

## \_ Ordinary Shareholders' Meetings and quotaholders' annual meetings

In the upcoming months, corporations and limited liability companies shall disclose their financial statements and call their Ordinary Shareholders' Meetings or quotaholders' annual meetings, as appropriate, regarding the financial year ended on December 31<sup>st</sup>, 2020.

### Matters to be Discussed and Preparatory Proceedings to Ordinary Shareholders' Meetings and Quotaholders' Annual Meetings

**All corporations, publicly-held and closely-held ones, need to hold, within the first 4 months following the end of the fiscal year, an Ordinary Shareholders' Meeting:** (i) to examine the management accounts, analyze, discuss and vote the financial statements; (ii) to deliberate on the destination of the net profit of the relevant financial year and on the distribution of dividends; and (iii) to appoint management and the members of the Audit Council (*Conselho Fiscal*), as applicable.

Additionally, corporations must prepare the documents listed in art. 133 of Law No. 6,404/1976 ("Brazilian Corporations Law") and publish a notice informing its shareholders that such documents are available at the company's headquarters. Such disclosure is waived if the companies publish their financial statements in the newspapers used by them up to 1 month before the date set for the Ordinary Shareholders' Meeting or when such meeting gathers all the shareholders.

Nevertheless, corporations must publish their financial statements before the Ordinary Shareholders' Meeting is held, and those with less than 20 shareholders and net worth less than R\$ 10 million are allowed not to publish them, as long as they are included in the minutes of the Ordinary Shareholders' Meeting for registration with the competent commercial board.

**Regarding limited-liability companies, within the first 4 months following the end of the fiscal year, they need to hold a meeting** in order: (i) to examine the management accounts, analyze, discuss and vote the financial statements; (ii) to appoint management, as necessary. The meeting is not necessary in case all of the shareholders decide, in writing, on the aforementioned matters.

IT IS IMPORTANT TO HIGHLIGHT THAT LIMITED-LIABILITY COMPANIES, OR GROUP OF COMPANIES UNDER COMMON CONTROL, WHICH, IN THE 2020 FISCAL YEAR, RECORDED ASSETS IN AN AMOUNT HIGHER THAN R\$240 MILLION OR ANNUAL GROSS REVENUE IN AN AMOUNT HIGHER THAN R\$300 MILLION SHALL: (A) PREPARE THEIR FINANCIAL STATEMENTS IN AGREEMENT WITH THE APPLICABLE RUKLES SET FORTH IN THE BRASILIAN CORPORATIONS LAW; (B) SUBMIT THE FINANCIAL STATEMENTS TO THE APPRECIATION OF AN INDEPENDENT AUDITOR REGISTERED AT CVM, AND (C) PUBLISH THE FINANCIAL STATEMENTS PRIOR TO THE DATE OF THE GENERAL ANNUAL MEETING.

Digital Meetings

Finally, due to the enactment of Law No. 14,030, of July 28th, 2020 (conversion of Provisional Measure No. 931/2020), **the meetings may be held partially or exclusively on a digital platform**, and shall

comply with the applicable rules established by the Normative Instruction No. 622 of the Brazilian Securities and Exchange Commission, in case of publicly-held companies, and/or those of the National Department of Business Registration and Integration (“DREI”), in case of closely-held corporations and limited liability companies.

## \_ Brazilian Investment Offshore - Deadline for presenting the Annual Declaration of Brazilian Capital Abroad – DCBE 2021 before the Brazilian Central Bank

Between February 15<sup>th</sup>, 2021 and April 5<sup>th</sup>, 2021, all individuals and legal entities resident, domiciled or headquartered in Brazil, which, on December 31<sup>st</sup>, 2020, held assets abroad in an amount equivalent to or higher than US\$100 thousand must submit the annual declaration of Brazilian capital abroad to the Brazilian Central Bank (“[Annual Declaration 2021](#)”)

Besides the Annual Declaration, it is mandatory to quarterly submit the Declaration of Brazilian Capital Abroad if the amount of goods and rights held abroad is equivalent to or higher than US\$100 million, based on the following schedule:

Base Date	Deadline
03.31.2021	04.30 – 06.05.2021
06.30.2021	07.31 – 09.05.2021
09.30.2021	10.31 – 12.05.2021

Late submission of the Annual Declaration 2021 or its submission with false, inaccurate, incomplete or incorrect information may result in fines of up to R\$250 thousand.

## \_ Foreign Investment in Brazil - Deadline for presenting the financial and economic statement before the Brazilian Central Bank before the Brazilian Central Bank

It is mandatory that all Brazilian companies that has received foreign investment, regardless of the amount, inform, until March 31<sup>st</sup>, 2021, the value of their net equity and paid-up stock capital as of December 31<sup>st</sup>, 2020 ("Financial and Economic Statement").

Please note that Brazilian companies with assets or net equity equal to or higher than R\$250 million must submit 4 Financial and Economic Statements per year, according to the schedule below:

Base Date	Deadline
03.31.2021	until 06.30.2021
06.30.2021	until 09.30.2021
09.30.2021	until 12.31.2021

Late submission of the Financial and Economic Statement or its submission with false, inaccurate, incomplete or incorrect information may result in fines of up to R\$250 thousand.

THE REPORTING DIRECTOR'S VOTE CAN BE FOUND IN FULL IN THE LINK BELOW (IN PORTUGUESE ONLY):

[http://conteudo.cvm.gov.br/export/sites/cvm/decisooes/anexos/2020/20201208/1361\\_19\\_Voto\\_da\\_Relatora.pdf](http://conteudo.cvm.gov.br/export/sites/cvm/decisooes/anexos/2020/20201208/1361_19_Voto_da_Relatora.pdf)

## Publication of Normative Instruction DREI/SGD/ME No. 82 regarding digital books

On February 22<sup>nd</sup>, 2021 was published the Normative Instruction DREI/SGD/ME No. 82 (“IN DREI 82”), which establishes the procedures to be adopted for authentication of accounting books or not, of individual entrepreneurs, individual companies of limited liability, companies and books of auxiliary agents of commerce.

Pursuant to article 2<sup>nd</sup> of IN DREI 82, the opening and closing terms of any bookkeeping instrument, which the interested party deems convenient to adopt, including non-mandatory books, will be submitted to the Board of Trade’s authentication. For this purpose, the opening and closing terms shall be signed with any digital certificate issued by an entity accredited by the Brazilian Public Key Infrastructure (*Infraestrutura de Chaves Públicas Brasileira – ICP Brasil*) or any other means of proving the authorship and integrity of documents in electronic form and shall contain, at least, the following information:

- **Opening Term:**

- a. purpose of the book (name of the book);
- b. order number;
- c. corporate name;
- d. Corporate Taxpayers Registry - *CNPJ*;
- e. municipality of the headquarters or branch;

- f. number and date regarding the file of the articles of incorporation before the Board of Trade; and
- g. date and signatures.

- **Closing Term:**

- a. purpose of the book (name of the book);
- b. order number;
- c. corporate name;
- d. period to which the bookkeeping refers; and
- e. date and signatures.

It is worth mentioning that the electronic systems used shall guarantee, at least, the security, reliability and inviolability of the data. In this sense, the authentication of the Digital Accounting Bookkeeping (*Escrituração Contábil Digital – ECD*), through the Public Digital Bookkeeping System (*Sistema Público de Escrituração Digital – SPED*), releases any other authentication.

Finally, the books shall be exclusively digital, being able to be produced or launched on electronic platforms and stored or not on the servers of the Boards of Trade, which will adapt their systems to receive the books or their data, including corporate books and agents’ books auxiliary, so that, after the entry into force of IN DREI 82, on June 22<sup>nd</sup>, 2021, new paper books, filled in or blank, should not be submitted for authentication.

ACCESS THE FULL IN DREI 82, IN PORTUGUESE, THROUGH THE LINK BELOW:

<https://www.in.gov.br/en/web/dou/-/instrucao-normativa-drei/sgd/me-n-82-de-19-de-fevereiro-de-2021-304448972>