Policy	Date of last updating
Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT)	January 26th, 2018

1. Purpose

The Board of Directors and Executive Board of Banco Indusval S/A and Guide Investimentos S/A Corretora de Valores S/A, ("BI&P"), according to the Corporate Governance best practices, formalize this Policy, to be fulfilled by everyone.

The main purpose of the Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) Policy is to guide and protect BI&P, its shareholders, management and employees, from the risk of undue use of its products and services for Money Laundering and Financing of Terrorism (ML/FT).

This Policy comprises the renewal of Senior Management commitment with compliance with applicable legislation and rules for the prevention and combat of ML/FT and with the compliance with high ethical standards in the business, conduction, establishment and maintenance of relationship with the clients.

All executive officers, employees and coworkers of BI&P must seek to comply with legislation, rules and regulations in their procedures, in order to avoid, among others, the following risks of:

- Image – which may negatively affect the name of BI&P, its shareholders, management, employees and clients; and

- Legal – that arises from the non compliance with the applicable legislation or regulation, and may result in penalties.

2. Comprehensiveness

This Policy is applicable to the entire BI&P, including companies, subsidiaries and units abroad, which should adequate them to the requirements of local legislation and regulation, as the case may be.

All BI&P executive officer and employees must be diligent, recognize their importance for the ML/FT prevention and combat, and be aware of the consequences arising from the non compliance with the applicable legislation and rules.

It is critical that everyone is aware and comply with the duty of immediately reporting to Compliance, all and any proposal, situation or transaction considered suspect or atypical; safe keep secrecy of the communication made and, further, watch for the client or involved person not to be aware of the occurrence, analysis or situation related to him.

3. Roles and Responsibilities

Every employee of the Institution is responsible for the ML/FT prevention and combat, distributed, but not limited to, as follows:

3.1. Executive Board

- Annually review and approve the set of BI&P AML/CFT policies.

3.2. Board of Directors

- Determine the types of transactions that require a more detailed analysis and review.
- Decide which suspect transactions should be reported to the Brazilian Central Bank.
- Recommend to the commercial department special attention on the establishment or maintenance of account or business relationship with PEP or with client suspect of involvement with ML/FT.

3.3. Compliance Committee

According to the provisions set forth in the Constituted Committees Policy, it is the guideline and decisive forum for matters related to Compliance and ML/FT.

- Review the policy on annually basis and submit it to the Executive Board and Board of Directors approval.
- Assure the means for BI&P compliance with the legislation and supplementary rules related to ML/FT prevention.
- Establish the institutional guidelines that assure the compliance with legislation, supplementary regulation, internal policies and procedures, appoint managers and establish their responsibilities.

- Advise on the pertinence of communicating proposals, transactions and/or situations with signs of being, directly or indirectly, related to ML/FT crimes typified in Law 9,613/98 with the updates in Law No. 12,683;
- Analyze the performance and development of the Compliance department work on a monthly basis.
- Ensure the constant development of the structure, as well as its adequacy to the corporate governance best practices.

3.4. Compliance Department

- Submit this Policy to the Compliance Committee approval.
- Implement and monitor the fulfillment of this policy.
- Ensure the products and services compliance with the applicable legislation and supplementary regulation, as well as with the instituted Policies.
- Disseminate the internal policies, legislation, rules and procedures, prepare and conduct training and consciousness raising programs to the employees.
- Inform to the Compliance Committee members on suspect situations, to take resolution on the pertinence of communication to the regulatory agencies.
- Keep records of the analyzed cases, as well as of the decision on filing or communication to regulatory agencies.
- Promote the communication to COAF of proposals or transactions that meet the objective criteria established in regulation, such as transactions in kind. According to local regulation, communication to COAF must be done without of knowledge by the customer and/or third parties.
- Verify and consider grades attributed by COAF to improve the details of communication through Siscoaf System when they occur.
- Periodically review the procedures and controls of ML/FT prevention and combat.
- Request the approval from the PLD/CFT Director to make relations with customers identified as PEP or PEP related.
- Watch over the updating of verification and control lists, among which, PEP, internal restriction, delinquent contractors and others.
- To Cayman Branch: once the customer is identified as a PEP, will be kept permanently on our list of special attention.
- Interact with regulatory agencies.
- Monitor the activities in the clients' accounts, in order to detect the abnormal or atypical transactions and/or situations.
- Implement procedures to track the employees' economic and financial situation.

- Perform previous analysis of new products and services regarding ML/FT prevention.

3.5. Internal Audit

- It is responsible for the analysis of the procedures performed, checking of compliance with the legislations, supplementary regulation, policies, guidelines and internal procedures established for AML/CFT.
- Contemplate in its work the evaluation of the involved areas, with preparation of the related Internal Audit Report, which will be available for the regulatory authorities.

3.6. Others departments

- Ensure the compliance of the departments procedures with the recommendations of policies and procedures approved by the Compliance Committee on the matter ML/FT prevention.
- Together with the Compliance department, establish procedures, criteria, methodology and comprehensiveness of the annual verification tests that assure the adequacy of the clients file data; safekeeping of the information of financial transactions and/or services rendered.
- Promote the employees participation in training events, so as to permit a proper orientation on their duties and responsibilities in relation to “Know Your Client” and to ML/FT prevention.

3.7. Human Resources and Training department

- Adopt procedures to make the employees’ training program feasible, so as to permit a proper orientation on their duties and responsibilities in the ML/FT prevention.

3.8. Commercial

- Responsible for knowing the client and adopting procedures for AML/CFT that are in compliance with the applicable legislation and supplementary rules, as well as with the AML/CFT Policy and other established procedures.
- Watch over the PEP clients to be duly identified, including their first relatives and persons of close relationship.
- Check and attest the authenticity of the documents and information provided by the client, as well as the signatures included in the File Form and in the Signatures Card.
- Know and interview the individual client, visit the legal entity client and keep evidences and records of his observations.

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- Formally justify the alerts and promptly answer the clarification requests related to the clients and to their transactions.

- When the occurrence of suspects proposals and / or transactions related to ML/FT which will be reported to COAF, after Compliance Committee decision, do not communicate the customer or involved third parties about this situation.

3.9. All employees

- Communicate to the immediate superior and to the Compliance department any proposal, transaction or situation of which they are aware and which, due to their characteristics, amount, form, origin, destination, or involved persons, present signs of direct or indirect relationship with ML/FT.

- Adopt procedures that enable the accurate compliance with the applicable legislation and external regulation, as well as with the Policies and internal rules established.

- Participate in training programs available by BI&P that enables to:

  - ✓ ML/FT concept;
  - ✓ The role of financial institutions in the national AML /CFT system;
  - ✓ The AML duties established by BACEN regulation and standards (identification of customer, registration and communication of transactions, etc.);
  - ✓ The concept of “communication of atypical transaction” and “atomically communication”;
  - ✓ The identification of proposals or transactions that can be communicated;
  - ✓ The institutional AML/CFT Policy of BI&P;
  - ✓ AML/CFT Policies and Procedures of BI&P, including what have to be done after a detection of atypical transaction and the who contact inside the BI&P.
  - ✓ The procedures of identification of customers, including your characterization as permanent, eventual, PEP etc.;
  - ✓ The administrative penalties to which BI&P and its administrators are subject in case of non-compliance with LDP / CFT duties;
  - ✓ Practical cases (including cases that may occur in the BI&P segment);
  - ✓ Employees in sensitive departments such as Registration, Foreign Exchange and customer relationship departments should conduct specific AML/CTF training in addition to the above.
  - ✓ Employees responsible for the operational management of the "AML/CFT" control process should conduct, in addition to the training indicated above, training

promoted by external bodies/companies with the aim of improving the knowledge and monitoring required by current regulations.

4. Guidelines

The non-compliance with the provisions set forth in this policy subject the violators to administrative and penal sanctions.

BI&P executive officers and employees should avoid any business relationship with:

- Individual or legal entities presenting signs of operating on behalf of intermediaries ("straw man" or "front man");
- "shell bank" – financial institution which is not subsidiary or affiliated to Financial Conglomerate, subject to banking supervision and regulation, and which has no physical presence in the country where it operates;
- "shell company" – legally incorporated company with no physical structure, presenting inconsistencies between its economic financial information, activities, corporate purpose and/or capital stock, and about which it is not possible to know and identify, ultimately, the individual(s) who hold the control of the resources to be invested or used;
- Individuals or legal entities suspect of performing or financing terrorist activities, as those included in restrictive list issued by local or international agencies;
- People sentenced, ultimately, for money laundering.

5. Material concept

<u>Money Laundering:</u>

As defined by COAF – Financial Activities Council, "money laundering" is the process through which criminals transform resources earned in illegal activities into assets with an apparently legal origin.

This practice usually involves multiple transactions, used to hide the origin of financial assets and permit their use without committing the criminals, and this process is developed in three aspects:

- Placement: Introduce the money arising from unlawful activities into financial or non financial institutions.

- Diversification: Dissociate the inflows arising from unlawful activities from their origin, using different financial or non financial complex transactions. These transactions aim to make their control difficult, hide the funds origin and make the anonymity easy.
- Integration: It is the return of the unlawful money to the economic sector, with legitimacy appearance. The financial institutions may be used in any stage of the money laundering process.

"The dissimulation is the basis for all laundering transaction, involving money arising from a preceding crime".

According to Law no. 12,683, of July 9th, 2012, in its art. 1st, classifies the crime of laundering as that in which the nature, origin, location, disposition, movement or ownership of goods, rights and values arising, directly or indirectly, from a criminal offense is hidden or concealed.

Financing of Terrorism

According to the World Bank and the International Monetary Fund's Anti-Money Laundering and Combating Financing of Terrorism Reference Guide, terrorist financing is financial support by any means to terrorism or to those who encourage, planning or committing acts of terrorism.

Such fundraising can take place in a variety of ways, including lawful sources (such as personal donations and profits from businesses and charitable organizations) and criminal sources such as drug trafficking, smuggling of arms, goods and services unduly taken to the base of force, fraud, kidnapping and extortion.

The combat against terrorist financing is closely linked to the combat against money laundering, since the techniques used to launder money are essentially the same as those used to conceal the source and final destination of terrorist financing, so that the sources continue to send Money without being properly identified.

6. Related Regulation

- Law 9,613 of March 3rd, 1998 with the updates of Law 12.683 of July 9th, 2012.
- CVM Instruction 301, of April 16th, 1999.
- Central Bank Circular Letter 3,461 of July 24th, 2009.
- And other supplementary rules.