

May 04, 2023  
006/2023-VPC

## CIRCULAR LETTER

Listed B3 Participants

Re.: **Accreditation Process for the Market Maker Program in Structured Transactions on DI Futures**

Under this program up to five market makers will be accredited in the two structured transactions listed below.

- DI1 FRA Structured Transaction (DIF)
- DI1 DV01 Neutral Structured Transaction (DII)

If the number of applications for accreditation exceeds the number of openings offered, selection of the market makers will occur at the sole discretion of B3.

### **Accreditation procedure**

Institutions that want to take part in the program can find guidance in the "Procedures Guide for the Accreditation of Market Makers", available at [www.b3.com.br/en\\_us](http://www.b3.com.br/en_us), Products and Services, Trading, Market maker, Join in, Accreditation.

006/2023-VPC

**Deadlines**

<b>Accreditation Instrument filed</b>	<b>Accounts registered</b>	<b>Activity starts</b>	<b>Obligation ends</b>
Until May 23, 2023	Until May 26, 2023	May 30, 2023	May 29, 2024

B3 may at its sole discretion assess accreditation applications submitted after these deadlines, provided the delay is duly justified.

B3 may extend this program at its sole discretion. If the end of the obligation with the program is postponed, B3 will publish a Circular Letter with information about the extended period, changes to activity parameters and other necessary provisions. The market maker may then choose whether to continue activity up to the new deadline or to end accreditation upon the obligation's end date foreseen herein.

**Activity parameters**

Market makers shall enter bids and asks in accordance with the activity parameters defined by B3.

The list of securities eligible for the program and the respective activity parameters can be found in the document "Activity Parameters for Market Makers", available at [www.b3.com.br/en\\_us](http://www.b3.com.br/en_us), Products and Services, Trading, Market maker, Programs.

The activity parameters may be changed during the course of the program with the prior consent of the accredited market makers. B3 will formally advise market makers of any proposal to change the activity parameters. They will have seven

business days to respond in writing, and the lack of a timely reply will be taken as consent to the proposed change.

The prior consent of market makers will not be necessary if the parameters are changed owing to atypical market situations that cause a change in trading patterns or owing to adjustments required to avoid the creation of artificial demand, supply or pricing conditions.

### **Test period**

For up to ten business days before the start of their mandatory activity, market makers shall enjoy the benefits specified below without having to observe the activity parameters, so that they can execute connectivity, session and order routing tests, as well as the necessary technological configurations. After the test period, B3 will monitor market makers' activities.

### **Maximum number of parameter breaches**

Market maker accreditation with this program may be cancelled in the event of more than twelve unjustified breaches (or where B3 rejects the justifications offered) of the activity parameters and/or of the obligations set forth in this Circular Letter and in the Instrument of Accreditation with the Market Maker Program, available at [www.b3.com.br/en\\_us](http://www.b3.com.br/en_us), Products and Services, Trading, Market maker, Programs, Contracts.

### **Minimum activity period**

If a market maker desists from the accreditation process without having begun its activities under this program, it will be exempted from meeting the thirty-day

006/2023-VPC

minimum activity period required by Circular Letter 109/2015-DP, dated October 8, 2015.

If a market maker withdraws after the start of its activity, it must comply with the thirty-day notice period without fail so that its de-accreditation can be communicated to the market.

### **Benefits**

Market makers accredited under this program will be exempt from exchange fees and other fees on trades in all contract months of the assets concerned.

The message flows, trades and volume generated by the accredited institutions will not be considered for the purposes of the Trading Message Control Policy, as per Circular Letters 039/2013-DP (dated May 27, 2013) and 050/2013-DP (dated July 30, 2013).

### **General provisions**

B3 will resolve any omissions regarding this accreditation process and the program.

Further information can be obtained from the Electronic Trading Department by telephone on +55 11 2565-5021 or by email at [formadordemercadob3@b3.com.br](mailto:formadordemercadob3@b3.com.br).

José Ribeiro de Andrade  
Chief Product and Client Officer

Mario Palhares  
Chief Operating Officer – Electronic  
Trading and CCP