

PROVISIONAL MEASURE 944/2020

EMERGENCY EMPLOYMENT SUPPORT PROGRAM

In order to reduce the impact of the Covid-19 crisis on employment relations, the Federal Government has created an exclusive credit line for the payment of wages (Emergency Employment Support Program - PESE) with the following main characteristics:

➤ **Cumulative requirements to be eligible for the PESE (“Beneficiary”):**

- To be an entrepreneur, company or cooperative (except credit unions)
- Annual gross revenue in 2019 greater than R\$ 360 thousand and equal to or less than R\$ 10 million
- Beneficiary’s payroll must be processed by a financial institution participating in the PESE
- Beneficiary cannot be indebted to the Social Security System

➤ **Purpose:** credit line intended exclusively for the payment of Beneficiary’s entire payroll

➤ **Credit line value:** up to 2 times the minimum wage per employee of the Beneficiary

➤ **Credit line duration:** 2 months

➤ **Interest rate:** 3.75% per year

➤ **Term for payment of credit line:** 36 months, with a 6-month grace period to start the payment and interest capitalization during the grace period

➤ **Obligations to be undertaken by Beneficiary when contracting the credit line under penalty of early maturity of the debt:**

- To provide truthful information
- To use the resources only to pay the salaries of the Beneficiary’s employees

- To not terminate, without cause, the employment contract of its employees in the period between the date of contracting the credit line and the 60th day after receiving the last installment of the credit line
- **Deadline for contracting the credit line: 06/30/2020**
 - **The PESE participating financial institution will be exempted from requesting the following proofs / certificates / questions related to the Beneficiaries:**
 - Electoral discharge certificate
 - Certificate of Good Standing with the FGTS
 - Debt Clearance Certificate – CND for taxes administered by the Brazilian Federal Revenue Service
 - Proof of payment of the ITR (Tax on Rural Properties) related to the past 5 fiscal years
 - Consultation to the CADIN
 - **Total amount allocated by the Federal Government to the PESE: R\$ 34 billion**
 - **MP came into force on 04/04/2020**

For more information, please contact:

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