

**Scotiabank Brasil S.A. Corretora de Títulos e Valores Mobiliários** (“Broker”), in compliance with the provisions of Instruction no. 505 of the Brazilian Securities Commission (*Comissão de Valores Mobiliários* - “CVM”), dated as of September 27, 2011 (“CVM Instruction 505”), and all other rules enacted by B3 S.A. – Brasil, Bolsa, Balcão (“B3”), hereby defines its rules and standards regarding customer records, accepted types of orders, receipt of orders, transmission of orders, orders validity period, rejection to received orders, registration of orders, cancellation and change of orders, form and criteria of execution of received orders, as well as the procedures of settlement and custody of assets and securities (“Brokerage Rules and Standards”).

## **1. PRINCIPLES**

The Broker is committed to the highest standards and rules to conduct its activities, adopting the following principles in its transactions:

- a) strive for market integrity, including in the selection of clients and requirement of the deposit of guarantees;
  - b) maintenance of the control of clients’ positions, with the periodic reconciliation of:
    - (i) executed orders;
    - (ii) positions shown on the data base that generates statements provided by the custody services provider; and
    - (iii) positions supplied by settlement and clearinghouses, as applicable.
  - c) maintenance of an account system to register every financial movement of its clients;
  - d) to inform CVM always that verified an evidence or occurrence of a breach to the law subject to CVM’s surveillance, within the period of five (5) business as of the occurrence or identification, with prejudice to communication to the
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organized markets administration bodies in which it is authorized to trade or to the autoregulating entity, keeping the registration of the evidence found;

- e) to provide its clients with information about offered products and its risks;
  - f) to provide its clients with information regarding the loss reimbursement mechanisms established by the organized markets administration bodies, as applicable;
  - g) differentiate the trade tickets, invoices and invoice notices sent to clients, the amounts resulting of brokerage from those regarding other services provided by the intermediary and the fees charged by the organized market administration bodies or other third parties, as applicable;
  - h) to provide its clients with the information and documents regarding the executed transactions in the form and period established by its internal rules;
  - i) to monitor the transactions intermediated by it on an ongoing basis, in a manner to identify the ones that may proportionate undue advantage or profit to one of the parties, or cause damage to this parties, pursuant to the applicable regulation;
  - j) maintenance of the identification control of the people the access its digital communication sites;
  - k) to observe the non-recommendation of products, execution of transactions or provision of services, without the prior procedure of suitability to the client's profile; and
  - l) to observe the provisions of Law no. 9,613, dated as of March 3<sup>rd</sup>, 1998 (Money Laundering Law), as amended and restated from time to time, in relation to:
    - (i) identification and registration of clients;
    - (ii) registration of transactions and amount limits;
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- (iii) policies, procedures and internal controls to control the transactions and registration of clients;
- (iv) monitoring of transactions' communication; e
- (v) management liability.

## **2. REGISTRATION**

The client, before the start of its trades with the Broker, shall provide every registration information requested, upon the filling and execution of the application form, containing all of its registration information ("Registration Documents"), also delivering a copy of the evidence documents of the information provided to the Broker.

The client shall keep the registration information provided permanently updated, undertaking to inform the Broker of any changes that may occur in the mentioned information within the period of fifteen (15) business days counted as of its occurrence. In case the client does not have its registration information updated in compliance to the minimum frequency appointed, the Broker may block the client's account for the execution of future transactions, except in the cases of account termination request or sale or redemption of securities.

The client with active registration before The Bank of Nova Scotia shall undertake the simplified registration procedure, with the following steps: (i) identification of the non-resident investor and its legal representative in Brazil; and (ii) confirmation of its enrollment before the National Corporate Taxpayers' Registry of the Ministry of Economy (CNPJ/ME); (iii) Negative News and WorldCheck screening; (iv) approval of Anti Money Laundering (AML) criteria; and (v) and registration and integration in the registration system (CPN).

## **3. RECEIPT OF ORDERS**

For the purpose of this Brokerage Rules and Standards, as "order" is construed as the prior act whereby the client determined that an intermediary trade or register a securities transaction, on its behalf, pursuant to specific conditions, according to the provided for on CVM Instruction 505.

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### 3.1. TYPES OF TRADE ORDERS ACCEPTED

Provided that the client that executed the order attend the conditions established in these Brokerage Rules and Standers, the Broker will execute the following types of orders:

- a) Market Order: an order specifying only the quantity and characteristics of the assets and/or derivatives to be bought or sold, and to be executed as soon as it is received
  - b) Limited Order: an order that must be executed only at a price that is better than or equal to the one specified by the client
  - c) Managed Order: an order specifying only the asset and/or derivative to be executed and its total amount or financial volume, and the distribution execution (price, partial quantity and time) under the responsibility of the Broker;
  - d) Managed Competing Order: an order issued concurrently with one or more managed orders or discretionary orders for the same asset and/or derivative, in the same direction, competing for the execution. The transactions executed through managed competing orders shall only be allocated to the respective clients after the execution of such orders, pursuant to the medium price of execution.
  - e) Discretionary Order: an order submitted by a client, securities portfolio manager or by someone who represents more than one client, establishing the terms under which the order should be executed
  - f) Pair Order: an order composed of an order to purchase or sell a security or right in a market administered by B3, and a simultaneous order to sell or purchase the same security or right, on the same or on another market administered by B3;
  - g) Stop Order: an order that specifies the price of the security or right beyond which the order is to be executed;
  - h) Tie-In Order: an order whose execution is linked to the execution of another order of the same client, and may or may not have a price cap.
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The Broker will accept orders for transactions on the spot market.

In case the type of order is not specified by the client, the Broker may choose the type of order that better suits the instructions received, at its own discretion, pursuant to the best market conditions, considering the price, cost, speed, probability of execution and settlement, volume, nature and any other relevant consideration for the execution of the order issued by the client. Additionally, the choice of market and trading system for order execution, if not indicated by the client, will respect the market supported by the Broker (spot) and its enabled systems.

All buy and sell offers sent by automated connection (DMA – Direct Market Access) will be transmitted directly for trading in the BM&FBOVESPA environment.

### **3.2. FORMS OF ORDER TRANSMISSION**

The Broker will accept orders sent verbally or in writing, granting the client the right to choose one or both, in the moment of filling its Registration Form.

The verbal orders shall be considered as the those transmitted by telephone or in person and written orders as those sent by e-mail and/or through electronic trading system, such as Bloomberg, Front Office ULLINK (ITIVITI) and/or the Broker's own trading system, as applicable. In every case, the Broker shall only accept the orders that the client's authenticity and the integrity of the information transmitted are guaranteed.

In addition, the Broker may, at its own discretion, request a confirmation of the received orders always it deems to be necessary, as it were transmitted verbally or in writing.

The Broker shall accept the orders in the regular period of trading of the market administered by B3, without time limitation. The orders received during the respective regular period of trading shall be traded in the same trading session. However, in case the orders are received out of the regular period of trading of the market, such orders shall only be valid for the next trading session.

As an exception, the Broker may accept received orders for the execution during the after-market period (*horário estendido*), at its own discretion, which shall be only be valid for the referred period of the day in which it its transmitted.

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### **3.3. PROCEDURE FOR REFUSING ORDERS**

The Broker may, at its sole discretion, refuse clients from its clients, received verbally or in writing, upon the immediate communication to the client, without obligation the obligation to inform the client of the reasons of the refusal.

The Broker will not accept orders of clients that are, for any reason, barred from trading in any of the markets administered by B3 and/or are not found in the client basis of previously registered clients in the data base.

The Broker may, at its own discretion, condition the acceptance of orders to the fulfillment of the following requirements:

- a) prior deposit of assets or securities to be sold or, if the securities are being bought or in case of any transactions that generate obligations, a prior deposit of an amount corresponding to the buy transactions;
- b) in the case of launches of naked options, the Broker will accept the orders upon the prior deposit of assets, securities or guarantees accepted by B3, through the Broker, or through a cash deposit in an amount considered necessary by the Broker;
- c) additional margin deposits, at any time, for transactions on the futures market.

The Broker will establish, at its sole discretion, operational limits and/or mechanisms that limit its exposure to its clients, as a result of the variation of quotation and exceptional market conditions and may refuse to accept all or part of the of the received orders, upon immediate communication to its clients.

Even if the above requirements are met, the Broker may refuse to accept any order whenever it verifies the practice of illicit acts or the existence of irregularities, especially aimed at creating artificial conditions of market prices, fraudulent transactions, use of inequitable practices and/or financial incapacity of the client.

### **3.4. PERSONS AUTHORIZED TO TRANSMIT ORDERS**

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The Broker will only accept and execute orders transmitted by the client, its legal representatives or proxy if duly and proven authorized and identified in the Registration Form, under the terms of the legislation in force.

In the case of a proxy, the client will be responsible to present the respective legal mandate, which shall be filed together with the other Registration Documents. Any eventual revocation occurred shall only be considered as effectively revoked, after the express notice to the Broker about such revocation, which, if not done, shall exempt the Broker from any liability.

#### **4. REGISTRATION OF ORDERS**

The formal orders registration process requires the following information:

- a) name or client identification number at the Broker;
  - b) date, time and number or code identifying the chronological and sequential number of order receipt;
  - c) the subject asset of the order (description, trading code, quantity of securities to be traded and price);
  - d) nature of the transaction (purchase or sale) and market type (spot, forward, options, futures, give-up transactions or those direct settlement);
  - e) type of order (market, limited, managed, discretionary, loan, stop, tie-in or managed competing);
  - f) identification of the transmitter of the orders in the following cases: legal entities, clients which the portfolio is managed by third parties, or even, in the event of representative or proxy of the client authorized to transmit orders on this behalf;
  - g) validity period of the order;
  - h) indication of transaction of related person;
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- i) identification number of the transaction in B3;
- j) identification of the operator of the systems of B3, as applicable, and of the execution broker; e
- k) status of the order received (executed, not executed or cancelled).

## **5. VALIDITY OF ORDERS**

The Broker will consider as valid the orders received in the regular trading period of the market administered by B3, without time limitation. The orders received during the respective regular trading period shall be traded in the same trading session. However, if the orders are received out of the regular trading period of the market, such orders shall only be valid for the next trading session.

As an exception, the Broker may accept the orders received for the execution during the after-market period (*horário estendido*), at its own discretion, which shall only be valid for the referred period of the day in which they are transmitted.

The client shall be responsible to ensure that its orders were duly executed or cancelled before transmitting a new order based on the supposition or in the uncertainty of execution or cancellation.

## **6. EXECUTION OF ORDERS**

The execution of an order is the act whereby the Broker fulfills an order transmitted by the client upon the execution or the register of a transaction in the applicable market.

### **6.1. EXECUTION**

The orders of transactions in B3's trading systems may be grouped by the Broker by type of market and security, right or assets or specific descriptions of the agreement.

In the event of an interruption in B3's or the Broker's trading system, due to an operational problem or force majeure, transactions not executed, if possible, shall be executed using another trading system provided by B3.

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## **6.2. BROKERAGE FEE / PAYMENT**

The fee and the criteria for the charge of brokerage, considering the trade channel, custody and other additional costs shall be negotiated with the client at the moment of execution of the intermediation agreement, which shall be detailed in the trade statements, after the execution of each transaction.

Traders are not remunerated based on the values of brokerage/operations carried out by clients they provide support.

## **6.3. ORDER EXECUTION CONFIRMATION BY THE BROKER**

The Broker shall confirm to the client in a timely manner the execution of the orders of transactions and the conditions under which they were executed, verbally or in writing, by letter, fax, e-mail and/or through electronic trading systems, such as Bloomberg, Front Office ULLINK (ITIVITI), or other means that may be available to prove the issuance and receipt of the message. Afterwards, the execution confirmation will be formalized upon the issuance of the respective trade ticket.

## **6.4. ORDER EXECUTION CONFIRMATION BY B3**

The client may also obtain, among others, the information about the trades executed and its position, directly through the Electronic Investor Channel (*Canal Eletrônico do Investidor - CEI*) of B3.

## **7. TRANSACTION DISTRIBUTION**

Distribution is the act whereby the Broker assigns to its clients, all or part of the transactions it has performed or registered in various markets.

The Broker will instruct the transaction distribution performed in B3 by type of market, security and standard/fraction batch.

The following criteria will be applied in the distribution of transactions performed to meet the received orders:

- a) only orders that are executable at the time a transaction is performed will be competing for distribution;
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- b) the orders of persons not related to the Broker shall have priority in relation to the persons related to it;
- c) managed, loan and tie-in orders shall have priority in the transaction distribution, as the transactions were performed solely to fulfill them;
- d) after applying the criteria mentioned in the preceding items, the time sequence of the received orders will determine the priority to fulfill the issued orders on behalf of clients within the same category, except those of monitored order, in which the client may interfere by telephone, for its closure; and
- e) the orders sent through DMA will not compete with other types of orders for execution priority.

#### **7.1. FORWARD OF TRANSACTION ORDERS**

Except if any other form of agreement is entered into between the Broker and the client, the Broker may, at its sole direction, forward the transactions orders of its clients for the execution by other participant.

### **8. CANCELLATION OF ORDERS**

Every and any unexecuted order may be cancelled:

- a) by initiative of the client; or
  - b) by initiative of the Broker:
    - (i) when the transaction or the circumstances and the available data indicate a risk of default by the client;
    - (ii) when it goes against the operational rules of the securities market or any other applicable law or regulation, in which case the Broker shall notify the client;
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- (iii) by any other reason deemed as appropriate by the Broker, at its discretion, given the circumstances.

The cancellation of orders sent through the DMA electronic systems shall only be considered after the effective receipt of the request for cancellation by the systems of B3 and provided that the corresponding transaction has not been executed yet.

The order shall be canceled if it has not been executed yet, and, if it is the case, replaced with a new order when the client decides to modify the registered order. When the order is transmitted in writing, the Broker shall only accept its cancellation if the notice is also conducted in writing.

Any order cancellation request by the client shall only be considered after its effective receipt and confirmation by the Broker.

## **9. SETTLEMENT OF TRANSACTIONS**

The Broker will keep an account in the name of the Client, not accessible by check or in currency, intended to register his/her transactions and the credits and debits performed on his/her behalf.

The client undertakes to pay the Broker, by the means available to it, the debits corresponding to the execution of transactions orders performed on its account and order, as well as expenses related to the transactions, observed the time periods established by the Broker.

The funds sent by the client to the Broker, through bank transfer, shall only be considered as released and available after the confirmation, by the Broker, of its availability.

If there are any pending debts in the client's name, then the Broker is authorized to settle, on a stock exchange or clearinghouse, the contracts, rights and assets, acquired by order and for the account of the client, and to execute assets, rights and securities pledged in transactions of the client or that are in the possession of the Broker, and the proceeds from the sale will be used to pay the client's outstanding debts, regardless of

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judicial or extrajudicial notice. If even after that, there are still pending debts, the Broker may take the extrajudicial and judicial measures it deems to be necessary.

In this sense, the Broker shall sell or buy the contracts necessary for the settlement of the open positions in the client's name, and shall sell or order the immediate sale, at market price, of any assets acquired in the client's name or provided as collateral, including positions and amounts that are the object of obligations in the markets administered by B3.

## **10. SPECIFICATION OF TRANSACTIONS**

The transaction specification performed by the Broker in the markets administered by B3 shall be executed within the time periods defined by the rules in force, as published by B3 in its website <http://www.b3.com.br/>.

## **11. NON-RESIDENT CLIENTS**

Pursuant to the B3 Circular Letter no. 048/2017-DP, the non-resident client that chooses to post collateral abroad must be aware of:

- (i) the need to meet the eligibility requirements established by BM&FBOVESPA Clearinghouse's Risk Management Manual in relation to the aspects which must be fulfilled for the posting of collateral abroad, as well as the criteria established BM&FBOVESPA Clearinghouse's Rulebook and BM&FBOVESPA Clearinghouse's Risk Management Manual;
  - (ii) the non-resident investor module of B3;
  - (iii) that it must have the required permissions to post collateral abroad and that it is established in a jurisdiction authorized to post collateral for that purpose; and
  - (iv) that it shall immediately notify the Broker always that: a) any material event or change in the circumstances adversely affects its ability to meet the eligibility criteria for posting collateral abroad; and b) if it ceases to meet the eligibility criteria, either on becoming aware of such a material event, change in circumstances or cessation or when it reasonably concludes that such an event, change or cessation is likely to occur.
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## **12. CUSTODY OF SECURITIES**

Prior to starting its transactions, the client agrees to the terms of the Service Agreement for Fungible Asset Custody of B3, executed by the Broker, granting powers to B3, as fiduciary owner, to transfer assets owned to its name in the issuer companies.

The services subject of said contract comprises safekeeping of assets, updating, receipt of dividends, bonus, interest, earning, exercise of rights in general and other activities related with the asset custody services.

The inflow of funds arising from rights related to securities deposited in custody shall be credited in the client's account with the Broker and the assets received shall be deposited in the custody account in B3.

Exercising the right to subscribe assets shall only be performed by the Broker upon the client's authorization, and prior deposit of the corresponding cash.

The custody account opened by the Broker at B3 shall be operated solely by the Broker.

### **12.1. TRANSFER OF SECURITIES**

To perform the transfer of securities, the client shall fulfill the procedures and deliver of necessary documents, specifically, the filling of the Securities Transfer Request (*Solicitação de Transferência de Valores Mobiliários – STVM*), duly executed by the client, and that the signature must be similar to the client's registration form signature, when applicable.

In case the client is not compliant to the documents required for the purposes of performing the transfer, the Broker shall inform about it within the period of two (2) business days.

The transfer of securities will obey to reasonable procedures, considering the needs of the client and the procedure safety, and shall be performed within the maximum period of two (2) business days counted as of the receipt by the Broker of a valid request form of the client.

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The Broker shall keep direct contact with the client, or foreign intermediary, to provide information about the status of the requests and, additionally, the client may access the Broker through its service channels, as defined on item 17 of these Brokerage Rules and Standards.

Finally, the client shall be aware of the situation that may impact the non-fulfillment of its transfer requests, such as pending registration items, pending debts and assets with settlement in course or unavailable. Therefore, the Broker shall perform the applicable internal confirmations, such as checking the existence of outstanding debt balance before the Broker, assets with settlement in course, position request and free for transfer, signature confirmation and, eventually, when necessary, the positive confirmation through a call back. As much as in the receipt or in the sending of positions, the client shall have an active account with the Broker and shall not have any pending registration item and/or outstanding debt balance in its account for the completion of the transfer.

### **13. INVOLVEMENT OF RELATED PERSONS**

#### **13.1. GENERAL ASPECTS**

The Broker may perform transactions on behalf of related persons, in which case such persons may act as counterparty of transactions performed by the clients, observed the distribution rules defined in these Brokerage Rules and Standards.

A related person is considered as:

- a) administrators, employees, operations and other agents of the Broker that performs intermediation or operational support activities;
  - b) autonomous agents that provides services to the Broker;
  - c) other professionals that keep with the Broker service provision agreements directly related to the intermediation or operational support activities;
  - d) natural persons that are directly or indirectly controlling shareholders or participate in the corporate control of the Broker;
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- e) entities that are directly or indirectly controlled by the Broker or by persons related to it;
- f) spouse or companion and minor children of the persons mentioned on items “a” to “d”; and
- g) investment funds and clubs which the majority of the quotas are held by related persons, except if discretionarily managed by non-related third parties.

Upon the execution of a transaction in which the Broker or persons related to it act as counterparties, the information shall be highlighted in the respective trade ticket, which will be delivered to the client.

The orders of persons not related to the Broker shall have priority of execution in relation to the orders of persons related to it.

### **13.2. PROPRIETARY TRADING**

The Broker does not engage in proprietary trading.

## **14. CONFLICT OF INTEREST**

The Broker shall make its best efforts in order to identify every and any conflict of interest which may arise:

- a) between, on one side, the Broker and/or the people connected to it and, on the other side, its clients; or
- b) between its clients.

The Broker will observe the provisions set forth in these Brokerage Rules and Standards in order to allow that, upon a situation of conflict of interests, the Broker is able to execute a transaction, on behalf of the client, with independence.

## **15. RECORDING SYSTEM**

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Every order transmitted by the client to the Broker and its professionals, verbally or in writing (including through electronic trading system), as well as the matters relating to the custody of the client's securities, shall be kept and/or recorded for the minimum period of seven (7) years and its content may be used as evidence in the clarification of questions related to the account and transactions.

The Broker's recording system is able to store the following information:

- a) date and time of the start and end of each record of the clients' telephone calls;
- b) the elements that allow the identification of the Broker's representative and the respective telephone number, including the telephone number of the custody area of the Broker, as applicable;
- c) the characteristics and conditions of execution of the order and the respective confirmation to the client; and
- d) controls that guarantee the totality of the recordings realized of each client, since the start and the end of its trading.

## **16. RISK CONTROL**

The Broker adopts internal controls and procedure for the establishment of operational limits and/or mechanisms which intend to limit the exposure to risks for each client, as a result of the variation of the quotation and exceptional market conditions.

Considering that every and any transaction implies in the liability of the client before the Broker, regarding the settlement of trades and the timely handling of margin call, the Broker shall exclusively define the fixed or variable operational limits, its frequency, the levels, types, forms and timing of guarantees to be required as prior condition to the execution of its clients' orders.

Specifically, the limits control mentioned above is managed in a manner to avoid that the client exceeds its operational limits. However, in case it exceeds, the Broker shall notify the client and may request the immediate reduction of the exposure in open positions or the deposit of guarantees or additional resources, informing the time and procedures for the renewal of its compliance. In case the client refuses to execute such deposits, the Broker may refuse to partially or totally executed new transactions which

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may come to be requested by the client, and, also, proceed with the compulsory settlement of assets.

## **17. GENERAL PROVISIONS**

This document will be available for the conference of the client at any moment in the Scotiabank Brazil website: <https://www.br.scotiabank.com>.

The Broker keeps its client relationship services at the disposal of its clients and users, through the e-mail [sp.ops@br.scotiabank.com](mailto:sp.ops@br.scotiabank.com), with the assignment to act as a service channel with its clients about the products and services of the Broker, including the mediation of conflicts.

The terms of these Brokerage Rules and Standards may be amended and updated by the Broker as a result of regulatory and operational changes or always that deemed to be necessary. The terms of this instrument may be unilaterally amended by the Broker, the case in which the client shall be aware through the electronic relationship channels and will always be bonded to the Brokerage Rules and Standards in force.

These Brokerage Rules and Standards shall come into effect on May, 1st, 2021

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