

Newsletter:

BACEN: The legal term for submitting the Annual Shareholding Information and the Economic-Financial Statement (DEF) of the fourth quarter of 2021 has started

It is open the term for Brazilian companies, receivers of foreign investments, to submit to the Central Bank of Brazil ("BACEN") the following information:

- (i) the Annual Shareholding Information; and
- (ii) the Economic-Financial Statement ("DEF").

The information is to be submitted to BACEN by means of the Electronic System Register - Direct Foreign Investment (RDE-IED).

The Brazilian companies that have received foreign direct investments and have a total asset **and** a net equity below the amount of two hundred fifty million reais (R\$250,000,000.00) shall update the information about the shareholding in the RDE-IED system, based on the economic-financial information as of December 31, 2021.

The DEF, on the other hand, must be presented by Brazilian companies, receivers of foreign direct investments, which have a net equity **or** a total asset equal to or greater than the amount of two hundred fifty million reais (R\$250,000,000.00) and the DEF must contain the accounting information verified on the date-base as of December 31, 2021.

The deadline for fulfilling these obligations is March 31, 2022, and the failure to provide the information or the provision of false, incomplete or incorrect information or the presentation of the information later than March 31, 2022 and without observing the required condition can subject the companies to the payment of fines ranging from twenty-five thousand reais (R\$25,000.00) up to two hundred and fifty thousand reais (R\$250,000.00).

It is important to emphasize that the presentation of these periodic updates does not change the obligation of updating the RDE-IED upon any event that modifies the interest participation of a foreign investor within 30 days as from the date of such event. For example: a new capital payment or a capital increase.

Our Corporate | M&A team is at your disposal for further clarification and assistance with the statements and other steps for providing information to BACEN.

With kind regards,

CORPORATE | M&A