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In case of legal matters the original documents written in Portuguese, and other Portuguese legislation should be consulted.

INTERBOLSA CIRCULAR no. 2/2003 – Procedures of deposit and withdrawal of securities in certificate form

CHAPTER I – General Provisions

Article 1

(General principle)

- 1.** When an issue of securities in certificate form is registered at Central, the deposit of the securities deposited with an affiliated financial intermediary is processed according to the procedures set forth in this Circular, being the responsibility of INTERBOLSA to set the date on which that integration is done.
- 2.** Securities in certificate form may be deposited under the terms defined in Chapter II, unless, due to the quantity of certificates to be deposited, INTERBOLSA is of the opinion that they must be deposited according to the procedures set forth in Chapter III.
- 3.** INTERBOLSA may appoint an entity to be a custody service provider (“*Instituição Prestadora de Serviços de Custódia*” or “*IPSC*”) to provide any of the services or procedures related with the custody of certificates concerned by this Circular, following the agreed terms and conditions. In this case, Interbolsa will keep all its obligations and responsibilities *vis a vis* the affiliated depositor financial intermediary.
- 4.** The Article 2 of the Interbolsa Regulation no. 3/2000 applies to this Circular.



CHAPTER II – Procedures of deposit regarding securities in certificate form

Article 2

(Procedures)

1. The financial intermediary to whom the deposit of the securities in certificate form has been requested must immediately register that request at Central, identifying the securities by both their respective code and serial number, indicating the account in which those securities are to be credited.
2. Once the request for deposit has been registered, it appears as “Deposit Subject to Confirmation”.
3. On the day the request for deposit is registered, Central checks if there is any irregularity, such as duplication of serial numbers; Central issues, in duplicate form, a deposit note, under the terms set forth in Article 4 concerning the securities which registration do not evidence any irregularity.
4. The securities regarding which a deposit note has been issued are from that moment considered of being subject to any other requests or operations through Central.
5. If and whenever any irregularity is detected, the System issues an adequate report with the necessary evidence.

Article 3

(Duplication of serial numbering)

1. If and whenever a duplication in the numbering of securities is detected that is not the result of an error made by the financial intermediary on registering the request for deposit, he must immediately notify INTERBOLSA of that fact; INTERBOLSA will then inform the identity of all financial intermediaries who have registered requests for deposit containing securities with serial numbering incompatible with those to be deposited.
2. Once the provisions as set forth in the previous number have been fulfilled, the financial intermediary concerned must, within a maximum period of five working days following that on which he receives the information referred to in that same number, and if it is the case, together with all the financial intermediaries identified by INTERBOLSA, attempt to clarify the situation and find a solution, then immediately passing this information on to INTERBOLSA.
3. If the situation has not been rectified by the end of the period referred to in the previous number, the financial intermediaries must immediately inform INTERBOLSA of that fact who informs CMVM.
4. Based on the information referred to in the previous number, INTERBOLSA withdraws the certificates comprising the securities whose numbering of registration turns to be the same or incompatible with the other securities to be deposited. INTERBOLSA will then deliver those securities to the financial intermediaries responsible for their deposit and informs CMVM about the occurrence.



5. Once the provisions as set forth in the previous number have been fulfilled, the financial intermediaries involved must attempt to rectify the situation and then must immediately inform INTERBOLSA who informs CMVM; additionally, they must clarify and provide all the information about the terms under which the rectification was carried out.

6. If and whenever, due to lack of credit, the withdrawal of securities referred to in no. 4 above is not possible, the financial intermediary must immediately inform INTERBOLSA, who will start a prompt investigation at the issuer about the authenticity, validity and regularity of the certificates concerned and, if possible, it will then promote the rectification of the situation.

Article 4

(Deposit note)

1. Once the deposit note referred to in no. 3 of Article 2 has been received, the financial intermediary must immediately compare it against the respective certificates. If there are no irregularities detected the financial intermediary must appendix those certificates to the respective deposit note and dispatch them to the depository attendance counter, within a maximum period of two working days following that on which the deposit note was received.

2. The certificates to be dispatched under the terms set forth in the previous number, must be duly regularised, especially where the patrimonial rights inherent to them is concerned and their registration into the deposit system, which must show clearly the code of the financial intermediary, the date and the number of the account where those securities have been deposited.

3. If, when comparing the deposit note against the respective certificates, the financial intermediary detects any irregularity, he must immediately cancel, partially or in full, the registration of the request for deposit, without prejudice of the provisions set forth in nos. 3 and 4 of the following article.

Article 5

(Irregularities)

1. On the day the registration of the request for deposit is cancelled, partially or in full, Central issues an appropriate report and, if applicable, a rectified deposit note.

2. The financial intermediary must file the cancelled deposit note and the respective report, acting in respect of the rectified note, as prescribed in nos. 1 and 2 of the previous Article, without prejudice of the provisions as set forth in no. 3 of that same article.

3. If the cancellation, partially or in full, is the result of lack of credit in the respective account, the financial intermediary must immediately inform INTERBOLSA of that fact and send a copy of the deposit note, stating therein the reasons for its return, listing the registrations to be cancelled and, if applicable, listing the serial numbers of securities available for registration.



4. If and whenever irregularities are detected during a period of technical interruption, or after an exercise of patrimonial rights or an operation for conversion have started, the financial intermediary can no longer cancel any request for deposit registered before the beginning of those periods. In this case, the financial intermediary must immediately inform INTERBOLSA and send a copy of the deposit note, stating therein the request for cancellation and the corresponding justification, so that INTERBOLSA can act accordingly.

Article 6

(Availability of securities)

1. If and whenever the financial intermediary disposes of a quantity of securities for registration sufficient to cover, partially or in full, the lack of credit resulting from the cancellation which, based on the irregularities detected, has to be processed and, if the numbering of those securities does not overlap with that of those previously registered, the financial intermediary must then register with Central a new request for deposit of the securities available. Furthermore, once the request has been validated under the terms set forth in no. 3 of Article 2, the financial intermediary must immediately cancel, partially or in full as necessary, the previous registration.

2. If and whenever the numbering of the securities available for registration overlap with that of the securities previously registered, the financial intermediary must immediately send to INTERBOLSA the respective certificates together with the respective deposit note. The financial intermediary must also issue and send to INTERBOLSA a report giving an appropriate explanation for the occurrence.

3. Upon having received the certificates together with the document referred to in the previous number, INTERBOLSA must adopt the necessary procedures to rectify the situation.

Article 7

(Non-availability of securities)

1. The financial intermediary must immediately inform INTERBOLSA if and whenever he does not dispose of the necessary quantity of securities to cover the lack of credit resulting from the cancellation which, based on the irregularities detected, has to be processed.

2. Following the provisions as set forth in the previous number, the financial intermediary must rectify the situation under the terms set forth in the previous article, within the maximum period of three working days following that on which he notified INTERBOLSA.

3. If and whenever, by the end of the time limit referred to in the previous number, the financial intermediary has not yet rectified the situation under the terms set forth therein, INTERBOLSA will immediately inform CMVM who, on INTERBOLSA's recommendation, will determine the means and procedures required to rectify the situation.



Article 8

(Checking at Central Vault)

1. Upon having received the certificates and the respective deposit note and the duplicate form, the depository attendance counter must immediately send them to the Central Vault.
2. As soon as the securities concerned are received, the Central Vault must verify that they suit with the deposit note, paying particularly attention to the serial numbering and details regarding patrimonial rights, also checking that they are correctly stamped regarding their integration into the deposit system; if no irregularities have been detected, the Central Vault must then confirm their reception through the System and deliver to the financial intermediary the duplicate for of the deposit note.
3. If and whenever, in the compliance of the provisions as set forth in the previous number, the Central Vault detects any irregularities, INTERBOLSA must clarify the situation and, depending on the nature of the irregularities, ascertain the terms under which that situation is to be rectified.

CHAPTER III – Procedures regarding the deposit of securities in certificate form – Creation of “lots”

Article 9

(Procedures)

1. The financial intermediary where the securities in certificate form are deposited must, after having verified their existence, authenticity, validity and regularity, including where the patrimonial rights inherent to those securities are concerned, adopt the following procedures:
 - a) To order the certificates incorporating the same quantity of securities by using the numerical sequence of those latter; in the case of nominal certificates, by considering the respective holder;
 - b) To group the certificates in such a manner, either totally or partially, (from now on designated as “lots”);
 - c) Register in computer all the data regarding the securities in certificate form contained in each form, taking into account the lot in which they are included.
 - d) To stamp each of the certificates with a reference “Delivered for Custody” as well as the identity of the responsible financial intermediary responsible.
2. The standard form(s), how they are to be filled in, as well as any other procedures to be followed by the financial intermediary in carrying out that which is outlined in the previous numbers, namely the terms and the means, such as the electronic information systems through which data and information must be provided, are defined by INTERBOLSA.



3. Upon being requested by INTERBOLSA, the financial intermediary must send a magnetic backup where, in accordance with the provisions as set forth in the previous numbers, the certificates must be registered.

4. INTERBOLSA, immediately upon having received the magnetic backup, must check and compare the registrations therein with the data and information already held regarding the securities and certificates concerned and send, as soon as possible, to the financial intermediary, adequate reports which will vary depending on whether they concern lots of certificates where no irregularities have been detected or lots which, due to irregularities, have been rejected.

Article 10

(Reports)

1. On receiving the reports regarding lots of certificates where no irregularities have been detected by INTERBOLSA, the financial intermediary must compare all data and information therein with that included in the registration of the securities concerned.

2. In the case of reports mentioning irregularities detected in the registration of securities in certificate form, namely duplication of serial numbering, the financial intermediary must, immediately upon having received said reports, investigate the cause of those irregularities and, within a maximum period of 5 working days, provide INTERBOLSA with an explanation for what has occurred.

3. If and whenever duplication of a serial numbering is detected, where it is not the result of a registration error or of information wrongly provided by financial intermediaries, the provisions set forth in Article 3 apply, adapted as necessary.

Article 11

(Integration)

1. On the last working day prior to the date referred to in Article 1 above, the securities concerned are integrated into Central, following their registration in the accounts of the financial intermediaries operationally defined for that purpose.

2. Regarding securities registered under the terms set forth in the previous number, the financial intermediaries must carry out all the necessary transfers of regularization.

Article 12

(Procedures at the financial intermediary and at the depository attendance counter of Central)

1. Once the securities have been credited in the account referred to in no. 1 of the previous article and for each securities issue to be integrated, Central issues the following:

a) For each financial intermediary, a certificate of deposit comprised of four copies representing the total amount of securities as inserted in the reports issued under the terms set forth in no. 4 of Article 9 that have to be sent to the financial intermediary by registered mail;

b) A deposit note regarding the certificate, in duplicate form, to be delivered to the financial intermediary;



c) To be delivered to the issuer, in case of nominative securities, the information containing the identification of the holders, mentioning also the numbering of the certificates deposited in the centralized system, in order to able the issuer to check and regularize its registers; the issuer will inform INTERBOLSA about the result of that checking.

2. Upon having received the certificate and the deposit note, a duly empowered representative or employee of the financial intermediary must check both documents against the reports referred to in paragraph a) of the previous number, and if no irregularities have been detected, must deliver to the depository attendance counter, within a maximum period of five working days following that on which the documents were received, the fourth copy of the certificate of deposit, duly signed, together with the original and the facsimile of the deposit note.

3. The signature on the fourth facsimile of the certificate of deposit means that the financial intermediary considers that the reports suit with the respective lots of certificates and that they are subject to its custody.

4. After having fulfilled the provisions as set forth in no. 2 above, the depository attendance counter must return the fourth facsimile of the certificate and the two facsimiles of the deposit note to the Central Vault; the Central vault will confirm the reception through the System and to the return of the duplicate of the deposit note.

Article 13

(Delivery of certificates)

1. When requested by INTERBOLSA, the financial intermediary must immediately deliver the certificates to the place indicated by INTERBOLSA together with the first, second and third facsimiles of the certificate of deposit and the respective reports; additionally, each lot of certificates must be attached with the respective report.

2. INTERBOLSA must verify the certificates delivered under the terms set forth in the previous number, in the presence of the financial intermediary's representative or employee duly empowered who made the delivery, namely by checking those certificates against the documents also referred to in that same number.

3. Upon having fulfilled the provisions as set forth in the previous numbers, INTERBOLSA must adopt the following procedures:

a) Return the second facsimile of the certificate of deposit, duly signed, to the representative or employee of the financial intermediary, thus proving that the certificates have been delivered;

b) Store the lots of certificates received.

Article 14

(Delivery and regularisation procedures)

1. On receiving the original of the certificate of deposit, the Vault must check the information therein against that in the fourth facsimile and, if no irregularities have been detected, void the facsimile and file the original; the third facsimile will be filed by, if it is the case, the IPSC, in charge of the custody of the certificates.



2. If and whenever, while accomplishing the provisions as set forth in no. 2 of the previous article, irregularities are detected, INTERBOLSA has to determine which sequences of certificates are to be excluded due to those irregularities. To do so, an appropriate standard form has to be filled in which, once fulfilling the provisions as set forth in no. 3 below, must be signed by a duly empowered representative or employee of the financial intermediary.

3. The signature of the financial intermediary's representative or employee confirms the necessity for the exclusion aforementioned and that there is sufficient balance in the account referred to in no. 1 of Article 11, to process the exclusion.

4. INTERBOLSA introduces the data received into Central in order to exclude the sequence of securities:

a) If and whenever the sequences cannot be excluded, INTERBOLSA must immediately inform the financial intermediary about the reasons for the non-exclusion, whereupon they must adopt the procedures set by INTERBOLSA, in a manner depending on the cause for non-exclusion;

b) Whenever the exclusion is possible, Central will immediately cancels the respective certificates of deposit and debits the account where the securities had been deposited for the quantity corresponding to the sequences to be excluded.

5. Once the provisions as set forth in paragraph b) of the previous number have been fulfilled, Central rectifies the registers taking into account the lots of certificates and then issues reports to the financial intermediary and certificates of deposit under the terms set forth in no. 1 of Article 12, as well as, a report containing a list of the excluded certificates.

6. On receipt of the documents referred to in the previous number, the financial intermediary must proceed as prescribed in Article 12 and following.

7. In addition to that which is prescribed in the previous number, the financial intermediary must provide INTERBOLSA with an explanation for what has occurred and inform the latter of the corrective measures or procedures that have been adopted or promoted in the mean time.

CHAPTER IV– Withdrawal of securities in certificate form

Article 15 (Procedures)

1. The financial intermediary to whom the request for withdrawal of the certificates deposited at Central has been addressed must immediately register the respective request into the system, with or without mentioning the quantity of securities comprised in each certificate.



2. If there is sufficient balance in the account where the securities to be withdrawn are deposited in order to fully satisfy the request for withdrawal under the terms set forth in the previous number, and following the procedures set forth in Article 16 below, Central issues to the Vault an appropriate report and sending note, the latter having to be issued in duplicate.
3. If the account referred to in the previous number does not have enough balance to fully satisfy the request for withdrawal, Central will reject said request and inform the financial intermediary by means of an adequate report.
4. Once having received the report and the note/form referred to in no. 2 above, the Vault must act accordingly by withdrawing the certificate(s).
5. Once the provisions as set forth in the previous number have been fulfilled, the Vault forwards to the depository attendance counter, together with the necessary documents, which must include the sending note referred to in no. 2 above, the certificates stated in the request for withdrawal, which must be duly regularised, namely regarding the corresponding coupons or stamping valid at the time the sending note was issued. Additionally, the Vault must also duly record their withdrawal from the deposit system.
6. The procedures referred to in the previous number must take place within a maximum period of seven working days following that on which the sending note was received at the Vault, without prejudice of the provisions set forth in no. 4 of Article 16 below.

Article 16

(Certificates for withdrawing)

1. If and whenever the request for withdrawal does not specify the quantity of securities comprised in each certificate to be withdrawn, Central will have to determine that quantity according to the existing means and resources.
2. If and whenever the certificates available do not incorporate enough securities to satisfy the request for withdrawal, INTERBOLSA must carry out the splitting of certificates at the issuer, whilst informing the financial intermediary referred to in no. 1 of the preceding article.
3. Once the certificates have been split, the issuer must immediately forward them to the Vault together with the respective list of certificates and securities therein comprised.
4. The Vault must then immediately register the corresponding securities, file the certificates received and, upon having received the respective file report, issue an adequate new note for the number of certificates necessary to fully satisfy the request.
5. The time limit for delivery of the split certificates to the depository attendance counter is calculated as from the date the form referred to in the previous number, being applicable to all else, the dispositions set forth in nos. 4 and subsequent of the preceding article and in Article 17 below, adapted as necessary.



Article 17

(Checking and correction procedures)

1. Once the period referred to in no. 6 of Article 15 has terminated, the financial intermediary must go to the depository attendance counter in order to withdraw the certificates and then he must check those certificates against the respective sending note.
2. If there are no irregularities detected, the financial intermediary's representative or employee, duly empowered, who has received the certificates, confirms their reception signing the note referred to in the preceding number; this note is sent to the Vault that will confirm the delivery of those same certificates through the System.
3. If and whenever, on checking the certificates against their sending note, irregularities are detected, the financial intermediary's representative or employee referred to in the preceding number, refuses those certificates, writing the reason for refusal on the original of the respective withdrawal note and send them again to the Central Vault through the depository attendance counter.
4. Once the documents referred to in the preceding number have been received, INTERBOLSA must start a prompt investigation in order to check the cause of the irregularities detected.
5. If and whenever the irregularities detected are the result of the non-fulfilment of the provisions as set forth in no. 4 of Article 15, and the report issued or the sending note are absolutely correct, the Vault will immediately take the necessary steps in order to remove the certificates identified in the report aforementioned.
6. If and whenever, from the compliance of the provisions set forth in no. 4 above, it is concluded that the irregularities occurred because of the sending note itself, INTERBOLSA must, without delay, take the necessary measures to correct the situation.

CHAPTER V – Final and Transitory Provisions

Article 18

(Transitory Provision)

Any declarations issued by the financial intermediaries under the terms set forth in no. 4 of Article 85 of General Regulations of the Central Securities Depository and Clearing and Settlement Systems, are valid and effective; thus, those financial intermediaries remain bound to the obligations assumed therein.



INTERBOLSA

Article 19

(Revocatory Provision)

The Circular no. 2/2000 regarding the procedures of registering, deposit and withdrawal of securities in certificate form is revoked.

Article 20

(Coming into force)

This Circular comes into force on 1 February 2004.

INTERBOLSA

The Managing Board