; (e) against the Brazilian Financial System; (f) against the Public Administration; (g) against the tax order and social security; (h) money laundering or concealment of assets, rights and values; and (i) committed by a criminal organization. In addition, financial institutions cannot oppose the bank secrecy obligation to: (a) BCB in the performance of its supervisory duties, including the investigation, at any time, of offenses committed by controllers, managers, members of statutory councils and agents, and when carrying out an inquiry in a financial institution subject to a special regime; (b) the Judiciary Branch, preserving its confidential nature by means of restricted access to the parties; (c) the Federal Legislative Branch, limited to the confidential information and documents that, on a reasonable basis, are necessary for the exercise of their respective constitutional and legal powers; (d) tax administration of the Federal Union, regarding the financial transactions carried out by the users of its services; (e) the tax authorities and tax agents of the Federal, State, Federal District and Municipalities, regarding documents, books and records when there is an administrative or fiscal proceeding in progress and such examinations are considered indispensable by the competent administrative authority; and (f) CVM, that may request the competent judicial authority to lift the secrecy with financial institutions of information and documents relating to assets, rights and obligations of an individual or legal entity subject to its disciplinary power. In that sense, the non-compliance with bank secrecy requirements, such as the breach of secrecy or the omission, unjustified delay or false provision of information required under the Brazilian Bank Secrecy Law, may result in criminal liability, without prejudice of the other applicable sanctions.

Financial institutions must have to comply with specific laws and regulations regarding privacy and information security in Brazil, including, but not limited to: (a) Federal Law 12965 of April 23rd, 2014, which is the Brazilian internet law, and related Presidential Decree 8771 of May 11th, 2016, which regulates the law,

setting forth the principles, guarantees, rights and duties for the use of the internet in Brazil; (b) Federal Law 13709 of August 14th, 2018 (the Brazilian General Law for the Protection of Personal Data), which governs the processing of personal data, including in digital media, by individuals or legal entities governed by public or private law, in order to protect the fundamental rights of freedom and privacy, as well as the free will of the individual's personality (LGPD) and related Presidential Decree 10474 of August 26th, 2020, which created the Brazilian Data Protection Authority (ANPD). Under the LGPD, regulation and supervision of the general data protection and information security obligations will be carried out by ANPD; and (c) CMN Resolution 4893 of February 26th, 2021, the main regulation regarding cybersecurity in the banking sector, detailing the cybersecurity policy and the requirements for contracting data processing, storage and cloud computing services by financial institutions.

Federal Law 13506/17 and BCB Resolution 131/21, the BCB is responsible for supervising financial institutions. Any violations of the regulations may lead to the imposition of administrative sanctions, after an administrative sanctioning proceeding has been concluded. As a consequence, the members of the executive board, board of directors, board of auditors, audit committee and other statutory bodies of banks are subject to administrative sanctions, pursuant to applicable regulations. In general, the applicable sanctions vary according to the infraction committed. Under Federal Law 13506/17, the main penalties applicable by the BCB to managers of banks, separately or cumulatively are:

- (a) public admonition/admonishment or warning;
- (b) fine; and
- (c) ineligibility to be appointed as statutory managers of a financial institution, payment institution or other institutions supervised/monitored by BCB.

24. What is the resolution regime for banks?

Banks are subject to special regimes in stress situations or in other types of crises in Brazil. The main special regimes existing in Brazil are listed below:

- (a) **intervention (*intervenção*)**;
- (b) **extrajudicial winding up (*liquidação extrajudicial*)**, as provided by Federal Law 6024 of March 13th, 1974 ("Federal Law 6024/74"), which is the Brazilian federal law on financial institutions' intervention and extrajudicial winding up; and;
- (c) **Special Temporary Management Regime (*Regime de Administração Especial Temporária - RAET*)**, as provided by Decree Law 2321 of February 25th, 1987.

As set forth in of Federal Law 6024/74, in order for Intervention and Extrajudicial Winding Up of financial institutions to occur, is necessary that a decree by the BCB be issued.

Intervention

Intervention in a financial institution can occur in one of the following situations:

- (a) losses resulting from mismanagement that subjects its creditors to risks;

(b) repeated breaches of the applicable banking laws that are not remedied after determination by the BCB; and

(c) exercising of activities that could trigger or lead to bankruptcy as set forth in Federal Law 11101 of February 9th, 2005 (the Brazilian Bankruptcy Law).

Extrajudicial Winding Up

Extrajudicial winding up may be decreed by BCB when one of the following occurs:

- (a) evidenced deterioration of the economic or financial condition of the institution, in particular when it fails to timely pay its debts or carries out activities that could trigger or lead to bankruptcy;
- (b) serious breach of legal, regulatory or statutory rules, by the institution's management or breach of the CMN or BCB requirements;
- (c) if the institution suffers losses which subjects its unsecured creditors to an abnormal risk;
- (d) if the institution is not liquidated after its authorization to operate is revoked; or
- (e) at the justified request of the management, provided they have powers and authority to do so, or at justified request of the intervenor (*interventor*).

In the intervention regime, which shall not exceed 6 (six) months (extendable for another period of 6 (six) months), BCB shall appoint an intervenor with broad management powers who shall replace the current management (provided that certain acts must be previously approved by BCB, such as hiring and firing of employees). The intervenor must prepare a report to BCB indicating the financial and economic situation of the institution and listing all acts and omissions he/she/it has identified. The intervention ceases (a) at the presentation by the interested parties of a required collateral/guarantees to the BCB and at the resume of the institution's economic activities; (b) at the discretion of the BCB, the institution's situation is normalized; or (c) if the extrajudicial liquidation or bankruptcy of the institution is decreed.

Similarly to intervention, in the extrajudicial winding up, BCB must appoint a liquidator with broad management and winding up powers, including the powers to hire and fire employees (provided that certain acts must also be previously approved by the BCB, such as encumbering or selling assets by auction). The liquidator must prepare a report with the same terms applicable to the intervenor. The extrajudicial winding up process ceases at:

- (a) the BCB's decision BCB if Federal Law 6024/74 has been triggered (e.g., payments to unsecured creditors or transfer of bank's corporate control); and
- (b) enactment of bankruptcy decree.

The term of office of managers, members of the board of auditors or any other management bodies created by the institution's corporate documents is suspended in case of intervention or terminated in case of extrajudicial winding up. All assets pertaining to managers of institutions under intervention, extrajudicial winding up or bankruptcy will become unavailable (freeze) and such individuals will not be able, by any means,

directly or indirectly, to dispose of or encumber such assets, until their liabilities are settled. The unavailability of assets may be extended to the: (a) assets of sub-managers (*gerentes*), tax auditors (*auditores fiscais*) and all those who, up to the limit of their estimated liability, have contributed, in period which is the prior 12 (twelve) months counted as from the date of the decree of intervention or extrajudicial winding up; and (b) assets sold by managers or any of the persons listed above to third parties, in the prior 12 (twelve) months counted as from the date of the decree of intervention or extrajudicial winding up, provided that the acquisition of such assets is under strong suspicion of having been made with the purpose of breaching the law. The persons subject to unavailability of assets may not be absent from the venue of the intervention, extrajudicial winding up or bankruptcy proceeding without BCB's prior and express authorization or the bankruptcy judge. The institution's managers and members of the audit committee shall be liable for their acts or omissions. Furthermore, all managers are jointly liable for the obligations undertaken during their management until they are discharged.

At last, but not the least, Federal Law 9,447 of March 14th, 1997 extended to the direct or indirect controlling shareholders of financial institutions subject to intervention, extrajudicial winding up or RAET, the joint and several liability under Decree Law 2321/87 and the unavailability of assets under Federal Law 6024/17 and Decree Law 2321/87.

Special Temporary Management Regime (*Regime de Administração Especial Temporária - RAET*)

RAET has the purpose of interrupting the ordinary management of a financial institution in the following events:

- (a) repeated performance of transactions contrary to the guidelines of economic or financial policy as set forth in federal law;
- (b) existence of unsecured liabilities (*passivo a descoberto*);
- (c) reckless or fraudulent management;
- (d) breach of regulations related to bank settlement accounts (*conta de reservas bancárias*); and
- (e) occurrence of any situations that may lead to intervention process.

Once RAET is decreed, regular course of the institution's business is not affected and shall have immediate effect on the terms of the management and tax auditors (*auditores fiscais*), terminating immediately their mandates. During a RAET, BCB will appoint members of the managements and to the committees, establish attributions and practice intervention acts. All the provisions, remedies and liability-promoting measures applicable to the management in intervention and extrajudicial winding up are applicable also in this case. Once RAET is decreed, the individuals or legal entities that control the institution, regardless of intent or fault, are jointly liable with the former management as regards the obligations undertaken by the latter. The joint liability resulting from the corporate control is limited to the amount of the institution's unsecured liabilities, assessed in a balance sheet that will have as its base date the date RAET is decreed.

As mentioned before, BCB has sent in 2019 Bill 281/19 to the Congress, seeking convergence to the international standard for resolution regimes, designed to provide national authorities with tools to resolve systemically relevant financial institutions in an orderly manner, without interrupting the provision of their critical functions to customers and the economy as a whole. This Bill is still awaiting detailed ruling.

25. How are client's assets and cash deposits protected? Deposit insurance in Brazil is provided by the Credit Guarantee Fund (FGC) and by the Cooperative Guarantee Fund (FGCoop). Regulated by the CMN and BCB, these are private nonprofit entities set up to protect investors and depositors of financial institutions (multiple, commercial, development and investment banks, savings bank, financing companies, mortgage companies and savings and loan associations in the case of the FGC; and credit unions and cooperative banks in the case of the FGCoop). Recent regulation amended the FGC's statute including, among other aspects, restricting the insurance coverage in cases of institutional investors (BCB Resolution 4469 of February, 25th, 2016). Similar regulation is being evaluated for the FGCoop, in order to allow the fund to act as a paybox and to offer liquidity assistance to associates. Deposits and deposit-like instruments are covered by the FGC and the FGCoop up to BRL250,000 per investor. Pay-out funds come from the contributions of associated institutions, credit rights subrogated by the FGC/FGCoop from associated institutions under resolution regime, as well as from the results of the services rendered by the FGC/FGCoop and the proceeds from investments made by them. Currently, the monthly ordinary contribution of associated institutions is set at 0.0125 percent per month of the balance of the guaranteed accounts, in connection to Time Deposits with Special Guarantee (*Depósitos a Prazo com Garantia Especial, DPGE*): 02% per month (in case there is fiduciary lien of receivables) and 0.03% per month (in case there is no fiduciary lien of receivables). The FGC not only performs the role of pay box in an intervention or extrajudicial liquidation, but can provide financial support (e.g. loans, portfolio purchases, additional limit of insurance for certain affiliates' transactions) in order to support financial stability. The FGC can carry out these operations to promote the transfer of control, split, merger or other corporate reorganization as needed⁸.
26. Does your jurisdiction know a bail-in tool in bank resolution and which liabilities are covered? Does it apply in situations of a mere liquidity crisis (breach of LCR etc.)?

Emergency liquidity assistance can be provided to financial institutions at the BCB's discretion, with maturities up to 359 days, as provided for in paragraph 2 of article 28 of Complementary Law 101 of May 4th, 2000. However, when longer maturities of liquidity support are necessary, the BCB must liaise on the Ministry of Finance and the Federal Government in order to set and approve specific legal provisions.

The LCR was adopted in Brazil, with large institutions being required to maintain a daily ratio between liquid assets and obligations maturing in the subsequent 30 days equal to at least one. CMN Resolution 4401 of February 27th, 2015 imposed a threshold for financial institutions or conglomerates pertaining to S1 (as described above). The calculation of the LCR is provided by BCB Circular 3749 of March 5th, 2015, which divides the assets according to decreasing liquidity criteria. The standard provides for categories of assets used only partially for the calculation of the index, given their degree of relative liquidity, through the application of weighting factors (for example, certain bonds and stocks).

⁸ IMF Country Report No. 18/340, November 2018.

27. Is there a requirement for banks to hold gone concern capital ("TLAC")? Does the regime differentiate between different types of banks? Banks and financial institutions in Brazil can hold illiquid assets/gone concern capital (TLAC – property, plant and equipment not for own use) up to 1 (one) year according to law in effect perceived as guarantee in financing transactions. Other property, plant and equipment can be held only for proper use or use in operating activities such as armored cars used in currency transportation, computers and software for R&D, ...

For clarification purposes, banks are not allowed to acquire real estate not intended for its own use, except for those received in settlement of loans with difficult or doubtful solutions or when expressly authorized by BCB, in compliance with the regulation issued by CMN.

28. In your view, what are the recent trends in bank regulation in your jurisdiction?

The six largest banks account for almost 70 percent of the Brazilian financial system and nearly 94 percent of Brazilian GDP⁹. The largest 13 banks, accounts for 88 percent of the financial system and 119 percent of the GDP. The six largest banks are subject to Basel regulatory standards and account for nearly 96 percent of international activity¹⁰.

The Brazilian banking sector is highly concentrated, and this can influence its dividend policy decisions (Simon et al., 2019). According to information from the Banking Economy Report – 2022, released by BCB in June 2023, the Concentration Ratio of the Four Largest Banks (Caixa Econômica Federal, Banco do Brasil, Itaú and Bradesco) showed a concentration of Brazilian Financial System credit operations in 2020, 59.4%, in 2021, 59.3% and in 2022, 59.0%.

System-wide capitalization was at 11.5 percent CET1 and 16.1 percent total capital, at end 2016, compared with minimum regulatory requirements of 4.5 and 11 percent respectively. Asset quality has been eroded with both households and corporates showing signs of deterioration, as the percentage of problem assets in total loans to non-financial corporates doubled in two years to 8 percent. In households, the problem assets reached their highest level since 2013, though may have peaked. Profitability has been affected and ROE for the banking sector at end March 2017 was 13.3 percent, compared with 22.8 at the time of the last FSAP.

CFC approves the Brazilian Accounting Norms (NBC), based on the International Standards on Auditing (ISA) issued by International Auditing and Assurance Standards Board (IAASB) as of the end of 2010. BCB is the body that enforces audit standards when an external auditor is auditing a banking group. Also, BCB is responsible for issuing the accounting norms for the banking sector, pursuant to the Federal Law 4595/64 and Federal Law 11941 of May 27th, 2009. Consolidated statements based on IFRS are required for publicly listed financial institutions and from those entities subject to the requirement to establish an Audit Committee. The CMN has promoted an approximation with the international accounting standard in relation to

⁹ Real GDP: 1.5 – Annual percentage change and USD2.27 billion- IMF Data Mapper, October 2023, source: <https://www.imf.org/external/datamapper/profile/BRA>.

¹⁰ Source: BCB Financial Stability Report, on June 2016.

individual financial and regulatory financial statements. Furthermore, the BCB has announced its commitment to revising the accounting of financial instruments with a view to enhancing convergence with IFRS 9¹¹.

Based on signed cooperation agreements, BCB can share information with other national and foreign authorities. BCB, is a local resolution authority of a resolution entity of a G-SIB—Santander in a Multiple Point of Entry approach. BCB has been part of a Cross-border Cooperation Agreement in relation to the Santander Group since 2013 with authorities from EU, Spain and the United Kingdom.

At the time of the assessment, a draft Bank resolution bill, prepared BCB to align the Brazilian resolution framework to the FSB Key Attributes of Effective Resolution Regimes, was under consideration. The draft bill proposed a new resolution framework, to make existing tools, such as reorganization, good-bank/bad-bank policy, and liquidation, more effective. Additionally, the bill proposed new measures such as the creation of bridge banks.

In the past few years, the Brazilian financial industry has gone through substantial changes, including the promotion of several initiatives aimed at encouraging the entry of new participants in the market and also the development of instant payments (“Pix”) and open banking. Additionally, BCB has adopted standards that are usually in line with international regulatory frameworks implemented in well-developed jurisdictions, as it can be noted by the regulations governing open banking and Pix. It is worth mentioning that BCB has stated its purpose of promoting financial inclusion, competitiveness, transparency, financial education and sustainability in a public document entitled Agenda BC#, which focuses on resolving structural challenges of the Brazilian Financial System by, among other measures, fostering technological innovation in the local market. In this sense, we have summarized below the main upcoming regulatory developments expected to have an impact on the Brazilian financial system, such as the full implementation of Pix, open banking and the Brazilian Central Bank Digital Currency (CBDC).

Pix is the Brazilian instant payments payment scheme, launched on November 16th, 2020. In its turn, instant payment is an electronic money transfer in which the transmission of the payment order and availability of funds to the receiver user takes place in real time and whose service is available 24 hours a day, seven days a week, every day of the year. It is worth mentioning that BCB plays three important roles within Pix scheme:

- (a) regulator’s role (i.e., defining the operating rules of Pix);
- (b) payment arranger (operating in a similar way as the card networks operate in their respective payment schemes); and
- (c) party in charge of the instant payment settlement system.

Pix aims to improve customer experience on carrying out payment orders, both as payor and as payee. From the point of view of payors, the regulator intends to let instant payments be as easy, simple and fast as making a cash payment. On the other hand, from payees’ perspective, the purpose is to reduce costs

¹¹ IMF Country Report No. 18/340, November 2018.

of offering payment methods, among others. As a general rule, financial and payment institutions authorized by BCB with more than 500,000 active client accounts (considering demand deposit accounts, savings deposit accounts and prepaid payment accounts) were obliged by the regulator to participate in the Pix payment scheme, offering the possibility of carrying out Pix transactions to their respective clients. Transactions carried out by Pix (totaling BRL1,547 billion by May 2021) were already responsible for a transacted amount of more than BRL1,109 trillion. Although Pix was launched in the end of 2020, BCB has been continuously developing new features and products associated to it, as well as improving mechanisms to prevent frauds and facilitate the cancellation of transactions.

Open banking is defined as the “standardized sharing of data and services through the opening and integration of systems”. Open banking is based on the assumption that clients are the legitimate owners of their respective data and not the financial or payment institutions that hold it and, thus, have the right to share such data with third parties which may offer new products and services. On May 4th, 2020, the CMN and BCB enacted the CMN and BCB Joint Resolution 1/20 and BCB Circular 4015/20 to officially regulate and implement open banking in Brazil. The Brazilian open banking regulation only allows the direct participation of regulated institutions. As a general rule, participation in the open banking ecosystem for purposes of account information services is mandatory for regulated institutions that are part of prudential conglomerates under Segments 1 and 2 (which includes the largest financial institutions in Brazil). Beyond data sharing, open banking also encompasses payment initiation services, which enables the initiation of a payment transaction, ordered by the client, related to a deposit or prepaid payment account, held by the same client in a different financial or payment institution.

The Financial and Technology Innovations Laboratory (LIFT) was launched by BCB in May 2018. LIFT is a joint initiative by the Brazilian Federation of the BCB’s Civil Servants Associations (Fenasbac), counts with the support of large tech companies, and it aims to promote the collaboration between academia, market, technology enterprises and fintechs towards technological innovation in financial activities.

People and enterprises interested in being part of LIFT can submit their projects, which should be consistent with the matters defined by the committee composed by the BCB, IT enterprises and Fenasbac. Projects selected will be submitted to an incubation process and receive support for the development of a prototype. LIFT comprises (a) LIFT Lab; and (b) LIFT Learning. LIFT Lab focuses on enterprises and/or people interested in bringing new ideas of entrepreneurship to the financial market and that just need a small boost to achieve their goals. LIFT Learning focuses on partnerships with universities and research centers to foster innovation among young students, concentrating on projects that involve academic representatives in the discussion of challenges originated from activities carried out in the Brazilian financial system. LIFT’s initial editions comprised, as finalists, 12 projects in 2018, 17 projects in 2019, 21 projects in 2020. In the 2021 edition, 11 projects were selected and are participating in the LIFT Lab, with the support of technology companies. It is worth mentioning that LIFT was considered a type of sandbox (called a sectoral sandbox), driven by BCB before launching its official regulatory sandbox (as detailed below). The sectoral sandbox supports the testing of innovative solutions before going to market, regardless of whether these solutions are regulated or not. For this reason, it does not provide access to any type of regulatory exemption. The sectoral sandbox aims to create a space for fintechs and financial institutions to collaborate on development of new products and proofs of concept in an environment outside the market and without actual clients.

Regulatory Sandboxes Similar to other well-developed jurisdictions, such as the United Kingdom, the Brazilian regulatory sandbox is a controlled and limited environment that allows companies to test their projects

and to innovate. The objectives of the regulatory sandbox are to boost innovation, develop new projects and promote competitiveness in the financial system. At the same time, the regulatory sandbox leads to the creation of a modern regulation adapted to innovation and new financial/payment products.

Usually, the financial system and innovation are too far away from regulation and the regulatory sandbox aims to reduce this distance. In Brazil, the idea of creating a regulatory sandbox started to be discussed by BCB primarily to foster and facilitate innovation and product development, but also with the objective of adapting the Brazilian regulation to new business models. Regulatory sandboxes in Brazil may be created by different regulators, depending on the specific sector in which the initiative is implemented. As a consequence, Brazil has regulated in the recent past different regulatory sandboxes, according to the respective jurisdictions of the regulators. BCB's regulatory sandbox is applicable to both financial and payment systems. In addition, there are other regulatory sandboxes created by the CVM, which is applicable to the capital market, and by Susep that applies to the private insurance market. The three different regulators mentioned above exchange information and experiences to deal with certain types of projects, particularly when there are products or activities that are subject to jurisdiction of more than one of those regulators. Additionally, it is worth mentioning that CMN and BCB recently established the guidelines for the operation of the regulatory sandbox, also called "Controlled Tests Environment for Financial and Payment Innovations", by means of CMN Resolution 4865 and BCB Resolution 29, both of October 26th, 2020.

BCB has been developing new projects with the use of the blockchain technology, amongst which are the Regulatory Entities' Information Integration Platform (*Plataforma de Integração de Informações das Entidades Reguladoras, PIER*) and the Alternative System for Transactions Settlement (*SALT*). PIER is a blockchain-based technology that aims to facilitate the exchange of information among the BCB, CVM and Susep. PIER was launched on April 1st, 2020, and has the potential to aggregate a variety of databases from other public entities, such as information from the judiciary, trade boards and international financial stability bodies. In its turn, SALT aims to be a contingent solution that would be able to immediately replace core functionalities of the main Brazilian Real Time Gross Settlement System in case of its full collapse. SALT is still just a conceptual project and it has no perspective of implementation yet.

In 2021, BCB published the guidelines associated with the development of the CBDC in Brazil (Real Digital), encompassing its operation, legal guarantees and technological assumptions. According to BCB, the Brazilian CBDC will focus on technology and aims to stimulate innovative business models and its usage in retail. The distribution model to be implemented is intermediated: This means that the BCB will issue the CBDC and CBDC will be passed to the end user through the participants of the payment system, similarly with the Real physical bills. With the CBDC, BCB aims to promote the application of new technologies, such as smart contracts, IoT (Internet of Things) and programmable money, in new business models, which may increase the efficiency of Brazilian financial and payment systems. The legal framework will be adjusted in order to provide the legal guarantees to the CBDC, which shall be in accordance with the requirements of Federal Law 13709 of August 14th, 2018 (the Brazilian General Law for the Protection of Personal Data) and Federal Law 9613 of March 3rd, 1998 (the Anti-Money Laundering Law).

29. What do you believe to be the biggest threat to the success of the financial sector in your jurisdiction? Slowdown in credit. According to BCB¹², although the SFN remains with comfortable capitalization and liquidity positions, as well as adequate provisions to the level of expected losses, the capital and liquidity stress tests demonstrate the soundness of the banking system, financial market agents reduced their risk perceptions, primarily in relation to fiscal risks and the international outlook. In addition, the institutions surveyed reported a reduction in the likelihood of risks materializing. Confidence in the stability of the SFN remains high, close to its all-time high; on the other hand, high household leverage and high interest rates contributed to the continued slowdown in credit to households.

Regarding corporate credit, the banking portfolio grows at ever lower rates across all firm sizes, especially loans to large companies. For these companies, the capital markets continues to be a relevant source of financing. Household credit continued to slow down in riskier facilities, such as credit cards and non-payroll deducted credit. The lending criteria to households became more restrictive as a result of the recent losses. Regarding non-financial corporate loans, despite the slowdown in credit growth, there is no significant change in the estimated granting quality. This aspect demands attention given the pressure on the payment capacity of micro, small, and medium-sized enterprises (MSMEs).

Delinquencies and higher risk portfolio continue to rise in loans to micro and small companies and, to a lesser extent, in loans to households. As far as MSMEs are concerned, there are no signs of a reversal in the short term, especially for micro-enterprises. As for households, even though their payment capacity is also under pressure, the higher quality of recent grantings indicates an improvement in the coming months. In line with the increase in risk materialization, provisions increased and remain above expected losses. BCB's estimates indicate that the higher provisioning kept the level of provisions comfortable to support expected credit losses.

Expectations are positive for the coming quarters of 2024 due to the quality of new grantings, the reduction in credit loss estimates, and the gradual easing of monetary policy. The latter reduces funding costs, favoring a higher margin given the significant proportion of loan cohorts granted at higher rates (considering larger companies). Furthermore, the demand for credit and banking services is likely to increase and the pressure on the payment capacity of households and companies is likely to decrease. Creativity and flexibility of certain capital markets products might foster MSME funding in 2024 and may clear such treat.

Moreover, credit offer is direct related to banking spread and banking spread is indirect related to legal unsafety. The lower the rate of the soundness and safety of court decisions regarding financing and loans guarantees, the highest the interest rates and banking spreads are This is other challenge that should be faced very soon in order to foster the SFN.

¹² BCB Financial Stability Report Vollum 22, number 2, November 2023, source: <https://www.bcb.gov.br/en/publications/financialstabilityreport>

Exhibit 1

	Currency, credit, financing and foreign exchange		private insurances	closed-held (private) pension plans
ruling bodies	Brazilian Monetary Authority (Conselho Monetário Nacional, CMN)		Brazilian Private Insurance Council (Conselho Nacional de Seguros Privados, CNSP)	Brazilian Council for Complementary Pension Plans (Conselho Nacional de Previdência Complementar, CNPC)
supervisory	Central Bank of Brazil (Banco Central do Brazil, BCB)	Brazilian Exchange Commission (Comissão de Valores Mobiliários, CVM)	Brazilian Insurance Authority (Superintendência de Seguros Privados, Susep)	Brazilian Authority for Complementary Pension Plans (superintendência Nacional de Previdência Complementar, Previc)
players	Banks and Savings Accounts/Consortia	Stock Exchange and Commodity and Future Exchange	Insurance and reinsurance companies	closely-held pension plans
	Credit Cooperatives/Brokers and Dealerships	Brokers and Dealerships jointly with BCB	opened-held pension plans	
	Payment Institutions/Other non financial companies		capitalization companies	

Source: <https://www.bcb.gov.br/estabilidadefinanceira/sfn>

Exhibit 15

Bank	Financial Statement of	Basel III	Fixed Assets/Amortization/Depreciation	Net Assets (R\$ billion)	Total Assets (R\$ trillion)	Fund raisings (R\$ trillion)	Regulatory Capital (R\$ billion)
CEF	09/2022	18.4%	9.3%	85.4	1.6	1.3	129.7
C6	09/2022	17.3%	5.3%	5.1	0.0397	0.0262	4.2
Banco do Brasil	09/2022	16.7%	16.5%	147.8	2.1	1.7	173.8
Bradesco	09/2022	15.8%	24.8%	158.6	1.6	1.2	156.3
BTG Pactual	09/2022	15.2%	27.3%	46.9	427.3	300.5	45.7
Itaú	09/2022	14.7%	19.4%	166.6	2.2	1.5	180.3
Santander	09/2022	14.5%	17.5%	87.8	1.0	0.7251	92.3
Ouroinvest	09/2022	12.7%	1.2%	0.1502	0.0021	0.559	0.150
NuBank ^(*)	09/2022	-	-	5.4	0.1187	0.0776	-

Source: <https://bancodata.com.br>