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CVM issues Resolution and revokes a further 24 documents in disuse

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Brazilian Securities and Exchange Commission (CVM) launches app for the public

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CVM ISSUES RESOLUTION AND REVOKES A FURTHER 24 DOCUMENTS IN DISUSE

On September 30, 2020, the Brazilian Securities and Exchange Commission (CVM) issued Resolution 7/2020, which revoked various normative acts and other acts with explanatory character as part of the process of revision and consolidation set forth in Decree 10,139/2019 (“CVMI 7/2020”).

With the publication of CVMI 7/2020, the following acts were revoked:

(i) CVM Instruction 218/1994 – covers the investment of money administered by securities exchanges and clearing and custody companies;

(ii) CVM Deliberation 31/1986 – clarifies the effects to be considered for application of Decree-Law 2,284/1986, as well as the criteria to be observed for conversion into Cruzados of amounts denominated in Cruzeiros, in the situations indicated in the deliberation;

(iii) CVM Deliberation 81/1989 – forbids the opening of new series of options with maturity in August or afterward, as well as the opening of contracts in the future markets with maturity after August 1989;

(iv) CVM Deliberation 86/1990 – requires listed companies to provide specific information to CVM within 3 business days counted from publication of the deliberation, such as the number of shares issued as of March 16 1990;

(v) CVM Deliberation 107/1991 – clarifies the effects to be considered in application of Law 8.177/1991;

(vi) CVM Deliberation 171/1994 – clarifies the provisions contained in Articles 52 of Law 8,212/1991 and 942 of Decree 1,041/1994;

(vii) CVM Deliberation 461/2003 – defines the new concept of securities and its application to investment funds;

(viii) CVM Deliberation 520/2007 – provides rules on holding public hearings and acceptance by the CVM of the technical pronouncements issued by the Accounting Pronouncements Committee (CPC);

(ix) CVM Deliberation 613/2009 - approves Technical Interpretation ICPC 3 from the Accounting Pronouncements Committee, which deals with complementary aspects of leasing transactions;

(x) CVM Deliberation 614/2009 - alters provisions of CVM Instruction 481/2009;

(xi) CVM Deliberation 615/2009 - approves Technical Interpretation ICPC 5 from the Accounting Pronouncements Committee, which deals with Technical Pronouncement CPC 10 - Payment Based on Shares - Transactions with Shares of the Group and in Treasury;

(xii) CVM Explanatory Note 9/1978 - clarifies aspects of CVM Instruction 4/78, which deals with the rules on registration of independent auditors with the CVM;

(xiii) CVM Explanatory Note 21/1980 - clarifies aspect of CVM Instruction 15/80, which deals with the rules and procedures for preparation of consolidated financial statements by listed companies and parent companies of groups that include a listed company;

(xiv) Explanatory Note to CVM Instruction 38/1984 - clarifies aspects of CVM Instruction 38/1984, which deals with the exercise to the activity of independent auditing in the ambit of the securities market - covering the independent auditing of listed companies, groups that include a listed company and institutions, enterprises or companies that integrate the system for distribution and intermediation of securities;

(xv) Explanatory Note to CVM Instruction 58/1986 - clarifies aspects of CVM Instruction 58/1986, which covers the accounting systems of listed companies that are engaged in leasing activity;

(xvi) Explanatory Note to CVM Instruction 64/1987 - clarifies aspects of CVM Instruction 64/1987, which deals with preparation of complementary financial statements expressed in constant purchasing power currency;

(xvii) Explanatory Note to CVM Instruction 72/1987 - clarifies aspects of CVM Instruction 72/1987, which deals with inflation adjustment of dividends;

(xviii) Explanatory Note to CVM Instruction 97/1989 - clarifies aspects of CVM Instruction 97/1989, which alters provisions of CVM Instruction 64/1987;

(xix) Explanatory Note to CVM Instruction 108/1989 – clarifies aspects of CVM Instruction 108/1989, which deals with the alterations introduced by CVM Instruction 64/1987;

(xx) Explanatory Note to CVM Instruction 118/1990 – clarifies aspects of CVM Instruction 118/1990, which deals with the procedures for preparing quarterly information statements (ITRs) by listed companies, as of the periods closed that include the month of March 1990 and provides rules for disclosure of the effects produced by Law 8,033/1990;

(xxi) Explanatory Note to CVM Instruction 192/1992 – clarifies aspects of CVM Instruction 192/1992, which deals with adjustment to present value and monetary updating of accounting records for full compliance with the Fundamental Principles of Accounting, and other measures;

(xxii) Explanatory Note to CVM Instruction 204/1993 – clarifies aspects of CVM Instruction 204/1993, which alters, consolidates and revokes CVM Instructions 4/1978, 38/1984 and 145/1991, covering the registration of independent auditors for the purposes of Law 6,385/1976, defining the duties and responsibilities applicable to the exercise of the activity in the securities market, as well as cases when registration can be refused, suspended or canceled;

(xxiii) Explanatory Note to CVM Instruction 206/1994 – clarifies aspects regarding the preparation and disclosure of information to the securities market by institutions that serve as administrators of real estate investment funds and reporting to the CVM; and

(xxiv) Explanatory Note to CVM Instruction 235/1995 – clarifies aspects of CVM Instruction 235/1995, which deals with the disclosure of the market value of the financial instruments held by listed companies.

More information, as well as the full text of the Resolution, can be obtained at the CVM's website (www.cvm.gov.br).

BRAZILIAN SECURITIES AND EXCHANGE COMMISSION (CVM) LAUNCHES APP FOR THE PUBLIC

On October 5, 2020, during the opening of World Investor Week – WIW, the Brazilian Securities and Exchange Commission (CVM) launched an app called “CVM Digital”.

According to CVM, the app was developed in order to bring the public closer to the securities market, allowing a faster, easier and more efficient way to access information disclosed by the market participants.

At first, the app will enable its users to access information regarding authorized market participants (e.g. public-held companies, independent auditors and brokers).

However, CVM already informed that it is currently analysing other features, including access to information on investment funds, filing and tracking of requests to CVM’s citizens services and remote access to “Sistema SEI” (electronic system for Federal Government’s procedures), in order to view and monitor procedures.

“CVM Digital” app is available for download on Google Play Store and App Store (Apple). More information can be obtained at CVM’s website (www.cvm.gov.br).

The Newsletter of Moreira Menezes, Martins Advogados is an exclusively informative publication, and it should not be entertained, for any purpose, as a legal opinion, suggestion or guideline given by the Office.