
Code of Conduct of BM&FBOVESPA

BM&FBOVESPA

The New Exchange



**CODE OF CONDUCT OF
BM&FBOVESPA S.A. – BOLSA DE VALORES, MERCADORIAS E FUTUROS**

PRESENTATION

This is the Code of Conduct of *BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros*, the Brazilian Stock, Commodities and Futures Exchanges. (the “BM&FBovespa Code of Conduct”)

These rules of conduct have been established by the Board of Directors of BM&FBOVESPA S.A., to apply to the Company and all its subsidiaries and affiliates (hereinafter from time to time referred to as “Group companies” or “BM&FBOVESPA Group” or “Group”).

This Code generally expresses the values that guide ethical conduct within the BM&FBOVESPA Group.

This Code neither purports to be complete, nor constitutes a minutely detailed set of recommendations; rather, it is a tool that provides to directors, management members, employees, interns and regular service providers of BM&FBOVESPA, its controlled companies and related entities, a framework for personal and professional ethical conduct (these persons hereinafter from time to time collectively referred to as “Collaborators”). It is also a formal statement of the BM&FBOVESPA Group commitment to ethical business and social conducts, as well as to the principles of transparency and accountability, and respect for equality of rights and diversity, therefore requiring compliance from all persons to which it applies, both internally and externally.

For this reason, all Collaborators of BM&FBOVESPA and its controlled companies and related entities are required to take notice of this Code and, in addition, to sign an instrument of adherence to the provisions set forth herein. Accordingly, this Code must also be made available to any interested person establishing any kind of relationship with the Group.

An updated version of the BM&FBOVESPA Code of Conduct is available at the following websites:

BM&FBOVESPA S.A. www.bmfbovespa.com.br
BSM www.bovespasupervisaomercado.com.br

GENERAL PRINCIPLES

BM&FBOVESPA is a socially responsible company and a member of the community, which builds its reputation on the bedrock provided by the following principles:

- ethical and transparent business conduct;
- quality and efficient provision of services;
- respectful internal and external relationships, and continuing pursuit of better quality of life for all persons with whom it interacts;
- responsible safeguarding of the confidentiality of sensitive market and participant information and data;
- responsible protection of its own image;
- honest management of physical assets.

RULES OF CONDUCT

The purpose of these rules of conduct is to provide clear guidelines concerning ethically acceptable procedures and conduct. BM&FBOVESPA understands that a desirable and ethical professional stance is one that abides by the aforementioned principles whereas not jeopardizing the institution's credibility.

Accordingly, Collaborators of the BM&FBOVESPA Group may not:

- carry out transactions on markets managed by BM&FBOVESPA, whether on their own behalf or on behalf of relatives and acquaintances, in breach of the specific rules contemplated herein;
- use information obtained in the course of their functional activities to transact on BM&FBOVESPA markets, whether for their own personal gain or that of a third party;
- make use of their functional activities or position within the Group in exchange for personal favors and/or payment of commissions or discounts;
- take advantage of their professional relationships with financial institutions, brokers or clients in general to obtain or reciprocate a personal gain or benefit;
- accept gifts from any person by virtue of position or functional activities performed for or within Group companies. This prohibition is not applicable to gifts of immaterial commercial value;

- make public statements on behalf of Group companies without being authorized or qualified for this;
- adopt social behavior which is incompatible with generally accepted standards and susceptible to negatively impacting the Group image;
- smoke or use drugs within the premises of Group companies, except in appropriate places reserved for this purpose;
- wear inappropriate clothing in the work environment;
- default on their personal business obligations.

ANTI-CORRUPTION AND ANTI-BRIBERY ACTIONS

Collaborators are cautioned not to involve the Group in commitments to political parties, temples and/or other partisan or religious activities. On deciding to make financial contributions to electoral campaigns (whether to political parties or candidates), Group companies and their Collaborators are required to proceed strictly in accordance with applicable legislation. Collaborators should inform their immediate superiors of financial contributions made to electoral campaigns, including as to amounts contributed.

RELATIONS WITH PROVIDERS

Providers are assured that the Group regards the products and services they provide exclusively from a market perspective, based on quality standards and arm's length transactions, devoid of considerations such as privilege or discrimination. Providers that wish to report unfair treatment by any Group employee should feel free to do so by contacting an executive officer or an internal audit member, or a member of the Code of Conduct Committee.

For assurance of compliance with the requirements of this Code of Conduct, all Collaborators, whether or not employees are strictly prohibited from:

- as representatives of any company within the Group, establishing commercial relationships with any third-party company in which he or she, or a relative, hold direct or indirect ownership interest, without having been granted authorization by his or her superior at a senior management or similar level;
- establishing commercial relationships with providers of Group companies, in case his or her position or functional activities imply powers to select and/or appoint a provider. Any commercial relationship with providers must be

previously notified in writing to such person's superior and to the Code of Conduct Committee;

- accepting personal gifts or benefits, such as payment in cash or in kind, trips, lunch, dinner or any benefit derived from a relationship with the provider. Travel, lodging and board expenses, even at the provider's invitation, shall always be paid by the Group companies; and

In the case of employees that work in the administrative department, no sample for commercial analysis shall be deemed gifts. These samples shall remain in BM&FBOVESPA's premises and shall be returned to the provider as soon as the purchase decision-making process is concluded.

RELATIONS WITH THE INTERNAL AUDIENCE AND THE WORK ENVIRONMENT

1) Relations in the work environment

The BM&FBOVESPA Human Resources policy is guided by the principles of justice, transparency, impartiality and professional conduct. All Collaborators must maintain civil and respectful relations with coworkers, so as to permit building loyalty and trust, as well as a teamwork culture conducive to excellence.

In order to avoid allegations of cronyism within the work environment, Collaborators working in a department (from the top executive office down) are not allowed to have as coworkers in a subordinate relationship persons to whom they are related or emotionally attached, including a spouse, children, siblings, grandchildren, grandparents, brother-in-law, sister-in-law, nephews, nieces, uncles, aunts and first cousins.

In the event a collaborator is related or emotionally attached to a coworker, such collaborator will be required to abstain from practicing any act, or participating in any process, or in any way influencing any person with authority to make decisions which could potentially benefit such coworker.

The following conducts are not acceptable:

- adoption of racial, religious, gender, sex, age or other discrimination practices in processes related to recruiting and hiring, training, compensation, promotion, transfer or other factor related to the work environment;
- hiring relatives without express consent from the chief executive officer, as well as referring or nominating relatives without informing the person doing the hiring of such circumstance;

- using equipment and other resources belonging to Group companies for unauthorized private purposes;
- participating in unauthorized private activities that interfere with regular working time;
- using one's title or position to ask favors or personal services to subordinates; and
- making any decision that adversely affects the professional career of Collaborators, based solely on personal relationships.

Any evaluation of professional performance shall be based on merits, so as to ensure equal access to existing opportunities for professional advancement, based on the capabilities, competencies and contributions of each professional.

2) Safety, health and the environment

BM&FBOVESPA is committed to providing a safe and healthy working environment to Collaborators and guests, for which purpose it adopts practices aimed to prevent environmental degradation and mitigate the impact of its activities.

Each Collaborator is responsible for adopting safe operating procedures for protection of his or her health and the health of coworkers.

Collaborators must not adopt any behavior which could threaten the physical integrity of coworkers.

Ensuring safe and healthy working conditions also requires responsible attitudes from Collaborators for compliance with laws and internal rules concerning occupational health and work safety.

3) Provision of services to third parties

The operative principle is Collaborators may not engage in remunerated activities while in the employ of companies or entities of the Group. The following cases may be admitted on an exceptional basis:

- work of a diverse nature from the work performed for Group companies;
- activity not performed during working hours, which neither affects the employee's performance within the Group, nor uses the infrastructure and/or proprietary information of Group companies or market participants.

Specific authorization from the relevant executive office is required in any such event.

Non-remunerated activities, such as voluntary work, must be notified to the immediate superior.

RELATIONSHIPS WITH MARKET PARTICIPANTS

In dealing with market participants, Collaborators of BM&FBOVESPA are required to use courtesy, punctuality and efficiency. Questions about the convenience of responding to a particular participant request should be referred to the immediate superior for clarification.

No preferential treatment may be extended to any market participant, and every process or procedure must observe the ethical and operational guidelines provided by BM&FBOVESPA.

MARKET RELATIONS

Relations with market participants, whether or not financial institutions, are strictly professional. Collaborators may neither voice their opinion, nor make any remark or innuendo that could affect the image of third parties.

RELATIONS WITH THE PUBLIC SECTOR

No offerings of cash, gifts, services, entertainment or other benefits may be made, directly or indirectly, to any federal, state or local government authority or official. This prohibition does not include business meals or events paid or sponsored by BM&FBOVESPA, such as technical trips, conferences, seminars or celebratory events in which Group companies participate.

Whenever acting as a representative of Group companies, a Collaborator must refrain from voicing opinion about the acts of public officials and from making remarks of a political nature.

RELATIONS WITH THE COMMUNITY AND THE ENVIRONMENT

BM&FBOVESPA is fully aware of its responsibility towards the community and the environment, for which reason it continually invests in social, environmental and institutional actions aimed at affirming its role as a corporate citizen.

On representing BM&FBOVESPA before the community, Collaborators must act without prejudice or preferences of any nature, pursuant to the principles and guidelines expressed in this Code of Conduct.

PRESERVATION OF INSTITUTIONAL IMAGE

The institutional image of BM&FBOVESPA is its most valuable asset, which all must continually preserve and strengthen.

Any individual or collective action or attitude tending to impair this image shall be deemed a serious breach of this Code.

PRESERVATION OF PHYSICAL ASSETS

All Collaborators are responsible for preserving the physical assets of BM&FBOVESPA, including the facilities and equipment required for the Group activities, and for using these assets correctly and for work-related purposes only.

TRADING IN SECURITIES

The trading restrictions foreseen in this Code of Conduct apply to securities listed to trade on markets managed by BM&FBOVESPA, thus including securities traded on Bovespa markets and BM&F markets, as well as depositary shares or depositary receipts, and debt securities of Brazilian issuers which trade on international markets (hereinafter, collectively, "securities"), whose issuers are listed on the BOVESPA Segment.

These rules for trading in securities are mandatory for all employees and interns of the BM&FBOVESPA Group (hereinafter "Employees"), and connected persons, meaning spouses or common law spouses and dependants declared as such for income tax purposes, in addition to any legal person over which an Employee and/or a connected person may hold powers to influence its businesses.

In addition, investment funds in which an Employee or a connected person may hold powers to influence investment decisions being made by the fund manager or administrator shall also be deemed to be connected with such Employee.

1. Trading in securities in the Bovespa Segment and other securities markets

1.1. Ban from trading

Employees and connected persons are banned from trading in securities, directly or indirectly, in their own or a third party's name.

1.2. Exceptions to ban on trading

Employees and connected persons are permitted the following:

- (i) trading in units of exchange-traded funds (ETFs) listed on the Bovespa segment, as long as they do not hold powers to influence the fund administration or the management of fund assets, provided any such trading

transaction, whether on the buy side or the sell side, may take place at intervals shorter than ninety (90) days;

- (ii) investing in open-ended, non-exclusive investment funds of diversified portfolio, as long as they do not hold powers to influence the fund administration and, in particular, the management of fund assets; and
- (iii) acquiring securities listed on the Bovespa segment which are made pursuant to an individual investment program previously approved by the Company.

An Individual Investment Program must be structured so that investment and divestment decisions are predetermined.

An Individual Investment Program must include a plan of the approximate amounts Employee intends to invest, or of the approximate number of securities the investor aims to acquire over time during the term of the program, which at a minimum shall extend for a minimum of twelve months. Any such program shall be irrevocably and irreversibly binding on the Employee, who shall be required to invest as scheduled and programmed. At the end of any such program the relevant investor will be required to present a report on the implementation of the investment program.

Securities acquired pursuant to an individual investment program may not be sold at intervals shorter than one hundred and eighty (180) days from the end of such program.

An individual investment program whose object is shares issued by the Company must comply with the provisions of the Policy Manual on Material Disclosures and Securities Trading of BM&FBOVESPA.

1.3. Stock Options Plan

The ban on trading in securities set forth in item 1.1 above shall not apply to sales of shares issued by BM&FBOVESPA which a Collaborator may have acquired by exercising a stock option granted under the Stock Option Plan approved by a shareholders' meeting of BM&FBOVESPA.

1.4. Investment clubs

Employees and connected persons may not organize, or invest in investments clubs.

2. Trading in securities in the BM&F Segment

No Employee or connected person shall be permitted to trade directly or indirectly on BM&F segment markets, whether in their own or a third party's name.

3. Supplementary Rules and Procedures

It shall be incumbent on the chief executive officer to establish supplementary rules and procedures on trading in securities, in particular for the purpose of establishing the following:

- (i) application of these rules, compliance oversight;
- (ii) the transition regime applicable to securities held by Employees and connected persons as of the date of effectiveness of this Code of Conduct; and
- (iii) the process of implementation of these rules on trading activities and application hereof to all Employees of BM&FBOVESPA following the date of effectiveness of this Code of Conduct.

CONFIDENTIAL INFORMATION

For the nature of its business, the BM&FBOVESPA Group handles information from a variety of sources, including issuers, listed companies, trading participants, clearing and settlement agents and/or custodians, as well as investors. Any such information is confidential and may only be used by Collaborators for performance of their functional activities, such that disclosures of information may only take place (1) upon express written order given by the board of executive officers of BM&FBOVESPA and (2) pursuant to a legal requirement or under a court order.

Documents and other undisclosed information concerning the business of BM&FBOVESPA, in particular information of a financial nature, shall also constitute confidential information.

Likewise, information and documentation regarding the products, software, hardware and applications developed or used by the companies and entities of the BM&FBOVESPA Group, or regarding the specifications and details of the same, shall consist of confidential and proprietary information of BM&FBOVESPA, including in cases where a Collaborator may have participated in the development thereof.

Collaborators should devote special attention to the relations between the operational areas and the self-regulatory entity of the BM&FBOVESPA Group, and ensure they keep the confidentiality of undisclosed documents and information.

Even information designed for released to the market, whether in seminars to which Collaborators may attend or in contacts with the press, should be carefully evaluated prior to being released. It is always necessary – and prudent – to make sure there are no restrictions or duty of confidentiality attached to the relevant data or information.

PRIVILEGED INFORMATION

Collaborators may not use their office, position or influence within the Group to gain access to privileged information or use it to trade in securities for their own benefit, or that of their relatives and acquaintances.

Collaborators are required to adhere to the Information Security Policy approved by the board of executive officers, as well as to the Information Security Rules approved by the Information Security Management Committee and other information security procedures adopted by the Company.

Questions about the confidentiality of any particular information should be referred to the information security department of the Company.

CONFLICTS OF INTEREST

Collaborators are required to communicate a conflict of interest promptly upon identifying an instance of this. In addition, they must refrain from participating in discussions and recuse themselves from voting on matters requiring a decision. Upon request of the chairman of the board of directors or the chief executive officer, a conflicted Collaborator may participate in a meeting for the purpose of providing additional information on the conflict, the transaction or the parties involved, in which event they may not be present throughout the meeting and may not take part in the decision-making process.

In the event a Collaborator that would potentially benefit from any particular decision were fail to give notice of an existing conflict of interests, any other person aware of the conflict may do so. In this case, a failure to disclose the conflict of interest voluntarily will be deemed a breach of the policy on conflicts of interest, and the matter will be submitted to the board of executive officers or the nomination and corporate governance committee, as the case may be, which will evaluate it and advise on possible corrective actions.

Both the notice of conflict of interests and subsequent voting abstentions will be formally registered.

BUSINESS, ACCOUNTING AND FINANCIAL RECORDS AND REPORTS

The records of business transactions and activities of the companies and entities comprising the BM&FBOVESPA Group must be accurate and complete. All are responsible or co-responsible for the integrity of information and records of Group companies, whether of an operating, commercial, financial, accounting or administrative nature. Reports and records (in paper or electronic) must observe generally accepted standards practiced in Brazil; and conform to the rules and internal control systems adopted by BM&FBOVESPA.

Financial and accounting records and reports must be filed and preserved in accordance with applicable legislation and policies on safeguards related to this type of information.

Records of potentially material information related to violations of existing rules or any ongoing disputes or investigations may not be destroyed.

DUTIES OF COLLABORATORS

Executive officers, management members and coordinators:

- observing ethical standards towards team members;
- complying and ensuring compliance with this Code;
- disseminating this Code of Conduct amongst subordinates, ensuring it is read and understood;
- providing guidance to subordinates concerning actions or instances that may entail questions or ethical quandary;
- communicating to the immediate superior any instance of noncompliance with this Code;
- ensuring that properly filled out and signed Instruments of Adherence to this Code are forwarded to the Human Resources Management Department, where they are to be filed in the folder for each Collaborator.

All other Collaborators:

- adopting ethical behavior and standards that are in keeping with the principles and provisions of this Code;
- complying with this Code of Conduct;
- seeking guidance from the immediate superior in case of questions or ethical quandary;
- communicating to the immediate superior any instance of illegal, questionable or unethical conduct, which may entail a breach of this Code of Conduct.

ENFORCEMENT OF THIS CODE

Noncompliance with this Code of Conduct shall result in administrative inquiries being initiated to investigate possible irregularities, which may subject a Collaborator to disciplinary actions, including dismissal with cause and other penalties contemplated in the labor laws, regardless of other action BM&FBOVESPA may take.

Collaborators that willfully fail to provide information on violations of this Code, or silence about material information are also subject to disciplinary actions.

Cases not expressly contemplated in this Code shall be treated as exceptions and reviewed by the Code of Conduct Committee, which will decide based on the principles stated herein.

CODE OF CONDUCT COMMITTEE

It is incumbent on the Code of Conduct Committee to oversee application and ensure compliance with this Code, managing issues possibly involving these rules of conduct.

Code oversight activities aim at the following:

- ensuring dissemination and assimilation of the values underpinning the activities of the companies and entities comprising the BM&FBOVESPA Group, as well as assessing and providing guidance on best interpretative approach in case of doubt;
- preparing and reviewing this Code of Conduct from time to time, as well as ensure compliance with these rules;
- ensuring wide dissemination of this Code amongst Collaborators, including providers, contractors and clients;
- reviewing, assessing and issuing decisions on reported violations of this Code.

On discharging its duties, the Code of Conduct Committee must provide guidance upon request from Collaborators, keep the confidentiality of information received, and investigate the facts surrounding alleged breaches of this Code so as to provide sufficient elements for decisions on alleged breaches.

COMMITTEE MEMBERSHIP, TERM OF OFFICE AND MEETINGS

The committee will be composed of seven (7) members designated by the chief executive officer of BM&FBOVESPA. The basic membership of the Committee will be as follows:

- the chief executive officer of BM&FBOVESPA;

- three (3) Collaborators that are management members, representing companies of the Group;
- three (3) Collaborators not holding management positions, who must have been with BM&FBOVESPA for a minimum of five years and will represent the companies of the Group.

The chief executive officer will chair the committee, and the vice-chair will be chosen by peer vote.

Committee members will be appointed for one-year terms, reappointment being permitted. At the end of each term, the chief executive officer, acting in its discretion, may appoint new members for up to three (3) Committee seats.

The committee shall hold regular meetings every four months pursuant to a predefined calendar of meetings, provided extraordinary meetings may be called by any of its members.

PROCESSING OF POTENTIAL VIOLATION REPORTS

Claims concerning violations of this Code must be forwarded in writing to any Committee member. Unsigned reports of potential violation are not acceptable.

The committee shall ensure confidentiality of the whistleblower's identity, if so requested.

Each whistleblower claim will be reviewed by a reporting member chosen from among the Committee members pursuant to a rotation system.

It shall be incumbent on the reporting member to investigate the facts by hearing testimonies, reviewing related documentation and taking other appropriate action, following which he/she will forward a report to the committee chair. The report will be submitted to the committee at a regular meeting or, depending on the seriousness of the breach, at an extraordinary committee meeting.

Decisions on whether or not to accept the claim, along with the conclusions and recommendations of the committee will be reported from time to time by the chief executive officer to the board of directors.

WAIVERS OF COMPLIANCE AND EXCEPTIONS

Waivers of compliance with specific rules of the Code will require express authorization granted by the board of directors of BM&FBOVESPA. For this purpose, the Code of Conduct Committee will submit applications for waiver of compliance, along with its recommendation.

SPOKESPERSONS

As a general rule, the investor relations officer, acting within its sphere of competence, and the chief executive officer, or a designee, speak on behalf of BM&FBOVESPA. In addition, the chief executive officer of BM&FBOVESPA may designate a spokesperson to tackle specific issues.

DATE OF EFFECTIVENESS

This Code comes into effect as of the date of release of a notice of adoption of the Code. As of the date of effectiveness hereof, any and all provisions to the contrary, including those set forth in employment contracts executed with BM&FBOVESPA or a subsidiary in connection with trading in securities by Collaborators, are hereby revoked.