

BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros

A public company

Taxpayer ID (CNPJ) No. 09.346.601/0001-25

State Registration (NIRE) 35.300.351.452

MATERIAL FACT

Adhesion to REFIS – procedure which discussed the deductibility of the expenses with Bovespa Holding IPO

BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros (the “Company”) informs that it decided to adhere to the tax relief program and its differentiated conditions for payment (REFIS) and make a payment to partially settle an administrative Tax Assessment in which the matter under discussion is the deductibility for calculation of income tax and social contribution of expenses incurred by Bovespa Holding S.A. in connection with the secondary equity offering of its shares in 2007.

Considering the Company’s choice to take the full upfront payment option available in the REFIS, the discounts in the penalties and interest related to the Tax Assessment will result in the reduction of the amount due from **R\$123.0 million** to **R\$69.2 million**. This total amount includes R\$51.1 million in income tax and social contribution, and R\$18.1 million in interest, given that this interest expense is itself deductible for tax purposes. The Company elected to continue to administratively challenge an amount of R\$9.2 million of fines (“Multa Isolada”), also connected to the original Tax Assessment.

The payment of the amount will be made until August 25, and the company will therefore partially desist from challenging the Tax Assessment.

The REFIS was originally established under Law 11.941/2009 and thereafter amended and reopened by Law 12.996/2014 which included new terms for the payment or deferred payment of past taxes due to the Brazilian Revenue Services or the Office of the Attorney-General of the National Treasury.

In this context, the Company management reviewed all of its current tax disputes and, based on the opinion of its legal advisors, combined with a financial analysis, concluded that the partial desistance of the dispute solely of that Tax Assessment would be better for the Company than continuing to challenge it.



The Assessment is described in greater detail in Note 14 (e) to the 2Q2014 Quarterly Financial Statement, and no provision had been made for these amounts in connection with the Assessment.

Furthermore, the Company reiterates that the adjusted expenses for 2014 will not be affected by the payment of such debt, which impact will be of R\$ 63,1 million in Net Income, out of which R\$ 45,0 million in the line for Income Tax and Social Contribution (after deductibility of interest), and R\$ 18,1 million in Financial Expenses.

São Paulo, August 20, 2014.

Eduardo Refinetti Guardia
Chief Product and Investor Relations Officer