

April 16, 2024  
056/2024-PRE

## CIRCULAR LETTER

Listed B3 Participants

Re.: **Adapting Listed Derivatives Contracts for Extraordinary Public Holiday Processing – Commodities Contracts**

In Circular Letter 160/2023-PRE, dated October 10, 2023, B3 defined how it will process Listed B3 Derivatives Contracts (Contracts) in the case of public holidays that are not foreseen in national, state, municipal, or local calendars, nor reflected in the calendar published by B3, which are instituted by a competent authority and whereby no trading session at B3 is possible (Extraordinary Public Holiday).

We have separated processing into groups in accordance with the Contracts characteristics, as described below.

**Group 1** – Contracts that accumulate a rate or index.

**Group 2** – Contracts that do not accumulate a rate or index and depend on a trading session.

**Group 3** – Contracts that do not accumulate a rate or index and that depend on variables outside of B3, being **a)** PTAX or **b)** Offshore Variable.

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B3's Normative Documents have considered processing for Extraordinary Public Holidays since January 30, 2023, set forth in Circular Letter 006/2023-PRE, dated January 24, 2023.

The new versions of the Contracts listed below, readjusted for Extraordinary Public Holiday processing, are contained in the Annexes hereto and come into effect as of the present date. The new versions will be available on the B3 website as of **April 30, 2024**, at [www.b3.com.br/en\\_us/](http://www.b3.com.br/en_us/), Products and Services, Trading, Commodities.

- Annex I: Cash-Settled Soybean Futures Contract at the Price of CME Group Mini-Sized Soybean
- Annex II: Call Option on Cash-Settled Soybean Futures Contract at the Price of CME Group Mini-Sized Soybean
- Annex III: Put Option on Cash-Settled Soybean Futures Contract at the Price of CME Group Mini-Sized Soybean
- Annex IV: Cash-Settled FOB Santos (Platts) Soybean Futures Contract
- Annex V: Call Options on Cash-Settled FOB Santos (Platts) Soybean Futures Contract
- Annex VI: Put Options on Cash-Settled FOB Santos (Platts) Soybean Futures Contract
- Annex VII: Cash-Settled Corn Futures Contract
- Annex VIII: Call Option on Cash-Settled Corn Futures Contract
- Annex IX: Put Option on Cash-Settled Corn Futures Contract
- Annex X: Cash-Settled Live Cattle Futures Contract
- Annex XI: Call Option on Cash-Settled Live Cattle Futures Contract
- Annex XII: Put Option on Cash-Settled Live Cattle Futures Contract

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- Annex XIII: Cash Settled Hydrous Ethanol Futures Contract
- Annex XIV: Call Option on Cash-Settled Hydrous Ethanol Futures Contract
- Annex XV: Put Option on Cash-Settled Hydrous Ethanol Futures Contract
- Annex XVI: Arabica Coffee Futures Contract 4-5
- Annex XVII: Call Option on 4-5 Arabica Coffee Futures Contract
- Annex XVIII: Put Option on 4-5 Arabica Coffee Futures Contract

New Contracts and those that will be readjusted at a future date will be published encompassing this new item.

Further information can be obtained from the team of the Chief Operating Officer – Electronic Trading and CCP by telephone on +55 11 2565-5030 or by email at [pricing@b3.com.br](mailto:pricing@b3.com.br).

Gilson Finkelsztain  
Chief Executive Officer

Mario Palhares  
Chief Operating Officer – Electronic  
Trading and CCP

**Annex I to CIRCULAR LETTER 056/2024-PRE**

**CASH-SETTLED SOYBEAN FUTURES CONTRACT BASED ON THE PRICE OF  
THE CME GROUP MINI-SIZED SOYBEAN FUTURES CONTRACT**

**1. Contract Information**

|                         |   |
|-------------------------|---|
| <b>Underlying</b>       | The CME Group Mini-Sized Soybean Futures Contract   |
| <b>Ticker</b>           | SJC   |
| <b>Contract Size</b>    | 450 (four hundred and fifty) 60 kg (sixty kilos) net bags (equivalent to 27 metric tons)  |
| <b>Quotation</b>        | United States Dollars per 60 kg (sixty kilos) net bag, with two decimal places  |
| <b>Tick size</b>        | US\$ 0.01   |
| <b>Expiration Date</b>  | Second Trading Session day (as defined below) prior to the expiration month, subject to the special conditions set forth in clause 4, below |
| <b>Last Trading Day</b> | Second Trading Session day (as defined below) prior to the expiration month, subject to the special conditions set forth in clause 4, below |

This document produces effects as of the date of its publication. Any specified time limits for validity shall apply. This free translation into English from the original version in Portuguese is available for information purposes only, has not been reviewed by B3's legal counsel, and is therefore not legally binding. Any questions arising from this free translation should be clarified by consulting the original version in Portuguese. In the event of any discrepancy between this free translation and the original version in Portuguese, the original version in Portuguese shall prevail.

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|                                |  |
|--------------------------------|--|
| <b>Contract Months</b>         | January, March, May, July, August, September, and November   |
| <b>Exchange rate benchmark</b> | United States Dollar exchange rate determined by B3 and published on its website   |
| <b>Exchange Rate Agreed</b>    | Rate adopted by B3 for exchange transactions ordered by the non-resident investors subject to CMN Resolution n. 2687   |
| <b>PTAX</b>                    | The exchange rate of Brazilian reais per United States Dollar, according to PTAX800, selling quotation, disclosed by the Central Bank of Brazil  |
| <b>Settlement Price</b>        | <p>The price of the Mini-Sized Soybean Futures Contract of the CME Group, for each of the authorized maturities, expressed in cents of dollar per bushel (US¢/bu).</p> <p>For the conversion of cents of dollar per bushel (US¢/bu) to dollars per bag (US\$/sc), it will be considered that 1 (one) bushel of soybeans weighs 27.216 kilograms.</p> <p>Settlement at maturity Financial</p> |
| <b>Settlement on maturity</b>  | Cash settlement  |

For the purposes of this contract the following applies: (i) "Business Day" shall

be considered the day for the purposes of operations conducted in the domestic financial market, pursuant to Resolution 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days in which there is a trading session on B3, according to the calendar released by B3.

## 2. Daily variation margin

The open positions, at the end of each trading session, will be adjusted based on the adjustment price of the day, determined according to rules established by B3, with financial movement on the subsequent Business Day, observed, as applicable, the provisions of clause 6, below.

The daily variation margin of open positions will be calculated until the contract expiration date, according to the following formulas:

### a) the positions initiated on the day

$$AD_t = (PA_t - PO) \times 450 \times n$$

### b) the previous day's outstanding positions

$$AD_t = (PA - PA_{t-1}) \times 450 \times n$$

where:

$AD_t$  = daily variation margin.

$PA_t$  = settlement price of the day.

$PO$  = traded price.

$n$  = number of contracts.

$PA_{t-1}$  = previous day's settlement price.

The value of the Daily Variation Margin ( $AD_t$ ) calculated above, if positive, will

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be credited to the buyer, and debited from the seller. If the calculation results in a negative value, it will be debited from the buyer and credited to the seller. The closing price or an arbitrated price of the CME Group Mini-Sized Soybeans Contract, for each authorized contract month, expressed in U.S. cents per bushel (US\$¢/bushel), shall be used as the day's settlement price ( $PA_t$ ).

For converting amounts expressed in U.S. cents per bushel (US\$¢/bushel) into U.S. Dollars per bag (US\$/bag), the weight of one (1) bushel of soybeans is considered to be 27.216 kilograms.

The settlement price shall be calculated in observance of the "Special Conditions", described in item 4.

### **3. Settlement conditions at maturity**

The positions outstanding at the end of the last trading day, which are not settled through the registration of offsetting transactions (long or short), shall be cash settled by that day's settlement price (PA), in accordance with the following item:

#### **a) Cash Settlement by the Settlement Price (PA)**

On the last trading day and after the last settlement price, open positions shall be exclusively cash settled by B3 through the registration of an offsetting transaction (long or short) on the same number of contracts by that day's settlement price.

The settlement value shall be calculated in accordance with the following formula:

$$VL = PA_t \times n \times 450$$

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Where:

$VL$  = the cash settlement value.

$PA_t$  = the day's settlement price.

$n$  = the number of contracts.

Cash settlement shall be made on the first business day after the last trading day, in observance of the provisions of item 6, where applicable.

#### **4. Special Conditions**

If for any reason the CME Group does not disclose the settlement price of the Mini-Sized Soybeans Futures Contract or delays its disclosure for one or more days, B3 may, at its own discretion:

- i. cash settle open positions at an arbitrated value of its own discretion; or
- ii. postpone the contract settlement, up until an official disclosure by the CME Group; or
- iii. cash settle open positions by the last available settlement price or at an arbitrated value of its own discretion. Independently of the situations described above, if any situation should occur that hinders the free functioning of the cash market and/or the negotiation of this contract, B3 may, at its own discretion, cash settle open positions at any time by using an arbitrated value.

##### **a) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the domestic, state, or local calendar and not reflected in the calendar published by B3, established by competent authorities, which does not permit the occurrence of a trading session at B3.



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If the Extraordinary Holidays correspond to the days previously considered Business Days and occur:

- i. On the expiration date: the expiration date to be considered will be the Business Day immediately following the Extraordinary Holiday, maintaining the parameters described in clause 3.a of this document for the purposes of calculating the settlement. However, the settlement will be carried out on the Business Day following the Extraordinary Holiday, noting that if the CME Group discloses an Adjustment Price on the day of the Extraordinary Holiday, it will be considered in the settlement in accordance with item 3 of this document.
- ii. On the last trading day: the last Trading Session Day immediately prior to the Extraordinary Holiday.

#### **b) Other unforeseen situations**

In the event of situations not foreseen in this instrument, including, without limitation, those arising from acts emanating from government entities, regulatory authorities or competent bodies, or any other facts, which directly or indirectly impact the formation, manner of calculation, representativeness, disclosure, availability or continuity of the underlying asset or any of the variables of this contract, B3 shall take the measures it deems necessary, at its sole discretion, with a view to the settlement, continuity or extension of the contract on equivalent bases.

#### **5. Ex-pit trades**

Ex-pit trades will be permitted until the last Trading Session Day of the contract month, with due regard for the conditions established by B3 in its regulations

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and manuals.

## **6. Form of payment and receipt of amounts related to cash settlement and conversion of margin and trading costs**

Cash Settlement of day trades, variation margins, on expiration and of operating costs, as well as the conversion of margin values will be made as follows:

### **a) Non-resident clients - Regulated by CMN Resolution 2.687**

The settlement is made in United States Dollars in New York, United States of America, by settlement institutions authorized by B3.

#### **i. Transfer of exchange variation of exchange contracts**

B3 will obtain the Agreed Exchange Rate and will do so based on the exchange quotation obtained by B3 from an exchange institution. Any financial difference between the settlement value of the principal determined by the B3 reference exchange rate and the settlement value calculated based on the Exchange Rate will be fully transferred to the non-resident principal.

The value of the financial transfer will be determined daily based on the settlement value for the non-resident principal and the respective financial transaction will be included in the multilateral net balance of such principal on the settlement date.

The transfer will be calculated pursuant to the following formula:

$$VRt = Trunc \left\{ VliqDOLt \times \left[ \left( \frac{TxreferencialB3t}{Txcambiocontrat} \right) - 1 \right]; 2 \right\}$$

Where:

VRt = value of the daily transfer in dollars on the "t date".

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VliqDOLt = settlement value of the principal in dollars on the "t date".

TxreferencialB3t = United States reais for dollar exchange rate, as defined, on the "t" date.

Txcambiocontrat = rate adopted by B3 for exchange transactions ordered by the non-resident investors subject to CMN Resolution 2687, on the "t" date.

### **b) Resident and non-resident principals (except for CMN Resolution 2687)**

The settlement is made in reais as outlined in the B3 Clearinghouse Operating Procedures Manual. The conversion of the cash settlement values will be made, if applicable, by the B3 Reference Exchange Rate for a specific date according to the nature of the value settled:

- i. On the settlement of day trade transactions: the exchange reference rate on the transaction day.
- ii. On the settlement of daily variation margins: the reference exchange rate on the date to which the variation margin refers; and
- iii. For cash settlements upon maturity: the reference exchange rate on the business day before the date of the cash settlement.

## **7. Margin Calls**

A margin will be required from all clients with open positions, the value of which will be updated daily by B3, according to the criteria for determining margin for futures contracts.

The conversion of margin values, when necessary, will be carried out observing, as applicable, the provisions of clause 6.

## **8. Applicable Law**

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## **9. Application of B3 standards and regulations**

All standards, regulations, rules, and procedures disclosed by B3 shall apply to this instrument.

**Annex II to CIRCULAR LETTER 056/2024-PRE**

**CALL OPTION ON CASH-SETTLED SOYBEAN FUTURES CONTRACT AT THE  
PRICE OF CME GROUP MINI-SIZED SOYBEAN FUTURES CONTRACT**

**1. Contract Information**

|                        |  |
|------------------------|--|
| <b>Underlying</b>      | The CME Group Mini-Sized Soybean Futures Contract  |
| <b>Ticker</b>          | SJC  |
| <b>Option Style</b>    | American   |
| <b>Contract size</b>   | Each option contract is based on one CME Group's Mini Soybean Futures Contract underlying.   |
| <b>Quotation</b>       | Option premium expressed in United States Dollars per 60-kilogram bag up to two decimal places.  |
| <b>Tick size</b>       | USD 0.01   |
| <b>Expiration Date</b> | Last Friday which precedes, by at least two business days, the Last Trading Day (as defined below) of the calendar month preceding such option's expiration month. If such Friday is not |

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|                                | <p>a trading session at B3 and/or the CME Group (Chicago Mercantile Exchange Group), the expiration date will be the immediately preceding trading session, with due regard for the special conditions in clause 4 below.</p>  |
| <p><b>Last Trading Day</b></p> | <p>Trading Session Day (as defined below preceding the expiration date, with due regard for the special conditions in clause 4 below.</p>  |
| <p><b>Contract months</b></p>  | <p>The contracts months will be classified as follows:</p> <p><b>(a) Regular options:</b> January, March, May, July, August, September, and November whose underlying futures is January, March, May, July, August, September, and November, respectively, of CME Group’s Mini Soybean Futures Contract.</p> <p><b>(b) Serial options:</b></p> <p>I. February, whose underlying expiration is the contract that expires in</p> |

|                             |  |
|-----------------------------|--|
|                             | <p>March of CME Group's Mini Soybean Futures Contract.</p> <p>II. April, whose underlying futures will respectively be the contract that expires in May of CME Group's Mini Soybean Futures Contract.</p> <p>III. June, whose underlying futures will respectively be the contract that expires in July of CME Group's Mini Soybean Futures Contract.</p> <p>IV. October, whose underlying futures will respectively be the contract that expires in November of CME Group's Mini Soybean Futures Contract; and</p> <p>V. December, whose underlying futures will respectively be the contract that expires in January of CME Group's Mini Soybean Futures Contract.</p> |
| <p><b>Strike Prices</b></p> | <p>The strike prices will be established and published by B3 expressed in</p>  |

|                                 |   |
|---------------------------------|---|
|                                 | United States Dollars per 60-kilogram bag.  |
| <b>Reference Exchange Rate</b>  | Exchange rate of Brazilian Reals per US Dollar calculated by B3, as published on its website.                                       |
| <b>Agreed Exchange Rate</b>     | The rate used by B3 for foreign exchange transactions relating to trades by non-resident investors pursuant to CMN Resolution 2687. |
| <b>PTAX</b>                     | Exchange rate of Brazilian Reals per US Dollar pursuant to PTAX800 offered rate, published by the Central Bank of Brazil.           |
| <b>Settlement at expiration</b> | Cash settlement   |

For the purposes of this contract, (i) "Business Day" shall be considered the day for the purposes of transactions conducted in the national financial market, pursuant to Resolution 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days in which there is a trading session on according to the calendar released by B3.

## 2. Exercise

The holder may request manual exercise of the option pursuant to the hours



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established on the expiration date, the exercise of the option will be automatically made by B3, subject to the following conditions:

Call option:

- If the result of the difference between the settlement price of the contract and the strike price for the holder is positive; and
- If the holder does not register with the trading system the holder's intention to not exercise the call on the expiration date.

The proceeds of the cash settlement are transferred on the next Business Day after the expiration date.

### **3. Settlement of the Option**

#### **a) Premium cash settlement**

The premium cash settlement will occur on the Business Day following the day of the trade and the values will be calculated according to the following formula:

$$VP = P \times Q \times 450$$

Where:

VP = the premium cash settlement value in United States Dollars rounded up to the second decimal place

P = the option premium in United States Dollars; and

Q = the number of options traded.

### **b) Settlement of exercised positions**

Exercise of the option implies the assumption, by the holder, of a long position in the CME Group Mini-Sized Soybean Futures Contract and by the writer, of a short position in the CME Group Mini-Sized Soybean Futures Contract both for the corresponding strike price.

The requirements of margin, cash settlement of variations and settlement upon expiration apply to both cases as foreseen in the CME Group Mini-Sized Soybean Futures Contract.

## **4. Special Conditions**

If for any reason the CME Group delays or does not disclose the settlement price of the Mini-Sized Soybean Futures Contract corresponding to the expiration date, B3 may, at its own discretion:

- (a) Defer the contract settlement up until an official disclosure by the CME Group; or
- (b) Close out open positions at the last settlement price disclosed by the CME Group; or
- (c) Use an arbitrated value as settlement price, in the event that B3 does not consider the last settlement price to be representative.

In either case, B3 may also index the settlement value by arbitrating an opportunity cost from the expiration date to the actual cash settlement date. Regardless of the above-described situations, B3 may, at its own discretion and at any time, arbitrate a value to settle open positions should an event

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occur that, under its judgment, affects the good price formation process and/or the continuity of the contract.

If for any reason B3 suspends the trading of CME Group's Mini Soybean Futures Contract underlying, it might, at its own discretion, close out the positions outstanding in the option contract and cash settle them by employing the criteria described in subitems (b) and (c) above.

**a) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the national, state, or local calendar and not reflected in the calendar published by B3, established by competent authorities, which does not permit the occurrence of a Trading Session at B3.

If the Expiration Date corresponds to a day previously considered a Business Day and occurs:

i. on the expiration date: the date to be considered will be the Business Day immediately subsequent to the Extraordinary Holiday.

**b) Other unforeseen situations**

In situations not foreseen in this instrument, including, without limitation, those deriving from measures implemented by government entities, regulators or other competent authorities, as well as any other events that directly or indirectly affect the formation, calculation, representativity, publication, availability or continuity of the underlying asset or any of the variables of this contract, B3 will, at its sole discretion, aiming to the settlement, continuity or extension of the contract on equivalent terms.

## 5. Form of payment and receipt of cash settlement

Cash Settlement of day trades, variation margins and on expiration will be made as follows:

### a) Non-resident investors - Regulated by CMN Resolution 2.687

Settlement in USD in New York, in the United States of America, via clearing institutions authorized by B3.

#### i. Pass-through of exchange-rate variation

B3 is responsible for providing local currency at the Agreed Exchange Rate quoted by a foreign-exchange institution obtained by B3 at the foreign-exchange institution. Any financial difference between the settlement value due by the non-resident investor calculated on the basis of B3's Reference Exchange Rate, and the settlement value calculated on the basis of the Exchange Rate is entirely passed through to the investor.

The amount of the financial pass-through is calculated daily on the basis of the settlement value due by the non-resident investor, and the respective financial entry is included in the investor's multilateral net balance on the settlement date.

The following formula is used to calculate the pass-through amount:

$$VRt = Trunc \left\{ VliqDOLt \times \left[ \left( \frac{TxreferencialB3t}{Txcambiocontrat} \right) - 1 \right]; 2 \right\}$$

Where:

$VRt$  = value of the daily pass-through in USD for date "t"

$VliqDOLt$  = investor's settlement value in USD on date "t"

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$TxreferencialB3t$  = the exchange rate of BRL/USD as defined, on date "t"

$Txcambiocontrat$  = the agreed exchange rate used by B3 for trades by non-resident investors pursuant to CMN Resolution 2687, on date "t"

## **b) Resident and non-resident investors – (except for CMN Resolution 2687)**

The settlement is made in Reals as outlined in the B3 Clearinghouse Operating Procedures Manual.

Where applicable, B3 uses its Reference Exchange Rate for a specific date, according to the nature of the settlement value:

- a) For settlement of day trades: on the trade date
- b) For settlement of daily variation margins: on the date to which the margin refers; and
- c) For cash settlements upon expiration: on the Business Day before the date of the cash settlement.

## **6. Margin**

Margin shall be required from all writers, which amount will be calculated in accordance with the criteria published by B3 and may be updated daily. The margin will be due on the next Business Day. For non-resident investors, if the next Business Day is a bank holiday in New York, the margin will be due on the first Business Day following the trade date. Any conversion of margin amounts, if necessary, will be made observing, as applicable, the provisions of clause 5.

## **7. Applicable Law**

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## **8. Application of B3 standards and regulations**

All standards, regulations, rules, and procedures published by B3 shall apply to this instrument.

**Annex III to CIRCULAR LETTER 056/2024-PRE**

**PUT OPTION ON CASH-SETTLED SOYBEAN FUTURES CONTRACT AT THE  
PRICE OF CME GROUP MINI-SIZED SOYBEAN FUTURES CONTRACT**

**1. Contract Information**

|                        |  |
|------------------------|--|
| <b>Underlying</b>      | The CME Group Mini-Sized Soybean Futures Contract  |
| <b>Ticker</b>          | SJC  |
| <b>Option Style</b>    | American   |
| <b>Contract size</b>   | Each option contract is based on one CME Group's Mini Soybean Futures Contract underlying.   |
| <b>Quotation</b>       | Option premium in United States Dollars per 60-kilogram bag up to two decimal places.  |
| <b>Tick size</b>       | USD 0.01   |
| <b>Expiration Date</b> | Last Friday which precedes, by at least two business days, the Last Trading Day (as defined below) of the calendar month preceding such option's expiration month. If such Friday is not a trading session at B3 and/or the CME Group (Chicago Mercantile Exchange Group), the expiration date will be the |

|                         |   |
|-------------------------|---|
|                         | immediately preceding trading session, with due regard for the special conditions in clause 4 below.  |
| <b>Last Trading Day</b> | Trading Session Day preceding the expiration date, with due regard for the special conditions in clause 4 below.  |
| <b>Contract months</b>  | <p>The contracts months will be classified as follows:</p> <p><b>(c) Regular options:</b> January, March, May, July, August, September, and November whose underlying futures is January, March, May, July, August, September, and November, respectively, of CME Group's Mini Soybean Futures Contract.</p> <p><b>(d) Serial options:</b></p> <p><b>I.</b> February, whose underlying expiration is the contract that expires in March of CME Group's Mini Soybean Futures Contract.</p> |



|                                       |   |
|---------------------------------------|---|
|                                       | <p><b>II.</b> April, whose underlying futures will respectively be the contract that expires in May of CME Group's Mini Soybean Futures Contract.</p> <p><b>III.</b> June, whose underlying futures will respectively be the contract that expires in July of CME Group's Mini Soybean Futures Contract.</p> <p><b>IV.</b> October, whose underlying futures will respectively be the contract that expires in November of CME Group's Mini Soybean Futures Contract; and</p> <p><b>V.</b> December, whose underlying futures will respectively be the contract that expires in January of CME Group's Mini Soybean Futures Contract.</p> |
| <p><b>Strike Prices</b></p>           | <p>The strike prices will be established and published by B3 expressed in United States Dollars per 60-kilogram bag.</p>  |
| <p><b>Reference Exchange Rate</b></p> | <p>Exchange rate of Brazilian Reals per US Dollar calculated by B3, as published on its website.</p>  |

|                                 |   |
|---------------------------------|---|
| <b>Agreed Exchange Rate</b>     | The rate used by B3 for foreign exchange transactions relating to trades by non-resident investors pursuant to CMN Resolution 2687. |
| <b>PTAX</b>                     | Exchange rate of Brazilian Reals per US Dollar pursuant to PTAX800 offered rate, published by the Central Bank of Brazil.           |
| <b>Settlement at expiration</b> | Cash settlement   |

For the purposes of this contract, (i) "Business Day" shall be considered the day for the purposes of transactions conducted in the national financial market, pursuant to Resolution 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days in which there is a trading session on according to the calendar released by B3.

## 2. Exercise

The holder may request manual exercise of the option pursuant to the hours established on the expiration date, the exercise of the option will be automatically made by B3, subject to the following conditions:

Put option:

- if the result of the difference between the strike price and the settlement price of the contract, for the holder, is positive; and
- If the holder does not register with the trading system the holder's

intention not to exercise the put on the expiration date.

The proceeds of the cash settlement are transferred on the next Business Day after the expiration date.

### **3. Settlement of the Option**

#### **a) Premium cash settlement**

The premium will be cash settled on the settlement date following the trade date and the corresponding amount will be calculated by the following formula:

$$VP = P \times Q \times 450$$

Where:

VP = the premium cash settlement value in United States Dollars rounded up to the second decimal place

P = the option premium in United States Dollars; and

Q = the number of options traded.

#### **b) Settlement of exercised positions**

Exercise of the option implies the assumption, by the holder, of a short position in the CME Group Mini-Sized Soybean Futures Contract and by the writer, of a long position in the CME Group Mini-Sized Soybean Futures Contract both for the corresponding strike price.

The requirements of margin, cash settlement of variations and settlement upon expiration apply to both cases as foreseen in the CME Group Mini-Sized Soybean Futures Contract.

#### **4. Special Conditions**

If for any reason the CME Group delays or does not disclose the settlement price of the Mini-Sized Soybean Futures Contract corresponding to the expiration date, B3 may, at its own discretion:

- i. Defer the contract settlement up until an official disclosure by the CME Group; or
- ii. Close out open positions at the last settlement price disclosed by the CME Group; or
- iii. Use an arbitrated value as settlement price, if B3 does not consider the last settlement price to be representative.

In either case, B3 may also index the settlement value by arbitrating an opportunity cost from the expiration date to the actual cash settlement date. Regardless of the above-described situations, B3 may, at its own discretion and at any time, arbitrate a value to settle open positions should an event occur that, under its judgment, affects the good price formation process and/or the continuity of the contract.

If for any reason B3 suspends the trading of CME Group's Mini Soybean Futures Contract underlying, it might, at its own discretion, close out the positions outstanding in the option contract and cash settle them by employing the criteria described in subitems "ii" and "iii" above.

##### **c) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the national, state, or local calendar and not reflected in the calendar published by B3, established by competent authorities, which does not permit the occurrence

of a Trading Session at B3.

If the Expiration Date corresponds to a day previously considered a Business Day and occurs:

i. on the expiration date: the date to be considered will be the Business Day immediately subsequent to the Extraordinary Holiday.

#### **d) Other unforeseen situations**

In situations not foreseen in this instrument, including, without limitation, those deriving from measures implemented by government entities, regulators or other competent authorities, as well as any other events that directly or indirectly affect the formation, calculation, representativity, publication, availability or continuity of the underlying asset or any of the variables of this contract, B3 will, at its sole discretion, aiming to the settlement, continuity or extension of the contract on equivalent terms.

### **5. Form of payment and receipt of cash settlement**

Cash Settlement of day trades, variation margins and on expiration will be made as follows:

#### **b) Non-resident investors - Regulated by CMN Resolution 2.687**

Settlement in USD in New York, in the United States of America, via clearing institutions authorized by B3.

#### **ii. Pass-through of exchange-rate variation**

B3 is responsible for providing local currency at the Agreed Exchange Rate quoted by a foreign-exchange institution obtained by B3 at the foreign-exchange institution. Any financial difference between the settlement value

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due by the non-resident investor calculated on the basis of B3's Reference Exchange Rate, and the settlement value calculated on the basis of the Exchange Rate is entirely passed through to the investor.

The amount of the financial pass-through is calculated daily on the basis of the settlement value due by the non-resident investor, and the respective financial entry is included in the investor's multilateral net balance on the settlement date.

The following formula is used to calculate the pass-through amount:

$$VRt = Trunc \left\{ VliqDOLt \times \left[ \left( \frac{TxreferencialB3t}{Txcambiocontrat} \right) - 1 \right]; 2 \right\}$$

Where:

$VRt$  = value of the daily pass-through in USD for date "t"

$VliqDOLt$  = investor's settlement value in USD on date "t"

$TxreferencialB3t$  = the exchange rate of BRL/USD as defined, on date "t"

$Txcambiocontrat$  = the agreed exchange rate used by B3 for trades by non-resident investors pursuant to CMN Resolution 2687, on date "t"

**b) Resident and non-resident investors – (except for CMN Resolution 2687)**

The settlement is made in Reals as outlined in the B3 Clearinghouse Operating Procedures Manual. Where applicable, B3 uses its Reference Exchange Rate for a specific date, according to the nature of the settlement value:

- d) For settlement of day trades: on the trade date
- e) For settlement of daily variation margins: on the date to which the margin

refers; and

- f) For cash settlements upon expiration: on the Business Day before the date of the cash settlement.

## **6. Margin**

Margin shall be required from all writers, which amount will be calculated in accordance with the criteria published by B3 and may be updated daily. The margin will be due on the next Business Day. For non-resident investors, if the next Business Day is a bank holiday in New York, the margin will be due on the first Business Day following the trade date. Any conversion of margin amounts, if necessary, will be made observing, as applicable, the provisions of clause 5.

## **7. Applicable Law**

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## **8. Application of B3 standards and regulations**

All standards, regulations, rules, and procedures published by B3 shall apply to this instrument.

**Annex IV to CIRCULAR LETTER 056/2024-PRE**

**CASH-SETTLED FOB SANTOS (PLATTS<sup>1</sup>) SOYBEAN FUTURES  
CONTRACT**

**1. Contract information**

|                         |  |
|-------------------------|--|
| <b>Underlying</b>       | Bulk soybeans FOB Santos, 60,000 metric tons (mt)  |
| <b>Ticker</b>           | SOY  |
| <b>Contract size</b>    | 34 metric tons (t)   |
| <b>Price Quotation</b>  | United States Dollars per mt, to two decimal places(US\$/t)  |
| <b>Tick size</b>        | US\$ 0.20  |
| <b>Expiration date</b>  | Sixteenth day of the month prior to the contract month.<br><br>If this is not a Trading Session Day, expiration shall be in the immediately subsequent trading session, with due regard for the special provisions in clause 4 below |
| <b>Last Trading Day</b> | The Trading Session Day immediately preceding the expiration date, with due regard for the Special Conditions in clause 4 below.   |



|  |   |
|--|---|
| <b>Contract Months</b>                     | All months  |
| <b>Reference Exchange Rate</b>             | Exchange rate of Brazilian Reals per U.S. Dollar calculated by B3 for settlement in one (1) day, as published on its website.   |
| <b>Agreed Exchange Rate</b>                | The rate used by B3 for foreign exchange transactions relating to trades by non-resident investors pursuant to CMN Resolution 2687.   |
| <b>PTAX</b>                                | Exchange rate of Brazilian Reals per U.S. Dollar pursuant to PTAX800, sale quote, published by the Central Bank of Brazil.  |
| <b>Settlement Price</b>                    | Closing price expressed in United States Dollars per metric ton of soybean, ascertained and/or arbitrated daily by B3 at its discretion, for each authorized expiration to equalize transaction prices and calculate the value of variation margins and settlement of day trades. |
| <b>Settlement upon expiration</b>          | Cash settlement   |
| <b>Conditions for settlement</b>           | Average of all SOYBEX FOB Santos (S&P Global Platts) assessments published during the average settlement formation period   |
| <b>Average settlement formation period</b> | From the first day of the month prior to the contract month to the 15th day of the month prior to the contract month  |

For the purposes of this contract, (i) "Business Day" shall be considered the day for the purposes of transactions conducted in the national financial market, pursuant to Resolution 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days in which there is a trading session on B3, according to the calendar released by B3.

## 2. Variation margin

Outstanding positions at the end of each trading session are adjusted on the basis of the settlement price for the day with funds transfer on the next Trading Session Day, with due regard for, as applicable, the provisions of clause 6 below. The following formulas are used to calculate the daily variation margin of outstanding positions up to the expiration date:

### a) Same-day variation margin

$$AD_t = (PA_t - PO) \times 34 \times n$$

### b) Previous day variation margin of outstanding positions

$$AD_t = (PA_t - PA_{t-1}) \times 34 \times n$$

Where:

$AD_t$  = value of the variation margin in USD on date "t" For resident investors,

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observe, as applicable, the provisions in clause 6 for conversion into Reals.

$PA_t$  = the settlement price in USD on the "t date", for the respective expiration

$PO$  = traded price in US Dollars

$n$  = number of contracts; and

$PA_{t-1}$  = settlement price in USD on the Business Day before date "t" for the contract month in question.

The daily settlement value variation ( $AD_t$ ), calculated according to the above is positive, it is credited to the buyer, and debited to the seller. If it is negative, it is debited to the buyer and credited to the seller.

### 3. Settlement upon expiration

Positions not closed out by the end of the trading session on the last trading day by means of opposite transactions (long or short) are settled at expiration for the settlement value in accordance with clause 3.a.

#### a) Settlement by FOB Santos Soybean (S&P Global Platts) price assessment

Positions outstanding after the end of the last trading session on the last trading day will be cash-settled by B3 on the Business Day following the expiration date, by means of opposite transactions (long or short) with the same quantity of contracts, at the price calculated by S&P Global Platts, according to the following formula:

$$PO_i = \frac{\sum_{t=d_i}^{d_f} SOYBEX\ FOB\ SANTOS}{X}$$

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Where:

$PO_i$  = trading price for settlement in USD per mt, calculated and published by S&P Global Platts

SOYBEX FOB Santos = Soybean FOB Santos published by S&P Global Platts, expressed in USD per mt

$d_i$  = first day of the month prior to the reference contract month

$d_f$  = fifteenth day of the month prior to the reference contract month; and

$X$  = number of price assessments calculated and published by S&P Global Platts on  $d_i$  and  $d_f$ .

Transactions are cash-settled at the average SOYBEX FOB Santos price calculated by S&P Global Platts on the Business Day after the expiration date, subject to the provisions of clause 6 below, where applicable.

#### **4. Special conditions**

##### **a) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the national, state, or local calendar and not reflected in the calendar published by B3, established by competent authorities, which does not permit the occurrence of a Trading Session at B3.

If the Extraordinary Holidays correspond to the days previously considered Business Days and occur:

- i. On the Expiration Date: the Expiration Date considered will be the Business Day immediately following the Extraordinary Holiday, maintaining the parameters in clause 3.a hereto for purposes of settlement.
- ii. During the period of assessment of the average settlement, the window for the average assessment will not be altered and only the number of publications contained in this period may be altered.

#### **b) Other unforeseen situations**

In situations not foreseen in this instrument, including , without limitation, those arising from acts emanating from government entities, regulators or other or competent authorities as well as any others that directly or indirectly impact formation, calculation, representativity, publication, availability or continuity of the underlying asset or any of the variables of this contract, B3 will, at its sole discretion, aiming to the settlement, continuity or extension of the contract on equivalent terms.

#### **5. Ex-pit trades**

Ex-pit trades will be permitted until the last Trading Session Day of the contract month, with due regard for the conditions established by B3 in its regulations and manuals.

#### **6. Form of payment and receipt of cash settlement**

Cash settlement of day trades, variation margins and contract settlement at

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expiration are performed as detailed below.

**a) Non-resident investors - Regulated by CMN Resolution 2687(Resolution)**

Settlement in USD in New York, in the United States of America, via settlement institutions authorized by B3.

**i. Pass-through of exchange-rate variation**

B3 is responsible for providing local currency at the Agreed Exchange Rate quoted by a foreign-exchange institution. Any financial difference between the settlement value due by the non-resident investor calculated on the basis of B3's Reference Exchange Rate and the settlement value calculated on the basis of the Agreed Exchange Rate is entirely passed through to the investor.

The amount of the financial pass-through is calculated daily on the basis of the settlement value due by the non-resident investor, and the respective financial entry is included in the investor's multilateral net balance on the settlement date.

The following formula is used to calculate the pass-through amount:

$$VRt = Trunc \left\{ VliqDOLt \times \left[ \left( \frac{TxreferencialB3t}{Txcambiocontrat} \right) - 1 \right]; 2 \right\}$$

Where:

$VRt$  = value of the daily pass-through in USD for date "t"

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$V_{liqDOLt}$  = investor's settlement value in USD on date "t"

$T_{xreferencialB3t}$  = the exchange rate of BRL/USD as defined above, on date "t"

$T_{xcambiocontrat}$  = the agreed exchange rate used by B3 for trades by non-resident investors pursuant to CMN Resolution 2687, on date "t"

## **b) Resident and non-resident investors (except for CMN Resolution 2687)**

The settlement is made in Reals as outlined in the B3 Clearinghouse Operating Procedures Manual. Where applicable, BW uses its Reference Exchange Rate for a specific date, according to the nature of the settlement value:

- a) For settlement of day trades: on the trade date
- b) For settlement of variation margins: on the date to which the margin refers;  
and
- c) For cash settlements upon expiration: on the Business Day before the date of the cash settlement.

## **7. Margin**

Collateral is required from all investors with outstanding positions. Margin values are updated daily by B3, in accordance with the margin calculation criteria for futures contracts. Any conversion of margin amounts, if necessary, will be made observing, as applicable, the provisions of clause 6.

## **8. Applicable Law**

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This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## 9. Application of B3 standards and regulations

All standards, regulations, rules, and procedures published by B3 shall apply to this instrument.

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**Annex V to CIRCULAR LETTER 056/2024-PRE**

**CALL OPTIONS ON CASH-SETTLED FOB SANTOS (PLATTS<sup>1</sup>) SOYBEAN  
FUTURES CONTRACT**

**1. Contract information**

|                        |  |
|------------------------|--|
| <b>Purpose</b>         | Cash-Settled FOB Santos (Platts) Soybean Futures Contract  |
| <b>Ticker</b>          | SOY  |
| <b>Option style</b>    | American   |
| <b>Contract size</b>   | Each option refers to a FOB Santos Soybean Futures Contract which negotiation unit corresponds to 34 metric tons (t)   |
| <b>Price Quotation</b> | Option premium in Dollars of the United States of America per metric ton to two decimal places (USD/t).  |
| <b>Tick size</b>       | US\$ 0.20  |
| <b>Expiration date</b> | Sixteenth day of the month prior to the contract month. If this is not a Trading Session Day, expiration shall be in the immediately subsequent trading session, |

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|                                   |   |
|-----------------------------------|---|
|                                   | with due regard for the Special Conditions in clause 4 below.   |
| <b>Last Trading Day</b>           | The Trading Session Day (as defined below) preceding the expiration, with due regard for the Special Conditions in clause 4 below.  |
| <b>Contract Months</b>            | All months  |
| <b>Strike Price</b>               | Strike prices shall be established and published by B3, expressed in US Dollars per ton   |
| <b>Reference Exchange Rate</b>    | Exchange rate of Brazilian Reals per US Dollar calculated by B3, as published on its website.                                       |
| <b>Agreed Exchange Rate</b>       | The rate used by B3 for foreign exchange transactions relating to trades by non-resident investors pursuant to CMN Resolution 2687. |
| <b>PTAX</b>                       | Exchange rate of Brazilian Reals per US Dollar pursuant to PTAX800, sale quote, published by the Central Bank of Brazil.            |
| <b>Settlement upon expiration</b> | Cash settlement   |

For the purposes of this contract, (i) "Business Day" shall be considered the day for the purposes of transactions conducted in the national financial market, pursuant to Resolution 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days in which there is a trading session on B3, according to the calendar released by B3.

## **2. Exercise**

The option holder may request manual exercise of the option pursuant to the hours established.

On the expiration date, the exercise of the option will be automatically made by B3, subject to the following conditions:

Call option:

- a)** if the result of the difference between the settlement price of the contract and the strike price, for the holder, is positive; and
- b)** If the holder does not register in the trading system the intention not to exercise the call on the expiration date.

Cash settlement shall be made on the next Business Day.

## **3. Settlement of the option**

### **a) Cash settlement of the premium**

The premium cash settlement will occur on the Business Day following the day of the trade and the values will be calculated according to the following formula:

$$VLP = P \times 34$$

Where:

**VLP** = premium settlement value per contract in US Dollars For resident investors, for conversion in Reals, observe, as applicable, the provisions in clause 5.b; and

**P** = the option premium in US Dollars

#### **b) Settlement of the position exercised**

The exercise of an option means that the holder shall enter into a long position on the Cash-Settled FOB Santos (Platts) Soybean Futures Contract and the writer shall enter into a short position on the Cash-Settled FOB Santos (Platts) Soybean Futures Contract, both at the corresponding strike price.

The requirements relating to margin, cash settlement of variation margin and cash settlement upon expiration outlined in the FOB Santos (Platts) Soybean Futures Contract shall apply to both cases.

### **4. Special conditions**

#### **a) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the national, state, or local calendar and not reflected in the calendar published by B3, established by competent authorities, which does not permit the occurrence of a Trading Session at B3.

If the Extraordinary Holidays correspond to the days previously considered Business Days and occur:

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On the Expiration Date: the Expiration Date considered will be the Business Day immediately following the Extraordinary Holiday, maintaining the exercise parameters in clause 2.

**b) Other unforeseen situations**

In situations not foreseen in this instrument, including , without limitation, those arising from acts emanating from government entities, regulators or other or competent authorities as well as any others that directly or indirectly impact formation, calculation, representativity, publication, availability or continuity of the underlying asset or any of the variables of this contract, B3 will, at its sole discretion, aiming to the settlement, continuity or extension of the contract on equivalent terms.

**5. Form of payment and receipt of cash settlement**

Cash Settlement of day trades, variation margins, on expiration and of operating costs, as well as the conversion of margin values will be made as follows:

**a) Non-resident clients - Regulated by CMN Resolution 2.687**

Settlement in USD in New York, in the United States of America, via settlement institutions authorized by B3.

**i. Pass-through of exchange-rate variation:**

B3 is responsible for providing local currency at the Agreed Exchange Rate quoted by a foreign-exchange institution obtained by B3 at the foreign-

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exchange institution. Any financial difference between the settlement value due by the non-resident investor calculated on the basis of B3's Reference Exchange Rate, and the settlement value calculated on the basis of the Exchange Rate is entirely passed through to the investor.

The amount of the financial pass-through is calculated daily on the basis of the settlement value due by the non-resident investor, and the respective financial entry is included in the investor's multilateral net balance on the settlement date.

The following formula is used to calculate the pass-through amount:

$$VRt = Trunc \left\{ VliqDOLt \times \left[ \left( \frac{TxreferencialB3t}{Txcambiocontrat} \right) - 1 \right]; 2 \right\}$$

Where:

$VRt$  = value of the daily pass-through in USD for date "t"

$VliqDOLt$  = investor's settlement value in USD on date "t"

$TxreferencialB3t$  = the exchange rate of BRL/USD as defined, on date "t"

$Txcambiocontrat$  = the agreed exchange rate used by B3 for trades by non-resident investors pursuant to CMN Resolution 2687, on date "t"

**b) Resident and non-resident investors – (except for CMN Resolution 2.687)**

The settlement is made in Reals as outlined in the B3 Clearinghouse Operating

Procedures Manual.

Where applicable, B3 uses its Reference Exchange Rate for a specific date, according to the nature of the settlement value:

- a) For settlement of day trades: on the trade date
- b) For settlement of variation margins: on the date to which the margin refers;  
and
- c) For cash settlements upon expiration: on the Business Day before the date of the cash settlement.

## **6. Margin**

Margin shall be required from all writers, which amount will be calculated in accordance with the criteria published by B3 and may be updated daily. The margin will be due on the next Business Day. For non-resident investors, if the next Business Day is a bank holiday in New York, the margin will be due on the first Business Day following the trade date. Any conversion of margin amounts, if necessary, will be made observing, as applicable, the provisions of clause 5.

## **7. Applicable Law**

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## **8. Application of B3 standards and regulations**

All standards, regulations, rules, and procedures published by B3 shall apply to this instrument.



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**Annex VI to CIRCULAR LETTER 056/2024-PRE**

**PUT OPTIONS ON CASH-SETTLED FOB SANTOS (PLATTS<sup>1</sup>) SOYBEAN  
FUTURES CONTRACT**

**1. Contract information**

|                        |   |
|------------------------|---|
| <b>Underlying</b>      | Cash-Settled FOB Santos (Platts) Soybean Futures Contract   |
| <b>Ticker</b>          | SOY   |
| <b>Option style</b>    | American  |
| <b>Contract size</b>   | 34 metric tons (t)  |
| <b>Price Quotation</b> | Option premium in Dollars of the United States of America per metric ton to two decimal places (USD/t).   |
| <b>Tick size</b>       | US\$ 0.20   |
| <b>Expiration date</b> | Sixteenth day of the month prior to the contract month. If this is not a Trading Session Day (as defined below), expiration shall be in the immediately subsequent trading session, with due regard for the Special Conditions in clause 4 below. |

|                                   |   |
|-----------------------------------|---|
| <b>Last Trading Day</b>           | The Trading Session Day (as defined below) preceding the expiration, with due regard for the Special Conditions in clause 4 below.  |
| <b>Contract Months</b>            | All months  |
| <b>Strike Price</b>               | Strike prices shall be established and published by B3, expressed in US Dollars per ton   |
| <b>Reference Exchange Rate</b>    | Exchange rate of Brazilian Reals per US Dollar calculated by B3, as published on its website.                                       |
| <b>Agreed Exchange Rate</b>       | The rate used by B3 for foreign exchange transactions relating to trades by non-resident investors pursuant to CMN Resolution 2687. |
| <b>PTAX</b>                       | Exchange rate of Brazilian Reals per US Dollar pursuant to PTAX800, sales quote , published by the Central Bank of Brazil.          |
| <b>Settlement upon expiration</b> | Cash settlement   |

For the purposes of this contract, (i) "Business Day" shall be considered the day for the purposes of transactions conducted in the national financial market, pursuant to Resolution 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days in which there is a trading session on B3, according to the calendar released by B3.

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## 2. Exercise

The option holder may request manual exercise of the option pursuant to the hours established.

On the expiration date, the exercise of the option will be automatically made by B3, subject to the following conditions:

Put option:

- a) if the result of the difference between the strike price and the settlement price of the contract, for the holder, is positive; and
- b) If the holder does not register in the trading system the intention not to exercise the call on the expiration date.

Cash settlement shall be made on the next Business Day.

## 3. Settlement of the option

### a) Cash settlement of the premium

The premium cash settlement will occur on the Business Day following the day of the trade and the values will be calculated according to the following formula:

$$VLP = P \times 34$$

Where:

**VLP** = premium settlement value per contract in US Dollars For resident investors, for conversion in Reals, observe, as applicable, the provisions in clause 5.b; and

**P** = the option premium in US Dollars

**b) Settlement of the position exercised**

The exercise of an option means that the holder shall enter into a short position on the Cash-Settled FOB Santos (Platts) Soybean Futures Contract and the writer shall enter into a long position on the Cash-Settled FOB Santos (Platts) Soybean Futures Contract, both at the corresponding strike price.

The requirements relating to margin, cash settlement of variation margin and cash settlement upon expiration outlined in the FOB Santos (Platts) Soybean Futures Contract shall apply to both cases.

**4. Special conditions****b) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the national, state, or local calendar and not reflected in the calendar published by B3, established by competent authorities, which does not permit the occurrence of a Trading Session at B3.

If the Extraordinary Holidays correspond to the days previously considered Business Days and occur:

- i.** On the Expiration Date: the Expiration Date considered will be the Business Day immediately following the Extraordinary Holiday, maintaining the exercise parameters in clause 2.

**a) Other unforeseen situations**

In situations not foreseen in this instrument, including , without

limitation, those arising from acts emanating from government entities, regulators or other or competent authorities as well as any others that directly or indirectly impact formation, calculation, representativity, publication, availability or continuity of the underlying asset or any of the variables of this contract, B3 will, at its sole discretion, aiming to the settlement, continuity or extension of the contract on equivalent terms.

## **5. Form of payment and receipt of cash settlement**

Cash Settlement of day trades, variation margins, on expiration and of operating costs as well as the conversion of margin values will be made as follows:

### **c) Non-resident clients - Regulated by CMN Resolution 2.687**

Settlement in USD in New York, in the United States of America, via settlement institutions authorized by B3.

#### **iii. Pass-through of exchange-rate variation:**

B3 is responsible for providing local currency at the Agreed Exchange Rate quoted by a foreign-exchange institution obtained by B3 at the foreign-exchange institution. Any financial difference between the settlement value due by the non-resident investor calculated on the basis of B3's Reference Exchange Rate, and the settlement value calculated on the basis of the Exchange Rate is entirely passed through to the investor.

The amount of the financial pass-through is calculated daily on the basis of the settlement value due by the non-resident investor, and the respective financial entry is included in the investor's multilateral net balance on the settlement date.

The following formula is used to calculate the pass-through amount:

$$VRt = Trunc \left\{ VliqDOLt \times \left[ \left( \frac{TxreferencialB3t}{Txambiocontrat} \right) - 1 \right]; 2 \right\}$$

Where:

$VRt$  = value of the daily pass-through in USD for date "t"

$VliqDOLt$  = investor's settlement value in USD on date "t"

$TxreferencialB3t$  = the exchange rate of BRL/USD as defined, on date "t"

$Txambiocontrat$  = the agreed exchange rate used by B3 for trades by non-resident investors pursuant to CMN Resolution 2687, on date "t"

**c) Resident and non-resident investors – (except for CMN Resolution 2687)**

The settlement is made in Reals as outlined in the B3 Clearinghouse Operating Procedures Manual. Where applicable, BW uses its Reference Exchange Rate for a specific date, according to the nature of the settlement value:

a) For settlement of day trades: on the trade date

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- b) For settlement of variation margins: on the date to which the margin refers;  
and
- c) For cash settlements upon expiration: on the Business Day before the date  
of the cash settlement.

## 6. Margin

Margin shall be required from all writers, which amount will be calculated in accordance with the criteria published by B3 and may be updated daily. The margin will be due on the next Business Day. For non-resident investors, if the next Business Day is a bank holiday in New York, the margin will be due on the first Business Day following the trade date. Any conversion of margin amounts, if necessary, will be made observing, as applicable, the provisions of clause 5.

## 7. Applicable Law

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## 8. Application of B3 standards and regulations

All standards, regulations, rules, and procedures published by B3 shall apply to this instrument.

- 
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Annex VII to CIRCULAR LETTER 056/2024-PRE

**CASH-SETTLED CORN FUTURES CONTRACT**

**1. Contract information**

|                        |   |
|------------------------|---|
| <b>Underlying</b>      | Brazilian yellow corn in bulk, with regular odor and appearance, kept in good storage conditions, free from castor-oil seeds, other bad seeds, and live bugs; hard or semi-hard from the latest crop, in adequate marketing condition and suitable for animal feed; with (a) maximum 14% moisture; (b) foreign matter basis 1% in the 3mm sieve; (c) maximum 6% heat-damaged, or sprouted kernels and free from moldy kernels; (d) maximum 12% broken, split or hollow kernels. |
| <b>Ticker</b>          | CCM   |
| <b>Contract size</b>   | Four hundred and fifty (450) bags of sixty (60kg) net kilograms (equivalent to 27 metric tons).   |
| <b>Price Quotation</b> | Reals per sixty kilos (60kg) net bags, to two decimal places  |

|                                |   |
|--------------------------------|---|
| <b>Tick size</b>               | BRL 0.01  |
| <b>Expiration date</b>         | The 15th day of the contract month.<br>If this is not a Trading Session Day (as defined below), expiration shall be in the immediately subsequent trading session, with due regard for the special provisions in clause 4 below |
| <b>Last Trading Day</b>        | The 15th day of the contract month. If this is not a Trading Session Day (as defined below), expiration shall be in the immediately subsequent trading session, with due regard for the special provisions in clause 4 below    |
| <b>Contract Months</b>         | January, March, May, July, August, September, and November  |
| <b>Reference Exchange Rate</b> | Exchange rate of Brazilian Reals per US Dollar calculated by B3, as published on its website.   |
| <b>Agreed Exchange Rate</b>    | The rate used by B3 for foreign exchange transactions relating to trades by non-resident investors pursuant to CMN Resolution 2687.   |
| <b>PTAX</b>                    | Exchange rate of Brazilian Reals per US Dollar pursuant to PTAX800 offered  |

|                                   |  |
|-----------------------------------|--|
|                                   | rate, published by the Central Bank of Brazil.   |
| <b>Settlement Price</b>           | Closing price expressed in Reals per corn bag of 60- net kilograms, ascertained and/or arbitrated daily by B3 at its discretion, for each authorized expiration for purposes of updating the value of outstanding positions and determination of the variation margin and settlement of day trade transactions |
| <b>Settlement upon expiration</b> | Cash settlement  |

For the purposes of this contract, (i) "Business Day" shall be considered the day for the purposes of transactions conducted in the national financial market, pursuant to Resolution 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days in which there is a trading session on B3, according to the calendar released by B3.

## 2. Variation margin

Outstanding positions at the end of each trading session are adjusted on the basis of the settlement price for the day, determined pursuant to B3's rules with funds transfer on the next Trading Session Day, with due regard for, as applicable, the provisions of clause 6 below.

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The following formulas are used to calculate the variation margin of outstanding positions up to the expiration date:

**a) Same-day variation margin**

$$AD_t = (PA_t - PO) \times 450 \times n$$

**b) Previous day variation margin of outstanding positions**

$$AD_t = (PA_t - PA_{t-1}) \times 450 \times n$$

Where:

$AD_t$  = the variation margin in Reals corresponding to date "t"

$PA_t$  = the settlement price on day "t" for the respective expiration

$PO$  = trade price in Reals

$n$  = the number of contracts

$PA_{t-1}$  = the settlement price of the Business Day before date "t" in Reals for the respective expiration

If the variation margin ( $AD_t$ ), calculated according to the above is positive, it is credited to the buyer, and debited to the seller. If it is negative, it is debited to the buyer and credited to the seller.

### **3. Settlement**

The positions outstanding by the end of the last Trading Session Day during the term of the contract, by means of opposite transactions (long or short) are settled at expiration for a price index, in accordance with the following.

**a) Settlement by price index**

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Positions outstanding after the end of the last Trading Session Day during the term of the contract will be cash-settled by B3 on the Business Day on the expiration date, by means of opposite transactions (long or short) with the same quantity of contracts, at the price calculated according to the following formula:

$$PO_i = \frac{\sum_{t=(d-2)}^d IMILHO_t}{3}$$

Where:

$PO_i$  = traded price for the settlement transaction by price index, expressed in Reals per bag

$IMILHO_t$  = Corn Price Indicator B3 for the Campinas (SP) region, expressed in Real per bag, determined by a renowned pricing institution, defined in Circular Letter, and published on the B3 website

$d - 2$  = second Business Day before the last Trading Session Day

$d$  = contract expiration date and last Trading Session Day.

The amounts related to the settlement of positions by price index are cash-settled on the Business Day after the last Trading Session Day, subject to the provisions of clause 6 below, where applicable.

#### **4. Special conditions**

##### **a) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the national, state, or local calendar and not reflected in the calendar published by B3,

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established by competent authorities, which does not permit the occurrence of a Trading Session at B3.

If the Extraordinary Holidays correspond to the days previously considered Business Days and occur:

- i. On the Expiration Date: the Expiration Date considered will be the Business Day immediately before the Extraordinary Holiday; maintaining, for purposes of settlement calculation, the criteria described in clause 3.a hereof, so that, pursuant to the Corn Price Index Campinas Cepea/B3 and the terms hereof, the last three prices published by Cepea counted from the Business Day immediately before the Extraordinary Holiday shall be considered. It is maintained that the amounts related to the settlement of positions by price index will be cash-settled on the first Trading Session Day subsequent to the last Trading Session Day of the term of the contract.
  
- ii. During the period of calculation of the average settlement: the criteria referring to Extraordinary Holidays shall not be considered in the calculation, it being certain that the average settlement shall be calculated considering the last three prices of the days effectively available pursuant to the criteria of the price index of the Campinas-SP CEPEA/B3 corn and the terms of clause 3.a of this contract.

## **b) Other unforeseen situations**

In situations not foreseen in this instrument, including , without limitation, those arising from acts emanating from government entities, regulators or other or competent authorities as well as any others that directly or indirectly impact formation, calculation, representativity, publication, availability or continuity of the underlying asset or any of the variables of this contract, B3 will, at its sole discretion, aiming to the settlement, continuity or extension of the contract on equivalent terms.

## **5. Ex-pit trades**

Ex-pit trades will be permitted until the last Trading Session Day of the contract month, with due regard for the conditions established by B3 in its regulations and manuals.

## **6. Form of payment and receipt of cash settlement and conversion of margin and operating costs**

Cash Settlement of day trades, variation margins, on expiration and of operating costs, as well as the conversion of margin values will be made as follows:

### **a) Resident and non-resident investors (except for CMN Resolution 2687)**

The settlement is made in Reals as outlined in the B3 Clearinghouse Operating Procedures Manual.

### **b) Non-resident clients - Regulated by CMN Resolution 2.687**

Settlement in USD in New York, in the United States of America, via settlement institutions authorized by B3. The procedure is divided in two steps:

**i. Conversion of the cash-settled amounts**

Where applicable, BW uses its Reference Exchange Rate for a specific date, according to the nature of the settlement value:

- a) For settlement of day trades: on the trade date.
- b) For settlement of variation margins: on the date to which the margin refers.
- c) For cash settlements upon expiration: on the Business Day before the date of the cash settlement; and
- d) In the conversion of margin deposited in US Dollars: the B3 Reference Exchange Rate on the day of the trade.

The conversion of trading costs, if any, will be made by the PTAX defined in clause 1.

**ii. Pass-through of exchange-rate variation**

B3 is responsible for the Agreed Exchange Rate based on the quote obtained by B3 at the foreign-exchange institution.

Any financial difference between the settlement value due by the non-resident investor calculated on the basis of clause 6.b.i and the settlement value calculated based on the Exchange Rate is entirely passed through to the investor. The amount of the exchange variation pass-through is calculated daily on the basis of the settlement value due by the non-resident investor,



and the respective financial entry is included in the investor's multilateral net balance on the settlement date.

The following formula is used to calculate the pass-through amount:

$$VRt = Trunc \left\{ VliqDOLt \times \left[ \left( \frac{TxreferencialB3t}{Txcambiocontrat} \right) - 1 \right]; 2 \right\}$$

Where:

*VRt* = value of the daily pass-through in USD for date "t"

*VliqDOLt* = investor's settlement value in USD converted by the B3 Reference Exchange Rate on date "t"

*TxreferencialB3t* = the exchange rate of BRL/USD as defined, on date "t"

*Txcambiocontrat* = the agreed exchange rate used by B3 for trades by non-resident investors pursuant to CMN Resolution 2687, on date "t"

## 7. Margin

Collateral is required from all investors with outstanding positions. Margin values are updated daily by B3, in accordance with the margin calculation criteria for futures contracts. Any conversion of margin amounts, if necessary, will be made observing, as applicable, the provisions of clause 6.

## 8. Applicable Law

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## **9. Application of B3 standards and regulations**

All standards, regulations, rules, and procedures published by B3 shall apply to this instrument.

For purposes of determination of the terms of classification of corn, the concepts defined in the “general provisions” of Administrative Rule 875 of November 8, 1975, of the Ministry of Agriculture, Livestock and Supply and Supplemental Administrative Rule 11 of April 12, 1996. If any restrictions are imposed on the corn trade of a sanitary or phylogenetics nature, due to official decision published by competent authorities, such restrictions will apply to the specifications referred to in this clause.

**Annex VIII to CIRCULAR LETTER 056/2024-PRE**

**CALL OPTION ON CASH-SETTLED CORN FUTURES CONTRACT**

**1. Contract information**

|                        |  |
|------------------------|--|
| <b>Underlying</b>      | Corn futures contract with cash settlement negotiated at B3  |
| <b>Ticker</b>          | CCM  |
| <b>Option style</b>    | American   |
| <b>Contract size</b>   | Each option refers to a Cash-settled Corn Futures Contract which negotiation unit corresponds to four hundred and fifty (450) bags of 60-net kilograms |
| <b>Price Quotation</b> | Option premium expressed in Reals per 60-net kilograms bag, to two decimal places  |
| <b>Tick size</b>       | BRL 0.01   |

|                                |   |
|--------------------------------|---|
| <b>Expiration date</b>         | The 15th day of the contract month.<br>If this is not a Trading Session Day (as defined below), expiration shall be in the immediately subsequent trading session, with due regard for the special provisions in clause 4 below |
| <b>Last Trading Day</b>        | The Business Day immediately preceding the expiration date, with due regard for the special provisions in clause 4 below  |
| <b>Contract Months</b>         | January, March, May, July, August, September, and November  |
| <b>Strike Prices</b>           | Strike prices shall be established and published by B3, expressed in Reals per bag of 60-net kilograms  |
| <b>Reference Exchange Rate</b> | Exchange rate of Brazilian Reals per U.S. Dollar calculated by B3 for settlement in one (1) day, as published on its website  |
| <b>Agreed Exchange Rate</b>    | The rate used by B3 for foreign exchange transactions relating to trades by non-resident investors pursuant to CMN Resolution 2687  |
| <b>PTAX</b>                    | Exchange rate of Brazilian Reals per US   |

|                                   |   |
|-----------------------------------|---|
|                                   | Dollar pursuant to PTAX800 offered rate, published by the Central Bank of Brazil. |
| <b>Settlement upon expiration</b> | Cash settlement   |

For the purposes of this contract, (i) "Business Day" shall be considered the day for the purposes of transactions conducted in the national financial market, pursuant to Resolution 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days in which there is a trading session on B3, according to the calendar released by B3.

## 2. Exercise

The option holder may request manual exercise of the option pursuant to the hours established.

On the expiration date, the exercise of the option will be automatically made by B3, subject to the following conditions:

Call option:

- c)** if the result of the difference between the settlement price of the contract and the strike price, for the holder, is positive; and
- d)** If the holder does not register in the trading system the intention not to exercise the call on the expiration date.

Cash settlement shall be made on the next Business Day.

### **3. Settlement of the option**

#### **a) Cash settlement of the premium**

The premium cash settlement will occur on the settlement date following the day of the trade and the values will be calculated according to the following formula:

$$VLP = P \times 450$$

Where:

*VLP* = the Premium settlement value per contract in Reals

*P* = the option premium in Reals

#### **b) Settlement of the position exercised**

The exercise of an option means that the holder shall enter into a long position on the Cash-Settled Corn Futures Contract and the writer shall enter into a short position on the Cash-Settled Corn Futures Contract, both at the corresponding strike price.

The requirements relating to margin, cash settlement of variation margin and cash settlement upon expiration outlined in the Cash-Settled Corn Futures Contract shall apply to both cases.

### **4. Special conditions**

#### **a) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the national, state, or local calendar and not reflected in the calendar published by B3, established by competent authorities, which does not permit the occurrence of a Trading Session at B3.

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If the Extraordinary Holidays correspond to the days previously considered Business Days and occur:

- i. On the Expiration Date: the Expiration Date considered will be the Business Day immediately before the Extraordinary Holiday.

**b) Other unforeseen situations**

In situations not foreseen in this instrument, including , without limitation, those arising from acts emanating from government entities, regulators or other or competent authorities as well as any others that directly or indirectly impact formation, calculation, representativity, publication, availability or continuity of the underlying asset or any of the variables of this contract, B3 will, at its sole discretion, aiming to the settlement, continuity or extension of the contract on equivalent terms.

**5. Form of payment and receipt of amounts related to cash settlement and conversion of margin and trading costs**

Cash Settlement of day trades, variation margins, on expiration and of trading costs, as well as the conversion of margin values will be made as follows:

**a) Resident and non-resident investors (except for CMN Resolution 2687)**

The settlement is made in Reals as outlined in the B3 Clearinghouse Operating Procedures Manual.

**b) Non-resident clients - Regulated by CMN Resolution 2.687**

Settlement in USD in New York, in the United States of America, via settlement

institutions authorized by B3. The procedure is divided in two steps:

**i. Conversion of the cash-settled amounts**

Where applicable, B3 uses its Reference Exchange Rate for a specific date, according to the nature of the settlement value:

- a) For settlement of day trades: on the trade date.
- b) For settlement of variation margins: on the date to which the margin refers.
- c) For cash settlements upon expiration: on the Business Day before the date of the cash settlement.
- d) In the conversion of margin deposited in US Dollars: the B3 Reference Exchange Rate on the day of the trade.

The conversion of trading costs, if any, will be made by the PTAX defined in clause 1.

**ii. Pass-through of exchange-rate variation**

B3 is responsible for the Agreed Exchange Rate based on the quote obtained by B3 at the foreign-exchange institution.

Any financial difference between the settlement value due by the non-resident investor calculated on the basis of clause 5.b.i and the settlement value calculated based on the Exchange Rate is entirely passed through to the investor.

The amount of the exchange variation pass-through is calculated daily on the basis of the settlement value due by the non-resident investor, and the respective financial entry is included in the investor's multilateral net balance



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on the settlement date.

The following formula is used to calculate the pass-through amount:

$$VR_t = \text{Trunc} \left\{ V_{liqDOLt} \times \left[ \left( \frac{TxreferencialB3t}{Txcambiocontrat} \right) - 1 \right]; 2 \right\}$$

Where:

$VR_t$  = value of the daily pass-through in USD for date "t"

$V_{liqDOLt}$  = investor's settlement value in USD converted by the B3 Reference Exchange Rate on date "t"

$TxreferencialB3t$  = the exchange rate of BRL/USD as defined, on date "t"

$Txcambiocontrat$  = the agreed exchange rate used by B3 for trades by non-resident investors pursuant to CMN Resolution 2687, on date "t"

## 6. Margin

Margin shall be required from all writers, which amount will be calculated in accordance with the criteria published by B3 and may be updated daily. The margin will be due on the next Business Day. For non-resident investors, if the next Business Day is a bank holiday in New York, the margin will be due on the first Business Day following the trade date. Any conversion of margin amounts, if necessary, will be made observing, as applicable, the provisions of clause 5.

## 7. Applicable Law

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## 8. Application of B3 standards and regulations

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All standards, regulations, rules, and procedures published by B3 shall apply to this instrument.

**Annex IX to CIRCULAR LETTER 056/2024-PRE**

**PUT OPTION ON CASH-SETTLED CORN FUTURES CONTRACT**

**1. Contract information**

|                        |  |
|------------------------|--|
| <b>Underlying</b>      | Corn futures contract with cash settlement negotiated at B3  |
| <b>Ticker</b>          | CCM  |
| <b>Option style</b>    | American   |
| <b>Contract size</b>   | Each option refers to a Cash Settled Corn Futures Contract which negotiation unit corresponds to four hundred and fifty (450) bags of 60-net kilograms   |
| <b>Price Quotation</b> | Option premium expressed in Reals perto two decimal places   |
| <b>Tick size</b>       | BRL 0.01   |
| <b>Expiration date</b> | The 15th day of the contract month. If this is not a Trading Session Day (as defined below), expiration shall be in the immediately subsequent trading session, with due regard for the special provisions in clause 4 |

|                                   |  |
|-----------------------------------|--|
|                                   | below  |
| <b>Last Trading Day</b>           | The Business Day immediately preceding the expiration date, with due regard for the special provisions in clause 4 below           |
| <b>Contract Months</b>            | January, March, May, July, August, September, and November   |
| <b>Strike Prices</b>              | Strike prices shall be established and published by B3, expressed in Reals per bag of sixty 60-net kilograms                       |
| <b>Reference Exchange Rate</b>    | Exchange rate of Brazilian Reals per U.S. Dollar calculated by B3 for settlement in one (1) day, as published on its website       |
| <b>Agreed Exchange Rate</b>       | The rate used by B3 for foreign exchange transactions relating to trades by non-resident investors pursuant to CMN Resolution 2687 |
| <b>PTAX</b>                       | Exchange rate of Brazilian Reals per US Dollar pursuant to PTAX800 offered rate, published by the Central Bank of Brazil.          |
| <b>Settlement upon expiration</b> | Cash settlement  |

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For the purposes of this contract, (i) "Business Day" shall be considered the day for the purposes of transactions conducted in the national financial market, pursuant to Resolution 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days in which there is a trading session on B3, according to the calendar released by B3.

## **2. Exercise**

The option holder may request manual exercise of the option pursuant to the hours established.

On the expiration date, the exercise of the option will be automatically made by B3, subject to the following conditions:

Put option:

- a)** if the result of the difference between the strike price and the settlement price of the contract, for the holder, is positive; and
- b)** If the holder does not register in the trading system the intention not to exercise the put on the expiration date.

Cash settlement shall be made on the next Business Day.

## **3. Settlement of the option**

### **c) Cash settlement of the premium**

The premium cash settlement will occur on the settlement date following the day of the trade and the values will be calculated according to the following formula:

$$VLP = P \times 450$$

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Where:

VLP = the premium settlement value per contract in Reals

P = the option premium in Reals

#### **d) Settlement of the position exercised**

The exercise of an option means that the holder shall enter into a short position on the Put Option on Cash-Settled Corn Futures Contract and the writer shall enter into a long position on the Put Option on Cash-Settled Corn Futures Contract, both at the corresponding strike price.

The requirements relating to margin, cash settlement of variation margin and cash settlement upon expiration outlined in the Cash-Settled Corn Futures Contract shall apply to both cases.

### **4. Special conditions**

#### **a) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the national, state, or local calendar and not reflected in the calendar published by B3, established by competent authorities, which does not permit the occurrence of a Trading Session at B3.

If the Extraordinary Holidays correspond to the days previously considered Business Days and occur:

- iii.** On the Expiration Date: the Expiration Date considered will be the Business Day immediately before the Extraordinary Holiday.

#### **b) Other unforeseen situations**

In situations not foreseen in this instrument, including , without limitation,

those arising from acts emanating from government entities, regulators or other or competent authorities as well as any others that directly or indirectly impact formation, calculation, representativity, publication, availability or continuity of the underlying asset or any of the variables of this contract, B3 will, at its sole discretion, aiming to the settlement, continuity or extension of the contract on equivalent terms.

**5. Form of payment and receipt of amounts related to cash settlement and conversion of margin and trading costs**

Cash Settlement of day trades, variation margins, on expiration and of operating costs, as well as the conversion of margin values will be made as follows:

**a) Resident and non-resident investors (except for CMN Resolution 2687)**

The settlement is made in Reals as outlined in the B3 Clearinghouse Operating Procedures Manual.

**b) Non-resident clients - Regulated by CMN Resolution 2.687**

Settlement in USD in New York, in the United States of America, via settlement institutions authorized by B3. The procedure is divided in two steps:

**i. Conversion of the cash-settled amounts**

Where applicable, B3 uses its Reference Exchange Rate for a specific date, according to the nature of the settlement value:

a) For settlement of day trades: on the trade day.

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- b) On the settlement of the variation margin: on the date to which the margin refers.
- c) On the cash settlement upon expiration: on the Business Day before the date of the cash settlement.
- d) In the conversion of margin deposited in US Dollars: the B3 Reference Exchange Rate on the day of the trade.

The conversion of trading costs, if any, will be made by the PTAX defined in clause 1.

## ii. Pass-through of exchange-rate variation

B3 is responsible for the Agreed Exchange Rate based on the quote obtained by B3 at the foreign-exchange institution.

Any financial difference between the settlement value due by the non-resident investor calculated on the basis of clause 5.b.i and the settlement value calculated based on the Exchange Rate is entirely passed through to the investor.

The amount of the exchange variation pass-through is calculated daily on the basis of the settlement value due by the non-resident investor, and the respective financial entry is included in the investor's multilateral net balance on the settlement date.

The following formula is used to calculate the pass-through amount:

$$VRt = Trunc \left\{ VliqDOLt \times \left[ \left( \frac{TxreferencialB3t}{Txcambiocontrat} \right) - 1 \right]; 2 \right\}$$

Where:

$VRt$  = value of the daily pass-through in USD for date "t"

$VliqDOLt$  = investor's settlement value in USD converted by the B3 Reference



Exchange Rate on date "t"

*TxreferencialB3t* = the exchange rate of BRL/USD as defined, on date "t"

*Txcambiocontrat* = the agreed exchange rate used by B3 for trades by non-resident investors pursuant to CMN Resolution 2687, on date "t"

## **6. Margin**

Margin shall be required from all writers, which amount will be calculated in accordance with the criteria published by B3, which may be updated daily. The margin will be due on the next Business Day. For non-resident investors, if the next Business Day is a bank holiday in New York, the margin will be due on the first Business Day following the trade date. Any conversion of margin amounts, if necessary, will be made observing, as applicable, the provisions of clause 5.

## **7. Applicable Law**

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## **8. Application of B3 standards and regulations**

All standards, regulations, rules, and procedures published by B3 shall apply to this instrument.

**Annex X to CIRCULAR LETTER 056/2024-PRE**

**CASH-SETTLED LIVE CATTLE FUTURES CONTRACT**

**1. Contract information**

|                                |  |
|--------------------------------|--|
| <b>Underlying</b>              | Male steers with at least sixteen (16) net arrobas carcass weight and a maximum age of forty-two (42) months.                          |
| <b>Ticker</b>                  | BGI  |
| <b>Contract size</b>           | Three hundred and thirty (330) net arrobas   |
| <b>Price Quotation</b>         | Brazilian Reals per net a to two decimal places and excluding the Special Social Security Contribution (CESSR).                        |
| <b>Tick size</b>               | R\$ 0.05   |
| <b>Expiration date</b>         | The last Trading Session Day (as defined below) of the expiration month, subject to the special provisions outlined in section 4 below |
| <b>Last Trading Day</b>        | The last Trading Session Day (as defined below) of the expiration month, subject to the special provisions outlined in section 4 below |
| <b>Contract Months</b>         | All months   |
| <b>Reference Exchange Rate</b> | <b>Exchange rate of Brazilian Reals per US Dollar calculated by B3, as published on its website.</b>                                   |

|                                   |   |
|-----------------------------------|---|
| <b>Agreed Exchange Rate</b>       | The rate used by B3 for foreign exchange transactions relating to trades by non-resident investors pursuant to CMN Resolution 2687.   |
| <b>PTAX</b>                       | Exchange rate of Brazilian Reals per US Dollar pursuant to PTAX800 offered rate, published by the Central Bank of Brazil.   |
| <b>Settlement Price</b>           | Closing price expressed in Brazilian Reals per arroba, ascertained and/or arbitrated daily by B3 at its discretion, for each authorized expiration for purposes of updating the value of outstanding positions and determination of the variation margin and settlement of day trade transactions |
| <b>Settlement upon expiration</b> | Cash settlement   |

For the purposes of this contract, the following is considered: (i) "Business Day" shall be considered the day for the purposes of operations conducted in the national financial market, pursuant to Resolution 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days in which there is a trading session on B3, according to the calendar released by B3.

## 2. Variation margin

Outstanding positions at the end of each Trading Session will be adjusted based on the settlement price of the respective Trading Session Day, with

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financial movement on the next Business Day. The following formulas are used to calculate the variation margin of outstanding positions up to the expiration date:

**a) The positions initiated on the day**

$$AD = (PA_t - PO) \times 330 \times n$$

**b) The previous day's outstanding positions**

$$AD = (PA_t - PA_{t-1}) \times 330 \times n$$

Where:

*AD* = daily settlement value.

*PA<sub>t</sub>* = day's settlement price.

*PO* = traded price.

*n* = number of contracts.

*PA<sub>t-1</sub>* = previous day's settlement price.

The daily settlement value (AD) calculated as shown above, if positive, shall be credited to the buyer and debited from the seller. Should the calculation above present a negative value, it shall be debited from the buyer and credited to the seller.

### 3. Settlement

Positions not closed out by the end of the last Trading Session Day during the term of the contract, by means of opposite transactions (long or short) are

settled at expiration for a price index, in accordance with the following.

#### **a) Settlement by price index**

Positions outstanding after the end of the last Trading Session Day during the term of the contract will be cash-settled by B3 on the expiration date, by means of opposite transactions (long or short) with the same quantity of contracts, at the price calculated according to the following formula:

$$PO_i = \frac{\sum_{n=0}^4 Indice_{t-n}}{5}$$

Where:

$PO_i$  = traded price for the settlement by price index, expressed in Brazilian Reals per net arroba.

$Indice_{t-n}$  = Available Price Indicator of Live Cattle, published by B3 on its website, expressed in Brazilian Reals per net arroba, determined by a renowned pricing institution defined in Circular Letter for the date t-n.

$t$  = contract expiration date.

The amounts resulting from the settlement positions by price index shall be cash settled on the first trading day following trading session of the last trading day.. The traded price (PO) may be arbitrated at B3's discretion.

### **4. Special conditions**

#### **a) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the national, state, or local calendar and not reflected in the calendar published by B3, established by competent authorities, which does not permit the occurrence

of a Trading Session at B3.

If the Extraordinary Holidays correspond to the days previously considered Business Days and occur:

- i. On the Expiration Date: the Expiration Date considered will be the Business Day immediately before the Extraordinary Holiday, maintaining, for purposes of settlement calculation, the criteria described in clause 3.a hereof, so that, pursuant to the criteria of the Available Price Index of Live Cattle Cepea/B3 and the terms hereof, the last five prices published by Cepea counted from the Business Day immediately before the Extraordinary Holiday shall be considered. It is maintained that the amounts related to the settlement of positions by price index will be cash-settled on the first Trading Session Day subsequent to the last Trading Session Day of the term of the contract.
- ii. During the period of calculation of the average settlement: the criteria referring to Extraordinary Holidays shall not be considered in the calculation, it being certain that the average settlement shall be calculated considering the last five prices of the days effectively available pursuant to the criteria of the Available Price Index of Live Cattle Cepea/B3 and the terms of clause 3.a of this contract.

**b) Other unforeseen situations**

In the event of situations not foreseen in this instrument, including, without limitation, those arising from acts emanating from government entities, regulatory authorities or competent bodies, or any other facts, which directly or indirectly impact the formation, manner of calculation, representativeness, disclosure, availability or continuity of the underlying asset or any of the variables of this contract, B3 shall take the measures it

deems necessary, at its sole discretion, with a view to the settlement, continuity or extension of the contract on equivalent bases.

## **5. Ex-pit trades**

Ex-pit trades will be permitted until the last Trading Session Day of the contract month, with due regard for the conditions established by B3 in its regulations and manuals.

## **6. Form of payment and receipt of amounts related to cash settlement and conversion of margin and trading costs**

Cash Settlement of day trades, variation margins, on expiration and of operating costs, as well as the conversion of margin values will be made as follows:

### **a) Resident and non-resident investors (except for CMN Resolution 2687)**

The settlement is made in Reals as outlined in the B3 Clearinghouse Operating Procedures Manual.

### **b) Non-resident clients - Regulated by CMN Resolution 2.687**

Settlement in USD in New York, in the United States of America, via settlement institutions authorized by B3. The procedure is divided in two steps:

#### **i. Conversion of the cash-settled amounts**

Where applicable, B3 uses its Reference Exchange Rate for a specific date,

according to the nature of the settlement value:

- a) For settlement of day trades: on the trade date.
- b) For settlement of variation margins: on the date to which the margin refers.
- c) For cash settlements upon expiration: on the Business Day before the date of the cash settlement; and
- d) In the conversion of margin deposited in US Dollars: the B3 Reference Exchange Rate on the day of the trade.

The conversion of trading costs, if any, will be made by the PTAX defined in clause 1.

## ii. Pass-through of exchange-rate variation

B3 is responsible for providing local currency at the Agreed Exchange Rate quoted by a foreign-exchange institution. Any financial difference between the settlement value due by the non-resident investor calculated on the basis of clause 6.b.1 and the settlement value calculated based on the Exchange Rate is entirely passed through to the investor.

The amount of the exchange variation pass-through is calculated daily on the basis of the settlement value due by the non-resident investor, and the respective financial entry is included in the investor's multilateral net balance on the settlement date.

The following formula is used to calculate the pass-through amount:

$$VRt = Trunc \left\{ VliqDOLt \times \left[ \left( \frac{TxreferencialB3t}{Txcambiocomtrat} \right) - 1 \right]; 2 \right\}$$



Where:

$VR_t$  = value of the daily pass-through in USD for date "t"

$VliqDOL_t$  = investor's settlement value in USD converted by the B3 Reference Exchange Rate on date "t"

$TxreferencialB3_t$  = the exchange rate of BRL/USD as defined above, on date "t"

$Txcambiocomtrat$  = the agreed exchange rate used by B3 for trades by non-resident investors pursuant to CMN Resolution 2687, on date "t"

## 7. Margin

Collateral is required from all investors with outstanding positions. Margin values are updated daily by B3, in accordance with the margin calculation criteria for futures contracts. Any conversion of margin amounts, if necessary, will be made observing, as applicable, the provisions of clause 6.

## 8. Applicable Law

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## 9. Application of B3 standards and regulations

All standards, regulations, rules, and procedures published by B3 shall apply to this instrument.

Annex XI to CIRCULAR LETTER 056/2024-PRE

**CALL OPTION ON CASH-SETTLED LIVE CATTLE FUTURES CONTRACT**

**1. Contract information**

|                         |   |
|-------------------------|---|
| <b>Underlying</b>       | The Cash-Settled Live Cattle Futures Contract negotiated at B3  |
| <b>Ticker</b>           | BGI   |
| <b>Option style</b>     | American  |
| <b>Contract size</b>    | Each option refers to a Cash-Settled Live Cattle Futures Contract which negotiation unit corresponds three hundred and thirty (330) net arrobas |
| <b>Price Quotation</b>  | Option premium expressed in Brazilian Reals per net arroba to two decimal places  |
| <b>Tick size</b>        | BRL 0.01  |
| <b>Expiration date</b>  | The last Trading Session Day (as defined below) of the expiration month, subject to the special provisions outlined in clause 4 below           |
| <b>Last Trading Day</b> | The Trading Session Day (as defined below) preceding the expiration, subject to the special provisions outlined in clause 4 below               |
| <b>Contract Months</b>  | All months  |
| <b>Strike Prices</b>    | Strike prices shall be established and published  |

|                                   |   |
|-----------------------------------|---|
|                                   | by B3, expressed in Brazilian Reals per net arroba  |
| <b>Reference Exchange Rate</b>    | <b>Exchange rate of Brazilian Reals per US Dollar calculated by B3, as published on its website.</b>                                |
| <b>Agreed Exchange Rate</b>       | The rate used by B3 for foreign exchange transactions relating to trades by non-resident investors pursuant to CMN Resolution 2687. |
| <b>PTAX</b>                       | Exchange rate of Brazilian Reals per US Dollar pursuant to PTAX800 offered rate, published by the Central Bank of Brazil.           |
| <b>Settlement upon expiration</b> | Cash settlement   |

For the purposes of this contract, the following is considered: (i) "Business Day" shall be considered the day for the purposes of operations conducted in the national financial market, pursuant to Resolution 4880, of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days in which there is a trading session on B3, according to the calendar released by B3.

## 2. Exercise

The option holder may request manual exercise of the option pursuant to the hours established.

On the expiration date, the exercise of the option will be automatically made by B3, subject to the following conditions:

Call option:

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- a) if the result of the difference between the settlement price of the contract and the strike price, for the holder, is positive; and
- b) If the holder does not register in the trading system the intention not to exercise the call on the expiration date.

Cash settlement shall be made on the next Business Day

### **3. Settlement of the option**

#### **a) Cash settlement of the premium**

The premium cash settlement will occur on the Business Day following the day of the trade and the values will be calculated according to the following formula:

$$VLP = P \times 330$$

Where:

*VLP* = the premium settlement value per contract in Brazilian Reals

*P* = the option premium in Brazilian Reals

#### **b) Settlement of the position exercised**

The exercise of an option means that the holder shall enter into a long position on the Cash-Settled Live Cattle Futures Contract and the writer shall enter into a short position on the Cash-Settled Live Cattle Futures Contract, both at the corresponding strike price.

The requirements relating to margin, cash settlement of variation margin and cash settlement upon expiration outlined in the Cash-Settled Live Cattle Futures Contract shall apply to both cases.

#### **4. Special conditions**

##### **a) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the national, state, or local calendar and not reflected in the calendar published by B3, established by competent authorities, which does not permit the occurrence of a Trading Session at B3. If the Extraordinary Holidays correspond to the days previously considered Business Days and occur:

- i. On the Expiration Date: the Expiration Date considered will be the Business Day immediately before the Extraordinary Holiday.

##### **b) Other unforeseen situations**

In the event of situations not foreseen in this instrument, including, without limitation, those arising from acts emanating from government entities, regulatory authorities or competent bodies, or any other facts, which directly or indirectly impact the formation, manner of calculation, representativeness, disclosure, availability or continuity of the underlying asset or any of the variables of this contract, B3 shall take the measures it deems necessary, at its sole discretion, with a view to the settlement, continuity or extension of the contract on equivalent bases.

#### **5. Form of payment and receipt of amounts related to cash settlement and conversion of margin and trading costs**

Cash Settlement of day trades, variation margins, on expiration and of operating costs, as well as the conversion of margin values will be made as follows:

**a) Resident and non-resident investors (except for CMN Resolution 2687)**

The settlement is made in Brazilian Reals as outlined in the B3 Clearinghouse Operating Procedures Manual.

**b) Non-resident clients - Regulated by CMN Resolution 2687**

Settlement in USD in New York, in the United States of America, via settlement institutions authorized by B3. The procedure is divided in two steps:

**i. Conversion of the cash-settled amounts**

Where applicable, B3 uses its Reference Exchange Rate for a specific date, according to the nature of the settlement value:

- a) For settlement of day trades: On the trade day.
- b) On the settlement of the variation margin: On the date to which the margin refers.
- c) On the cash settlement upon expiration: On the Business Day before the date of the cash settlement.
- d) In the conversion of margin deposited in US Dollars: the B3 Reference Exchange Rate on the day of the trade.

The conversion of trading costs, if any, will be made by the PTAX defined in clause 1.

**ii. Pass-through of exchange-rate variation**

B3 is responsible for the Agreed Exchange Rate based on the quote obtained

by B3 at the foreign-exchange institution. Any financial difference between the settlement value due by the non-resident investor calculated on the basis of clause 5.b.i and the settlement value calculated based on the Exchange Rate is entirely passed through to the investor.

The amount of the exchange variation pass-through is calculated daily on the basis of the settlement value due by the non-resident investor, and the respective financial entry is included in the investor's multilateral net balance on the settlement date.

The following formula is used to calculate the pass-through amount:

$$VR_t = Trunc \left\{ V_{liqDO}_t \times \left[ \left( \frac{Tx_{referencialB3t}}{Tx_{cambiocomtrat}} \right) - 1 \right]; 2 \right\}$$

Where:

$VR_t$  = value of the daily pass-through in USD for date "t"

$V_{liqDO}_t$  = investor's settlement value in USD converted by the B3 Reference Exchange Rate on date "t"

$Tx_{referencialB3t}$  = the exchange rate of BRL/USD as defined above, on date "t"

$Tx_{cambiocomtrat}$  = the agreed exchange rate used by B3 for trades by non-resident investors pursuant to CMN Resolution 2687, on date "t".

## 6. Margin

Margin shall be required from all writers, which amount will be calculated in accordance with the criteria published by B3 and may be updated daily. The margin will be due on the next Business Day. For non-resident investors, if the next Business Day is a bank holiday in New York, the margin will be due on the

first Business Day following the trade date. Any conversion of margin amounts, if necessary, will be made observing, as applicable, the provisions of clause 5.

## **7. Applicable Law**

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## **8. Application of B3 standards and regulations**

All standards, regulations, rules, and procedures published by B3 shall apply to this instrument.



Annex XII to CIRCULAR LETTER 056/2024-PRE

**PUT OPTION ON CASH-SETTLED LIVE CATTLE FUTURES CONTRACT**

**1. Contract information**

|                         |   |
|-------------------------|---|
| <b>Underlying</b>       | The Cash-Settled Live Cattle Futures Contract negotiated at B3  |
| <b>Ticker</b>           | BGI   |
| <b>Option style</b>     | American  |
| <b>Contract size</b>    | Each option refers to a Cash-Settled Live Cattle Futures Contract which negotiation unit corresponds three hundred and thirty (330) net arrobas |
| <b>Price Quotation</b>  | Option premium expressed in Brazilian Reals per net arroba to two decimal places  |
| <b>Tick size</b>        | BRL 0.01  |
| <b>Expiration date</b>  | The last Trading Session Day (as defined below) of the expiration month, subject to the special provisions outlined in clause 4 below           |
| <b>Last Trading Day</b> | The Trading Session Day (as defined below) preceding the expiration, subject to the special provisions outlined in clause 4 below               |
| <b>Contract Months</b>  | All months  |
| <b>Strike Prices</b>    | Strike prices shall be established and published  |

|                                   |   |
|-----------------------------------|---|
|                                   | by B3, expressed in Brazilian Reals per net arroba  |
| <b>Reference Exchange Rate</b>    | Exchange rate of Brazilian Reals per US Dollar calculated by B3, as published on its website.                                       |
| <b>Agreed Exchange Rate</b>       | The rate used by B3 for foreign exchange transactions relating to trades by non-resident investors pursuant to CMN Resolution 2687. |
| <b>PTAX</b>                       | Exchange rate of Brazilian Reals per US Dollar pursuant to PTAX800 offered rate, published by the Central Bank of Brazil.           |
| <b>Settlement upon expiration</b> | Cash settlement   |

For the purposes of this contract, the following is considered: (i) "Business Day" shall be considered the day for the purposes of operations conducted in the national financial market, pursuant to Resolution 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days in which there is a trading session on B3, according to the calendar released by B3.

## 2. Exercise

The option holder may request manual exercise of the option pursuant to the hours established. On the expiration date, the exercise of the option will be automatically made by B3, subject to the following conditions:

Put option:

- a) if the result of the difference between the strike price and the settlement price of the contract, for the holder, is positive; and

- b)** If the holder does not register in the trading system the intention not to exercise the put on the expiration date.

Cash settlement shall be made on the next Business Day.

### **3. Settlement of the option**

#### **a) Cash settlement of the premium**

The premium cash settlement will occur on the Business Day following the day of the trade and the values will be calculated according to the following formula:

$$VLP = P \times 330$$

Where:

*VLP* = the premium settlement value per contract in Brazilian Reals

*P* = the option premium in Brazilian Reals

#### **b) Settlement of the position exercised**

The exercise of an option means that the holder shall enter into a short position on the Cash-Settled Live Cattle Futures Contract and the writer shall enter into a long position on the Cash-Settled Live Cattle Futures Contract, both at the corresponding strike price.

The requirements relating to margin, cash settlement of variation margin and cash settlement upon expiration outlined in the Cash-Settled Live Cattle Futures Contract shall apply to both cases.

### **4. Special conditions**

**a) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the national, state, or local calendar and not reflected in the calendar published by B3, established by competent authorities, which does not permit the occurrence of a Trading Session at B3.

If the Extraordinary Holidays correspond to the days previously considered Business Days and occur:

- i. On the Expiration Date: the Expiration Date considered will be the Business Day immediately before the Extraordinary Holiday.

**b) Other unforeseen situations**

In the event of situations not foreseen in this instrument, including, without limitation, those arising from acts emanating from government entities, regulatory authorities or competent bodies, or any other facts, which directly or indirectly impact the formation, manner of calculation, representativeness, disclosure, availability or continuity of the underlying asset or any of the variables of this contract, B3 shall take the measures it deems necessary, at its sole discretion, with a view to the settlement, continuity or extension of the contract on equivalent bases.

**5. Form of payment and receipt of amounts related to cash settlement and conversion of margin and trading costs**

Cash Settlement of day trades, variation margins, on expiration and of operating costs, as well as the conversion of margin values will be made as follows:

**a) Resident and non-resident investors (except for CMN Resolution 2687)**

The settlement is made in Brazilian Reals as outlined in the B3 Clearinghouse Operating Procedures Manual.

**b) Non-resident clients - Regulated by CMN Resolution 2.687**

Settlement in USD in New York, in the United States of America, via settlement institutions authorized by B3. The procedure is divided in two steps:

**i. Conversion of the cash-settled amounts**

Where applicable, B3 uses its Reference Exchange Rate for a specific date, according to the nature of the settlement value:

- a) For settlement of day trades: On the trade day
- b) On the settlement of the variation margin: On the date to which the margin refers; and
- c) On the cash settlement upon expiration: On the Business Day before the date of the cash settlement.
- d) In the conversion of margin deposited in US Dollars: the B3 Reference Exchange Rate on the day of the trade.

The conversion of trading costs, if any, will be made by the PTAX defined in clause 1.

**ii. Pass-through of exchange-rate variation**

B3 is responsible for the Agreed Exchange Rate based on the quote

obtained by B3 at the foreign-exchange institution. Any financial difference between the settlement value due by the non-resident investor calculated on the basis of clause 5.b.i and the settlement value calculated based on the Exchange Rate is entirely passed through to the investor.

The amount of the exchange variation pass-through is calculated daily on the basis of the settlement value due by the non-resident investor, and the respective financial entry is included in the investor's multilateral net balance on the settlement date.

The following formula is used to calculate the pass-through amount:

$$VRt = Trunc \left\{ VliqDOLt \times \left[ \left( \frac{TxreferencialB3t}{Txcambiocomtrat} \right) - 1 \right]; 2 \right\}$$

Where:

$VRt$  = value of the daily pass-through in USD for date "t"

$VliqDOLt$  = investor's settlement value in USD converted by the B3 Reference Exchange Rate on date "t"

$TxreferencialB3t$  = the exchange rate of BRL/USD as defined above, on date "t"

$Txcambiocomtrat$  = the agreed exchange rate used by B3 for trades by non-resident investors pursuant to CMN Resolution 2687, on date "t".

## 6. Margin

Margin shall be required from all writers, which amount will be calculated in accordance with the criteria published by B3 and may be updated daily. The

margin will be due on the next Business Day. For non-resident investors, if the next Business Day is a bank holiday in New York, the margin will be due on the first Business Day following the trade date. Any conversion of margin amounts, if necessary, will be made observing, as applicable, the provisions of clause 5.

## **7. Applicable Law**

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## **8. Application of B3 standards and regulations**

All standards, regulations, rules, and procedures published by B3 shall apply to this instrument.

**Annex XIII to CIRCULAR LETTER 056/2024-PRE**

**CASH SETTLED HYDROUS ETHANOL FUTURES CONTRACT**

**1. Contract information**

|                         |  |
|-------------------------|--|
| <b>Underlying</b>       | Hydrous Fuel Ethanol, in accordance with the technical specifications defined by the National Petroleum Agency (ANP) |
| <b>Ticker</b>           | ETH  |
| <b>Contract size</b>    | 30m <sup>3</sup> (equivalent to 30,000 liters)   |
| <b>Price Quotation</b>  | Brazilian Reals per cubic meter to two decimal places, net of ICMS, PIS/COFINS                                       |
| <b>Tick size</b>        | BRL 0.50   |
| <b>Expiration date</b>  | The last Trading Session Day of the expiration month, subject to the special provisions outlined in clause 4 below   |
| <b>Last Trading Day</b> | The last Trading Session Day of the expiration month, subject to the special provisions outlined in clause 4 below   |
| <b>Contract Months</b>  | All months   |



|                                   |   |
|-----------------------------------|---|
| <b>Reference Exchange Rate</b>    | Exchange rate of Brazilian Reals per US Dollar calculated by B3, as published on its website.   |
| <b>Agreed Exchange Rate</b>       | The rate used by B3 for foreign exchange transactions relating to trades by non-resident investors pursuant to CMN Resolution 2687.   |
| <b>PTAX</b>                       | Exchange rate of Brazilian Reals per US Dollar pursuant to PTAX800 offered rate, published by the Central Bank of Brazil.   |
| <b>Settlement Price</b>           | Closing price expressed in Brazilian Reals per cubic meter of hydrous ethanol, ascertained and/or arbitrated daily by B3 at its discretion, for each authorized expiration for purposes of updating the value of outstanding positions and determination of the variation margin and settlement of day trade transactions |
| <b>Settlement upon expiration</b> | Cash settlement   |

For the purposes of this contract, the following is considered: (i) "Business Day" shall be considered the day for the purposes of operations conducted in the national financial market, pursuant to Resolution 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days in which there is a trading session on B3, according to the calendar released by B3.

## 2. Variation margin

Outstanding positions at the end of each Trading Session will be adjusted based on the settlement price of the respective Trading Session Day, with financial movement on the next Business Day. The following formulas are used to calculate the variation margin of outstanding positions up to the expiration date:

### a) Same-day variation margin

$$AD_t = (PA_t - PO) \times 30 \times n$$

### b) Previous day variation margin of outstanding positions

$$AD_t = (PA_t - PA_{t-1}) \times 30 \times n$$

Where:

$AD_t$  = value of the variation margin for date "t" in Brazilian Reals

$PA_t$  = the settlement price on day "t" for the respective expiration

$PO$  = trade price in Brazilian Reals

$n$  = number of contracts

$PA_{t-1}$  = the settlement price of the Business Day before date "t" in Brazilian Reals for the respective expiration

If the variation margin ( $AD_t$ ), calculated according to the above is positive, it is credited to the buyer, and debited to the seller. If it is negative, it is debited to the buyer and credited to the seller.

### 3. Settlement

Positions not closed out by the end of the last Trading Session Day during the term of the contract, by means of opposite transactions (long or short) are settled at expiration for a price index, in accordance with the following.

#### a) Settlement by price index

Positions outstanding after the end of the last Trading Session Day during the term of the contract will be cash-settled by B3 on the expiration date, by means of opposite transactions (long or short) with the same quantity of contracts, at the price calculated according to the following formula:

$$PO_i = \frac{\sum_{t=(d-4)}^d IHIDRATADO_t}{5}$$

Where:

$PO_i$  = traded price for the settlement transaction by price index, expressed in Brazilian Reals per cubic meter

$IHIDRATADO_t$  = Available Price Indicator of Hydrous Ethanol for the region of Paulínia (SP), expressed in Brazilian Reals per cubic meter, determined by a renowned pricing institution, defined in Circular Letter, and published on the B3 website

$d - 4$  = fourth Business Day before the last Trading Session Day

$d$  = contract expiration date and last Trading Session Day.

The amounts related to the settlement of positions by price index will be cash-settled on the first Trading Session Day subsequent to the last Trading Session Day of the term of the.

#### **4. Special conditions**

##### **a) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the national, state, or local calendar and not reflected in the calendar published by B3, established by competent authorities, which does not permit the occurrence of a Trading Session at B3.

If the Extraordinary Holidays correspond to the days previously considered Business Days and occur:

- i.** On the Expiration Date: the Expiration Date considered will be the Business Day immediately before the Extraordinary Holiday, maintaining, for purposes of settlement calculation, the criteria described in clause 3.a hereof, so that, pursuant to the criteria of the Available Price Indicator of Hydrous Ethanol for the region of Paulínia (SP) Cepea/B3 and the terms hereof, the last five prices published by Cepea counted from the Business Day immediately before the Extraordinary Holiday shall be considered. It is maintained that the amounts related to the settlement of positions by price index will be cash-settled on the first Trading Session Day subsequent to the last Trading Session Day of the term of the contract.
- ii.** During the period of calculation of the average settlement: the criteria referring to Extraordinary Holidays shall not be considered in the calculation, it being certain that the average settlement shall be calculated considering the last five prices of the days effectively available pursuant to the criteria of the Available Price Indicator of Hydrous Ethanol for the region of Paulínia (SP) Cepea/B3 and the terms of clause

3.a of this contract.

**b) Other unforeseen situations**

In the event of situations not foreseen in this instrument, including, without limitation, those arising from acts emanating from government entities, regulatory authorities or competent bodies, or any other facts, which directly or indirectly impact the formation, manner of calculation, representativeness, disclosure, availability or continuity of the underlying asset or any of the variables of this contract, B3 shall take the measures it deems necessary, at its sole discretion, with a view to the settlement, continuity or extension of the contract on equivalent bases.

**5. Ex-pit trades**

Ex-pit trades will be permitted until the last Trading Session Day of the contract month, with due regard for the conditions established by B3 in its regulations and manuals.

**6. Form of payment and receipt of amounts related to cash settlement and conversion of margin and trading costs**

Cash Settlement of day trades, variation margins, on expiration and of operating costs, as well as the conversion of margin values will be made as follows:

**a) Resident and non-resident investors (except for CMN Resolution 2687)**

The settlement is made in Brazilian Reals as outlined in the B3 Clearinghouse Operating Procedures Manual.

**b) Non-resident clients - Regulated by CMN Resolution 2.687**

Settlement in USD in New York, in the United States of America, via settlement institutions authorized by B3. The procedure is divided in two steps:

**i. Conversion of the cash-settled amounts**

Where applicable, B3 uses its Reference Exchange Rate for a specific date, according to the nature of the settlement value:

- a) For settlement of day trades: on the trade date
- b) For settlement of variation margins: on the date to which the margin refers.
- c) For cash settlements upon expiration: on the Business Day before the date of the cash settlement; and
- d) In the conversion of margin deposited in US Dollars: the B3 Reference Exchange Rate on the day of the trade.

The conversion of trading costs, if any, will be made by the PTAX defined in clause 1.

**ii. Pass-through of exchange-rate variation**

B3 is responsible for the Agreed Exchange Rate based on the quote obtained by B3 at the foreign-exchange institution. Any financial difference between the settlement value due by the non-resident investor calculated on the basis of clause 6.2.1 and the settlement value calculated based on the Exchange Rate is entirely passed through to the investor.

The amount of the exchange variation pass-through is calculated daily on the basis of the settlement value due by the non-resident investor, and the respective financial entry is included in the investor's multilateral net

balance on the settlement date.

The following formula is used to calculate the pass-through amount:

$$VR_t = \text{Trunc} \left\{ V_{liqDOLt} \times \left[ \left( \frac{Tx_{referencialB3t}}{Tx_{cambiocomtrat}} \right) - 1 \right]; 2 \right\}$$

Where:

$VR_t$  = value of the daily pass-through in USD for date "t"

$V_{liqDOLt}$  = investor's settlement value in USD converted by the B3 Reference Exchange Rate on date "t"

$Tx_{referencialB3t}$  = the exchange rate of BRL/USD as defined above, on date "t"

$Tx_{cambiocomtrat}$  = the agreed exchange rate used by B3 for trades by non-resident investors pursuant to CMN Resolution 2687, on date "t".

## 7. Margin

Collateral is required from all investors with outstanding positions. Margin values are updated daily by B3, in accordance with the margin calculation criteria for futures contracts. Any conversion of margin amounts, if necessary, will be made observing, as applicable, the provisions of clause 6.

## 8. Applicable Law

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## 9. Application of B3 standards and regulations

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All standards, regulations, rules, and procedures published by B3 shall apply to this instrument.



Annex XIV to CIRCULAR LETTER 056/2024-PRE

**CALL OPTION ON CASH-SETTLED HYDROUS ETHANOL  
FUTURES CONTRACT**

**1. Contract information**

|                                 |  |
|---------------------------------|--|
| <b>Underlying of the option</b> | The Call Option on the Cash-Settled Hydrous Ethanol Contract negotiated at B3  |
| <b>Ticker</b>                   | ETH  |
| <b>Option style</b>             | American   |
| <b>Contract size</b>            | Each option refers to a Cash-Settled Hydrous Ethanol Contract which negotiation unit corresponds to 30m <sup>3</sup> (equivalent to 30,000 liters) |
| <b>Price Quotation</b>          | Option premium expressed in Brazilian Reals per cubic meter to two decimal places  |
| <b>Tick size</b>                | BRL 0.01   |
| <b>Expiration date</b>          | The last Trading Session Day (as defined below) of the expiration month, subject to the special provisions outlined in clause 4 below              |
| <b>Last Trading Day</b>         | The Trading Session Day (as defined below) preceding the expiration, subject to the special provisions outlined in clause 4 below                  |
| <b>Contract Months</b>          | All months   |

|                                   |   |
|-----------------------------------|---|
| <b>Strike Prices</b>              | Strike prices shall be established and published by B3, expressed in Brazilian Reals per cubic meter                                |
| <b>Reference Exchange Rate</b>    | Exchange rate of Brazilian Reals per US Dollar calculated by B3, as published on its website.                                       |
| <b>Agreed Exchange Rate</b>       | The rate used by B3 for foreign exchange transactions relating to trades by non-resident investors pursuant to CMN Resolution 2687. |
| <b>PTAX</b>                       | Exchange rate of Brazilian Reals per US Dollar pursuant to PTAX800 offered rate, published by the Central Bank of Brazil.           |
| <b>Settlement upon expiration</b> | Cash settlement   |

For the purposes of this contract, the following is considered: (i) "Business Day" shall be considered the day for the purposes of operations conducted in the national financial market, pursuant to Resolution 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days in which there is a trading session on B3, according to the calendar released by B3.

## 2. Exercise

The option holder may request manual exercise of the option pursuant to the hours established.

On the expiration date, the exercise of the option will be automatically made by B3, subject to the following conditions:

Call option:

- e) if the result of the difference between the settlement price of the contract and the strike price, for the holder, is positive; and
- f) If the holder does not register in the trading system the intention not to exercise the call on the expiration date.

Cash settlement shall be made on the next Business Day.

### 3. Settlement of the option

#### a) Cash settlement of the premium

The premium cash settlement will occur on the Trading Session Day following the day of the trade and the values will be calculated according to the following formula:

$$VLP = P \times 30$$

Where:

*VLP* = the premium settlement value per contract in Brazilian Reals

*P* = the option premium in Brazilian Reals

#### b) Settlement of the position exercised

The exercise of an option means that the holder shall enter into a long position on the Cash-Settled Hydrous Ethanol Contract and the writer shall enter into a short position on the Cash-Settled Hydrous Ethanol Contract, both at the corresponding strike price.

The requirements relating to margin, cash settlement of variation margin

and cash settlement upon expiration outlined in the Cash-Settled Hydrous Ethanol Contract shall apply to both cases.

#### **4. Special conditions**

##### **a) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the national, state, or local calendar and not reflected in the calendar published by B3, established by competent authorities, which does not permit the occurrence of a Trading Session at B3. If the Extraordinary Holidays correspond to the days previously considered Business Days and occur:

- i.** On the Expiration Date: the Expiration Date considered will be the Business Day immediately before the Extraordinary Holiday.

##### **b) Other unforeseen situations**

In the event of situations not foreseen in this instrument, including, without limitation, those arising from acts emanating from government entities, regulatory authorities or competent bodies, or any other facts, which directly or indirectly impact the formation, manner of calculation, representativeness, disclosure, availability or continuity of the underlying asset or any of the variables of this contract, B3 shall take the measures it deems necessary, at its sole discretion, with a view to the settlement, continuity or extension of the contract on equivalent bases.

#### **5. Form of payment and receipt of amounts related to cash settlement**

**and conversion of margin and trading costs**

Cash Settlement of day trades, variation margins, on expiration and of operating costs, as well as the conversion of margin values will be made as follows:

**a) Resident and non-resident investors (except for CMN Resolution 2687)**

The settlement is made in Brazilian Reals as outlined in the B3 Clearinghouse Operating Procedures Manual.

**b) Non-resident clients - Regulated by CMN Resolution 2.687**

Settlement in USD in New York, in the United States of America, via settlement institutions authorized by B3. The procedure is divided in two steps:

**i. Conversion of the cash-settled amounts**

Where applicable, B3 uses its Reference Exchange Rate for a specific date, according to the nature of the settlement value:

- a) For settlement of day trades: On the trade day
- b) On the settlement of the variation margin: On the date to which the margin refers.
- c) On the cash settlement upon expiration: On the Business Day before the date of the cash settlement.
- d) In the conversion of margin deposited in US Dollars: the B3 Reference Exchange Rate on the day of the trade.

The conversion of trading costs, if any, will be made by the PTAX defined in clause 1.

## ii. Pass-through of exchange-rate variation

B3 is responsible for the Agreed Exchange Rate based on the quote obtained by B3 at the foreign-exchange institution. Any financial difference between the settlement value due by the non-resident investor calculated on the basis of clause 5.b.i and the settlement value calculated based on the Exchange Rate is entirely passed through to the investor.

The amount of the exchange variation pass-through is calculated daily on the basis of the settlement value due by the non-resident investor, and the respective financial entry is included in the investor's multilateral net balance on the settlement date.

The following formula is used to calculate the pass-through amount:

$$VR_t = Trunc \left\{ V_{LiqDOL_t} \times \left[ \left( \frac{Tx_{referencialB3t}}{Tx_{cambiocomtrat}} \right) - 1 \right]; 2 \right\}$$

Where:

$VR_t$  = value of the daily pass-through in USD for date "t"

$V_{LiqDOL_t}$  = investor's settlement value in USD converted by the B3 Reference Exchange Rate on date "t"

$TxreferencialB3t$  = the exchange rate of BRL/USD as defined above, on date "t"

$Txcambiocontrat$  = the agreed exchange rate used by B3 for trades by non-resident investors pursuant to CMN Resolution 2687, on date "t"

## 6. Margin

Margin shall be required from all writers, which amount will be calculated in accordance with the criteria published by B3, which may be updated daily. The margin will be due on the next Business Day. For non-resident investors, if the next Business Day is a bank holiday in New York, the margin will be due on the first Business Day following the trade date. Any conversion of margin amounts, if necessary, will be made observing, as applicable, the provisions of clause 5.

## 7. Applicable Law

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## 8. Application of B3 standards and regulations

All standards, regulations, rules, and procedures published by B3 shall apply to this instrument.

**Annex XV to CIRCULAR LETTER 056/2024-PRE**

**PUT OPTION ON CASH-SETTLED HYDROUS ETHANOL  
FUTURES CONTRACT**

**1. Contract information**

|                                 |  |
|---------------------------------|--|
| <b>Underlying of the option</b> | The Cash-Settled Hydrous Ethanol Contract negotiated at B3   |
| <b>Ticker</b>                   | ETH  |
| <b>Option style</b>             | American   |
| <b>Contract size</b>            | Each option refers to a Cash-Settled Hydrous Ethanol Contract which negotiation unit corresponds to thirty (30) cubic meters           |
| <b>Price Quotation</b>          | Option premium expressed in Brazilian Reals per cubic meter to two decimal places  |
| <b>Tick size</b>                | BRL 0.01   |
| <b>Expiration date</b>          | The last Trading Session Day (as defined below) of the expiration month, subject to the special provisions outlined in clause 4 below. |
| <b>Last Trading Day</b>         | The Trading Session Day (as defined below) preceding the expiration, subject to the special provisions outlined in clause 4 below      |
| <b>Contract Months</b>          | All months   |



|                                   |   |
|-----------------------------------|---|
| <b>Strike Prices</b>              | Strike prices shall be established and published by B3, expressed in Brazilian Reals per cubic meter                                |
| <b>Reference Exchange Rate</b>    | Exchange rate of Brazilian Reals per US Dollar calculated by B3, as published on its website.                                       |
| <b>Agreed Exchange Rate</b>       | The rate used by B3 for foreign exchange transactions relating to trades by non-resident investors pursuant to CMN Resolution 2687. |
| <b>PTAX</b>                       | Exchange rate of Brazilian Reals per US Dollar pursuant to PTAX800 offered rate, published by the Central Bank of Brazil.           |
| <b>Settlement upon expiration</b> | Cash settlement   |

For the purposes of this contract, the following is considered: (i) "Business Day" shall be considered the day for the purposes of operations conducted in the national financial market, pursuant to Resolution 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days in which there is a trading session on B3, according to the calendar released by B3.

## 2. Exercise

The option holder may request manual exercise of the option pursuant to the hours established.

On the expiration date, the exercise of the option will be automatically made

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by B3, subject to the following conditions:

Put option:

- a) if the result of the difference between the strike price and the settlement price of the contract, for the holder, is positive; and
- b) If the holder does not register in the trading system the intention not to exercise the put on the expiration date.

Cash settlement shall be made on the next Business Day.

### 3. Settlement of the option

#### a) Cash settlement of the premium

The premium cash settlement will occur on the Business Day following the day of the trade and the values will be calculated according to the following formula:

$$VLP = P \times 30$$

Where:

VLP = the premium settlement value per contract in Brazilian Reals

P = the option premium in Brazilian Reals

#### b) Settlement of the position exercised

The exercise of an option means that the holder shall enter into a short position on the Cash-Settled Hydrous Ethanol Contract and the writer shall enter into a long position on the Cash-Settled Hydrous Ethanol Contract,

both at the corresponding strike price. The requirements relating to margin, cash settlement of variation margin and cash settlement upon expiration outlined in the Cash-Settled Hydrous Ethanol Contract shall apply to both cases.

#### **4. Special conditions**

##### **a) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the national, state or local calendar and not reflected in the calendar published by B3, established by competent authorities, which does not permit the occurrence of a Trading Session at B3.

If the Extraordinary Holidays correspond to the days previously considered Business Days and occur:

- i.** On the Expiration Date: the Expiration Date considered will be the Business Day immediately before the Extraordinary Holiday.

##### **b) Other unforeseen situations**

In the event of situations not foreseen in this instrument, including, without limitation, those arising from acts emanating from government entities, regulatory authorities or competent bodies, or any other facts, which directly or indirectly impact the formation, manner of calculation, representativeness, disclosure, availability or continuity of the underlying asset or any of the variables of this contract, B3 shall take the measures it deems necessary, at its sole discretion, with a view to the settlement, continuity or extension of the contract on equivalent bases.

## **5. Form of payment and receipt of amounts related to cash settlement and conversion of margin and trading costs**

Cash Settlement of day trades, variation margins, on expiration and of operating costs, as well as the conversion of margin values will be made as follows:

### **a) Resident and non-resident investors (except for CMN Resolution 2687)**

The settlement is made in Brazilian Reals as outlined in the B3 Clearinghouse Operating Procedures Manual.

### **b) Non-resident investors - Regulated by CMN Resolution 2.687**

Settlement in USD in New York, in the United States of America, via settlement institutions authorized by B3. The procedure is divided in two steps:

#### **i. Conversion of the cash-settled amounts**

Where applicable, B3 uses its Reference Exchange Rate for a specific date, according to the nature of the settlement value:

- e) For settlement of day trades: On the trade day
- f) On the settlement of the variation margin: On the date to which the margin refers
- g) On the cash settlement upon expiration: On the Business Day before the date of the cash settlement;
- h) In the conversion of margin deposited in US Dollars: the B3 Reference Exchange Rate on the day of the trade.

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The conversion of trading costs, if any, will be made by the PTAX defined in clause 1.

**ii. Pass-through of exchange-rate variation**

B3 is responsible for the Agreed Exchange Rate based on the quote obtained by B3 at the foreign-exchange institution.

Any financial difference between the settlement value due by the non-resident investor calculated on the basis of clause 5.b.i and the settlement value calculated based on the Exchange Rate is entirely passed through to the investor

The amount of the exchange variation pass-through is calculated daily on the basis of the settlement value due by the non-resident investor, and the respective financial entry is included in the investor's multilateral net balance on the settlement date.

The following formula is used to calculate the pass-through amount:

$$VR_t = Trunc \left\{ V_{liqDOLt} \times \left[ \left( \frac{Tx_{referencialB3t}}{Tx_{cambiocomtrat}} \right) - 1 \right]; 2 \right\}$$

Where:

$VR_t$  = value of the daily pass-through in USD for date "t"

$V_{liqDOLt}$  = investor's settlement value in USD converted by the B3

Reference Exchange Rate on date "t"

$T_{xreferencialB3t}$  = the exchange rate of BRL/USD as defined above, on date "t"

$T_{xcambiocontrat}$  = the agreed exchange rate used by B3 for trades by non-resident investors pursuant to CMN Resolution 2687, on date "t";

## 6. Margin

Margin shall be required from all writers, which amount will be calculated in accordance with the criteria published by B3, which may be updated daily. The margin will be due on the next Business Day. For non-resident investors, if the next Business Day is a bank holiday in New York, the margin will be due on the first Business Day following the trade date. Any conversion of margin amounts, if necessary, will be made observing, as applicable, the provisions of clause 5.

## 7. Applicable Law

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## 8. Application of B3 standards and regulations

All standards, regulations, rules and procedures published by B3 shall apply to this instrument.

Annex XVI to CIRCULAR LETTER 056/2024-PRE

**ARABICA COFFEE FUTURES CONTRACT 4/5**

**1. Contract information**

|                         |  |
|-------------------------|--|
| <b>Underlying</b>       | Green coffee beans produced in Brazil, ' <i>coffea arabica</i> ' type 4-25 (4/5) or better, good cup or better, for delivery in the city of São Paulo, State of São Paulo, Brazil  |
| <b>Ticker</b>           | ICF  |
| <b>Contract size</b>    | One hundred (100) bags of sixty (60kg) net kilograms (equivalent to 6 metric tons).  |
| <b>Quotation</b>        | United States Dollars per bag up to two decimal places   |
| <b>Tick size</b>        | US\$ 0.05  |
| <b>Expiration Date</b>  | Sixth Trading Session Day before the last Business Day of the month of expiration. If this is not a Trading Session Day, expiration will occur in the immediately next trading session, with due regard for the special provisions in clause 6 below |
| <b>Last Trading Day</b> | Sixth Business Day before the last Business Day of the month of expiration   |
| <b>Contract Months</b>  | March, May, July, September, and December  |

|   |   |
|---|---|
| <b>Exchange rate benchmark</b>                  | United States Dollar exchange rate determined by B3 and published on its website.   |
| <b>Exchange Rate Agreed</b>                     | Rate adopted by B3 for exchange transactions ordered by the non-resident investors subject to CMN Resolution n. 2687  |
| <b>Settlement Price</b>                         | Closing price expressed in United States Dollars per bag, ascertained and/or arbitrated daily by B3 at its discretion, for each authorized maturity for purposes of updating the value of open positions and determination of the daily variation margin and settlement of day trade transactions |
| <b>Agribusiness Commodities Depository (DA)</b> | Custodian establishment registered by B3 authorized to take deliveries of Arabica coffee for settlement of the contract   |

For the purposes of this contract, (i) "Business Day" shall be considered the day for the purposes of transactions conducted in the national financial market, pursuant to Resolution 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days in which there is a trading session on B3, according to the calendar released by B3.

## 2. Daily variation margin

Open positions at the end of each trading session will be adjusted based on the



settlement price of the day determined according to the rules established by B3, with financial movement on the next Business Day. The daily variation margin of open positions shall be calculated up to the Trading Session Day before the date of allocation of the Delivery Notice, according to the following formulas:

**a. Daily variation of trades conducted on the day**

$$AD_t = (PA_t - PO) \times 100 \times n$$

**b. Daily variation of outstanding positions on the previous day**

$$AD_t = (PA_t - PA_{t-1}) \times 100 \times n$$

Where:

$AD_t$  = daily variation margin.

$PA_t$  = settlement price of the day.

$PO$  = traded price.

$n$  = number of contracts.

$PA_{t-1}$  = previous day's settlement price.

The value of the Daily Variation Margin (AD) calculated above, if positive, will be credited to the buyer, and debited from the seller. If the calculation results in a negative value, it will be debited from the buyer and credited to the seller.

### 3. Delivery points

The delivery must be made in warehouses registered with B3 in the category Agribusiness Custodians (DA) - coffee. In case of delivery in a different location other than the Municipality of São Paulo, the freight cost will be deducted to

calculate the settlement value.

#### **4. Certificate of classification and arbitration**

Certification will be requested by the seller-principal to B3, through the DA, in the form adopted by B3.

B3 will register the certification request and will fulfill it by the respective entry order. The Certificate will be issued by B3 within five business days counted from the date of receipt of the respective samples, if they are delivered up to ten business days before the last day of the Delivery Notice registration period. If the samples are delivered after ten business days before the end of the Delivery Notice registration period, B3 is not liable for delivery of the results before the end of the registration period of the Delivery Notice.

Lot Samples extracted by the DA shall be sealed, one of the packages will be made available to the buyer for quality examination; the others shall be available to meet any compliance requests. The number of samples will be determined by B3. B3 will verify, if requested by the current or future owner of the coffee, the condition of the coffee *big bags* that are part of the lots deposited in the DAs and will analyze the type, sieves, color, appearance, and humidity to verify conformity. The costs of such service will be charged to the solicitant. Nonconforming lots may have their Certificates canceled.

B3 may, in periodic inspections and at its discretion, take samples of the certified coffee lots and analyze them under all its requirements to verify any quality discrepancies motivated by inadequate storage that, if demonstrated may entail penalties to the DA and cancellation of the Certificates.

Total or partial repacking of already certified lots will be allowed in case of ruptures in the *big bags*. Once the leak has been evidenced, the DA will first notify

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the depositor and B3 and then will repackage the coffee within ten days of the verification of the leak, at the expense of the seller. If during inspection B3 finds leaks in the big bags that are part of a lot, which has not been notified by the DA or the depositor, the certificate may be canceled, and the DA may be subject to penalties.

## **5. Settlement conditions at expiration**

### **a) Delivery Notice registration period**

The sellers who choose not to close their positions in a negotiation session up to the last day of the negotiation shall electronically register a “Delivery Notice” within the period beginning on the first business day of the month of expiration and ending at 6pm on the seventh business day before the last business day of the month of expiration.

The Delivery Notice not only identifies the coffee lots to be delivered, but also constitutes a valid instrument through which the seller shall grant B3 full powers for the specific purpose of allowing it to transfer the coffee lots deposited with the DAs from the seller to the buyer or to a person appointed by the buyer.

### **b) Procedures for Delivery Notice electronic registration and allocation**

Until the date of electronic registration of the Delivery Notice, the DA must send the following documents to B3, on behalf of the seller and through the Broker representing it:

- “Declaration of ownership and shipping list with the weight of the goods”, which (i) states that the goods are free and clear from burdens of any kind, including pending tax matters; (ii) certifies that the big bags of the lot are new and are in perfect condition; and (iii) certifies that the

costs of storage and insurance are paid covering the usual merchandise risks for 15 days from the date of issuance of the Delivery Notice; and

- “Transfer Order”, which informs B3 that the DA is aware of the seller’s decision to transfer the lots under its title to a third party (buyer or third party indicated by it), due to the physical settlement made through B3.

The seller shall, through its Broker, register the Certificates received, which must be confirmed electronically by the DA.

The Delivery Notices will be allocated by B3 to the buyers on the Business Day following the date of their electronic registration.

The Delivery Notices will be made available for the choice of the customers with long positions. B3 will offer the lots contained in these notices to the buyers, giving priority of allocation to those whose positions have been opened longer. Should there be no parties interested in receiving all or part of the commodity, B3 shall determine that the customer(s) who has(ve) held long position(s) for the greatest amount of time shall take delivery of the coffee.

The Delivery Notices submitted on a given day, which are not chosen during the trading session, shall be allocated to the buyers who have held positions for the greatest amount of time at the beginning of the same day, regardless of the transactions they perform during that day or in the after-hours session of the previous day.

### **c) Third-party assignment and billing**

The sellers residing in Brazil may appoint third parties to deliver the coffee, provided they do so before electronic registration of the Delivery Notice. Non-

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resident sellers must appoint a substitute resident in Brazil to deliver the coffee, provided they do so before electronic registration of the Delivery Notice.

Buyers may indicate third parties to receive the coffee. Non-resident buyers who wish to receive the coffee must appoint a legal representative to arrange the transport and shipment of the merchandise for export and meet the remaining requirements defined by the Secretariat of Foreign Trade (Secex), of the Ministry of Development, Industry and Foreign Trade (MDIC).

Third parties will assume all obligations and requirements of this Contract until its final settlement. Additionally, the original buyers and sellers will remain liable for all the obligations of the third parties indicated, of any kind, until final settlement of the contract.

The buyer, its replacement or legal representative shall send to B3, through their Broker, the information requested for invoicing by 4pm of the second business day of the date of allocation of the Delivery Notice.

#### **d) Lot formation**

- The types will be 4-25 (4/5) or better, lower grades are not allowed. Billing will be done without premium if the grade is greater than 4-25 (4/5). The flat sieve coffee 15/16 as described in ‘Sieves’ below will be the reference formation (base).
- The coffee, which cannot be the result of fire salvations or contain foreign elements other than its customary, will be packed in big bags in optimal condition and may be returnable. Accepted packaging have the capacity equal to:
  - 1,200 kg net polypropylene interlocked fabric of

dimensions equal to 1.08 meters wide, 1.08 meters long and 1.40 meters high, with a minimum weight of 3.00 kg and a maximum of 3.70 kg.

- 1,500 kilograms net of polypropylene fabric of no less than 220 grams per square meter, with latches, with a spring flap of a size equal to 1.25 meters wide, 1.25 meter long and a height of at least 1.30 meters and a maximum of 1.35 meters, with a minimum weight of 5.00 kilograms and a maximum of up to 5.50 kilograms.
- The coffee must be classified by B3, according to its rules and regulations, which conform to the prevailing legislation– Law 9.972, of May 25, 2000; Decree 3.664, of November 17, 2000; Normative Instruction 8, of June 11, 2003; and Federal Decree 6.268, of November 22, 2007 –, deposited in DA and forming lots.
- Coffee with a bad aspect, wet, muddy, damp or poorly dried, and coffee infested or with taste/smell that are not characteristic to *coffee arabica* cannot be delivered.
- The following maximum will be admitted:
  - 8% wormy or bored beans; and
  - 1% bullhead.
- Sieves:
  - Delivery of lots of flat beans, sieves 17/18/19 will be allowed, with a minimum of 35% 18-sieve or above, assuming a maximum of 10% leakage from sieve 17 to sieve 16. 16 sieve leakage and peaberry beans are not accepted.

- Delivery of lots of flat beans, sieves 15/16 will be allowed, with a minimum of 30% of sieve 16 or above, allowing for a maximum leakage of 30% from sieve 15 to sieves 14 and 13, with a maximum of 10% in sieve 13. Lots may contain a maximum of 10% peaberry beans.
  - Delivery of peaberry lots, sieves 9, 10 and 11 will be accepted, passing a 20% pea berry maximum at sieve 10. Lots composed of pea berries may contain a maximum of 10% flat beans.
- To form a lot, the color of the coffee will be green or greenish; greenish as the characteristic color of the current crop or the immediately preceding one.
  - Lots made up of coffee from different crops shall not be eligible for delivery.
  - Upon delivery color variations will be permitted if the same initial characteristics are maintained due to the time elapsed between the date of issue of the Certificate and the date of delivery.
  - Lots damaged by poor storage conditions may not be delivered.
  - Lots will have a maximum of 100 bags of 60 kilograms net or 6,000 kilograms net and will be formed in one registered DA, where the goods are deposited. Deliveries of different types of packaging will not be allowed in the same lot.
  - To form the trading unit, the delivery of at least 100 bags or 6,000 kilograms net will be allowed. If the seller wishes to transfer the coffee from one DA to another, the seller may do so without losing the validity of the Certificate but bearing the respective

costs. The transfer must be requested by the Broker and authorized by B3, who will appoint an employee or a registered Quality Supervisor to accompany the transfer. If, during the transfer process, the big bags are damaged, they must be exchanged at the expense of the coffee owner; otherwise, the Certificate will be canceled. The employee of B3 or registered Quality Supervisor who will accompany the transfer may, at its own discretion, request the coffee owner to exchange the big bags subject to cancellation of the Certificate.

#### **e) Cash settlement upon expiration**

Upon expiration of the contract, the cash settlement of the buyer's position upon the delivery and receipt of the goods will be made on the third business day following the date of allocation of the Delivery Notice. The transfer of the funds to the seller by B3 will occur on the fifth business day following the date of allocation of the Delivery Notice.

The settlement value per contract shall be calculated according to the following formula:

$$VL = \left\{ \left[ C \times \left( 1 - \frac{D_1}{100} \right) + D_2 \right] - D_3 \right\} \times P$$

Where:

VL= settlement value per contract.

C = settlement price of the trading session before the date of allocation of the Delivery Notice to the buyer.

D 1 = percentage discount, if any, depending on the time elapsed from the date of issuance of the Certificate and the date of allocation of the Delivery



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D 2 = premium or discount regarding the formation of delivered sieves, if any.

D 3 = freight discount, if any. Freight discounts are periodically published by B3;  
and

P = total net weight of the lot delivered for settlement of a contract, expressed in  
kilograms, with two decimal places.

The discount for the time of issuance of the Certificate will be 0.5% every 30 days. The first discount will be applied on the 91st day of the date of issuance of the Certificate, for samples of coffee originating from the coast. When the coffee sample originates from an inland region, the first discount of 0.5% will apply to the Certificate from the 151st day of issuance.

The buyer may request the weighing of the coffee upon receipt. If such weighing differs from that certified by the DA, the settlement value will be adjusted in the proportion of the weight difference verified. Weighing expenses will be borne by buyer.

Billing will be done without premium if the grade is above 4-25 (4/5).

The DAs are responsible, before the coffee owners for the custody and conservation of the coffee lots deposited in their premises and any events that may affect them. In any event, the coffee owner remains solely and exclusively responsible for the fulfillment of its obligations with B3.

#### **f) Other conditions**

Physical delivery shall be effected when the seller issues an invoice to the buyer, according to the legislation in force. If the legislation foresees the application of ICMS, its value must be added to the settlement value for billing purposes. ICMS credit transfers will not be allowed for coffee deliveries where buyer and seller are

established in the same State of the Federation, unless the ICMS legislation so requires.

When the seller is a rural producer, according to the legislation in force, the Social Security Contribution will be deducted from the settlement value. The payment of the contribution shall be the responsibility of buyer. The buyer must send proof of such payment to B3.

The payment of PIS and Cofins, when due, will be the responsibility of seller. The values of such taxes will be considered included in the trading price and will not affect the settlement value.

B3 will issue a certificate containing the type of product delivered, quantity and financial settlement value (attaching copy of the Classification Certificate), which will be used, where applicable, by the legal representative of the non-resident buyer to obtain the sales and export records, as required by Secex.

#### **g) Force majeure**

In the event of impossibility of settlement by physical delivery arising from changes in legislation or from any other reasons recognized by B3 as force majeure, B3 may, at its discretion, postpone settlement periods and dates and/or determine the cash settlement of the transaction defining the prices for this.

#### **h) Penalties**

The delay in submitting to B3 of the billing data by the buyer and the invoice by the seller entails the application by B3 at its discretion and for its benefit, of a fine of no less than 1% per day over the settlement value imposed on the breaching party.

## **6. Special Provisions**

### **a) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the national, state, or local calendar and not reflected in the calendar published by B3, established by competent authorities, which does not permit the occurrence of a Trading Session at B3.

If the Extraordinary Holidays correspond to the days previously considered Business Days and occur:

- i.** On the expiration date: the expiration date considered will be the Business Day immediately following the Extraordinary Holiday, maintaining the parameters in clause 5.e hereto for purposes of settlement calculation. In this situation, the last trading day will be the Business Day immediately before the Extraordinary Holiday.
- ii.** During the Delivery Notice period: The period of delivery notice shall not be extended, except if the Extraordinary Holiday coincides with the seventh Business Day before the last Business Day of the expiration month (last day of registration of the Delivery Notice). In this event, last day for registration of the Delivery Notice will be the Business Day immediately after the Extraordinary Holiday.
- iii.** On the last day of supply of the Certificate: the last day of supply of the Certificate will be the Business Day after the Extraordinary Holiday.

### **b) Other unforeseen situations**

In the event of situations not foreseen in this instrument, including, without

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limitation, those arising from acts emanating from government entities, regulatory authorities or competent bodies, or any other facts, which directly or indirectly impact trading, the manner of calculation, representativeness, disclosure, availability or continuity of the underlying asset or any of the variables of this contract, B3 shall take the measures it deems necessary, in its sole discretion, with a view to the settlement, continuity or extension of the contract on equivalent bases.

## **7. Conformity check**

The buyer may also examine the compliance of the lots regarding storage conditions, type, sieve, appearance, and humidity. If buyer disagrees, it may by 9am on the second business day after the Delivery Notice is allocated, ask B3 to confirm such compliance. Once the non-compliance identified by buyer is confirmed, the seller must replace the lots by 9am on the fifth Business Day of the date of allocation of the Delivery Notice.

When requesting the compliance verification, the buyer shall pay B3 the ensuing travel expenses of the B3 representative, plus 1% of the value of the checked lot, calculated by the settlement price of the nearest future maturity on the day of the compliance check request; plus 0.5% for the checking of a second batch; plus 0.3% for the checking of one of the subsequent batches.

Once the lots are determined in non-conformity, seller will reimburse the buyer through B3 for the conformity check expenses but will not be exempt from the exchange of the goods.

Seller and buyer may also mutually agree on a discount over the settlement value.

This agreement must be registered with B3.

## **8. Ex-pit transactions**

Will be permitted until the last business day before the period of registration of the Delivery Notice with due regard for the conditions determined by B3 in its regulations and manuals.

## **9. Manner of payment and receipt of amounts related to the cash settlement**

The cash settlement of the *day trade* transactions, daily variation margins and upon maturity is conducted as follows.

### **a) Non-resident clients - Regulated by CMN Resolution 2.687**

The settlement is made in United States Dollars in New York, United States of America, by settlement institutions authorized by B3.

#### **i. Transfer of exchange variation of exchange contracts**

B3 will obtain the Agreed Exchange Rate and will do so based on the exchange quotation obtained by B3 from an exchange institution. Any financial difference between the settlement value of the principal determined by the B3 reference exchange rate and the settlement value calculated based on the Exchange Rate will be fully transferred to the non-resident principal.

The value of the financial transfer will be determined daily based on the settlement value for the non-resident principal and the respective financial transaction will be included in the multilateral net balance of such principal on the settlement date.

The transfer will be calculated pursuant to the following formula:

$$VRt = Trunc \left\{ VliqDOLt \times \left[ \left( \frac{TxreferencialB3t}{Txcambiot} \right) - 1 \right]; 2 \right\}$$

Where:

*VRt* = value of the daily transfer in dollars on the "t date".

*VliqDOLt* = settlement value of the principal in dollars on the "t date".

*TxreferencialB3t* = United States reais for dollar exchange rate, as defined, on the "t" date.

*Txcambiocontrat* = rate adopted by B3 for exchange transactions ordered by the non-resident investors subject to CMN Resolution 2687, on the "t" date.

### **b) Resident and non-resident principals (except for CMN Resolution 2687)**

The settlement is made in reais as outlined in the B3 Clearinghouse Operating Procedures Manual. The conversion of the cash settlement values will be made, if applicable, by the B3 Reference Exchange Rate for a specific date according to the nature of the value settled:

- a) On the settlement of day trade transactions: the exchange reference rate on the transaction day.
- b) On the settlement of daily variation margins: the reference exchange rate on the date to which the variation margin refers; and
- c) For cash settlements upon maturity: the reference exchange rate on the business day before the date of the cash settlement.

## **10. Applicable Law**

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## **11. Application of B3 standards and regulations**

All standards, regulations, rules, and procedures disclosed by B3 shall apply to this instrument.

Annex XVII to CIRCULAR LETTER 056/2024-PRE

**CALL OPTION ON 4/5 ARABICA COFFEE FUTURES CONTRACT**

**1. Contract information**

|                             |  |
|-----------------------------|--|
| <b>Underlying</b>           | The 4/5 Arabica Coffee Futures Contract traded at B3   |
| <b>Ticker</b>               | ICF  |
| <b>Option style</b>         | American   |
| <b>Contract size</b>        | Each option refers to a 4/5 Arabica Coffee Futures Contract which negotiation unit corresponds to one hundred (100) 60-net kilogram bags                                       |
| <b>Price Quotation</b>      | Option premium expressed in US Dollars per 60-net kilogram bag, to two decimal places  |
| <b>Tick size</b>            | USD0.01 (one cent of a U.S. Dollar) per 60-net kilogram bag  |
| <b>Beginning of trading</b> | <b>a) Regular options:</b> the first Trading Session Day subsequent to the beginning of trading of the underlying futures month, provided that the Series is authorized by B3. |



|                         |   |
|-------------------------|---|
|                         | <p><b>b) Serial options:</b> the first Trading Session Day of the third month before the option expiration month, provided that the Series is authorized by B3.</p>   |
| <b>Expiration date</b>  | <p>Second Friday of the month preceding the option calendar month or the previous Trading Session Day, with due regard for the special conditions of clause 4 below</p>   |
| <b>Last Trading Day</b> | <p>Trading Session Day immediately before the expiration date</p>   |
| <b>Contract Months</b>  | <p>This Contract will be divided into two option types, in accordance with its contract months in relation to the 4/5 Arabica Coffee Futures Contract, which are:</p> <p>Regular options: March, May, July, September, and December, whose underlying futures will respectively be the contract that expires in March, May, July, September, and December</p> <p>Serial options: January and February, whose underlying futures contract will be that expiring in March; April, whose underlying futures contract will be that expiring in May; June, whose underlying futures contract will be that expiring</p> |

|                                   |   |
|-----------------------------------|---|
|                                   | in July; August, whose underlying futures contract will be that expiring in September; and October and November, whose underlying futures contract will be that expiring in December. |
| <b>Strike Prices</b>              | Strike prices shall be established and published by B3, expressed in US Dollars per 60-net kilogram bag   |
| <b>Reference Exchange Rate</b>    | Exchange rate of Brazilian Reals per US Dollar calculated by B3, as published on its website.   |
| <b>Agreed Exchange Rate</b>       | The rate used by B3 for foreign exchange transactions relating to trades by non-resident investors pursuant to CMN Resolution 2687.   |
| <b>PTAX</b>                       | Exchange rate of Brazilian Reals per US Dollar pursuant to PTAX800 offered rate, published by the Central Bank of Brazil.   |
| <b>Settlement upon expiration</b> | Cash settlement   |

For the purposes of this contract, (i) "Business Day" shall be considered the day for the purposes of transactions conducted in the national financial market, pursuant to Resolution 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days in which there is a trading session on B3, according to the calendar

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released by B3.

## 2. Exercise

The holder may request manual exercise of the option pursuant to the hours established on the expiration date, the exercise of the option will be automatically made by B3, subject to the following conditions:

Call option:

- a) if the result of the difference between the settlement price of the contract and the strike price, for the holder, is positive; and
- b) If the holder does not register in the trading system the intention not to exercise the call on the expiration date.

## 3. Settlement of the option

### a) Cash settlement of the premium

The premium cash settlement will occur on the Business Day following the day of the trade and the values will be calculated according to the following formula:

$$VLP = P \times 100$$

Where:

VLP = the premium settlement value per contract in US Dollars

P = the option premium in US Dollars

### b) Settlement of exercised position

The exercise of an option means that the holder shall enter into a long position

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on the 4/5 Arabica Coffee Futures Contract and the writer shall enter into a short position on the 4/5 Arabica Coffee Futures Contract, both at the corresponding strike price. The requirements relating to margin, cash settlement of variation margin and cash settlement upon expiration outlined in the 4/5 Arabica Coffee Futures Contract shall apply to both cases.

#### **4. Special conditions**

##### **a) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the national, state, or local calendar and not reflected in the calendar published by B3, established by competent authorities, which does not permit the occurrence of a Trading Session at B3. If the Extraordinary Holidays correspond to the days previously considered Business Days and occur:

- i. On the Expiration Date: the Expiration Date considered will be the Business Day immediately before the Extraordinary Holiday.

##### **b) Other unforeseen situations**

In situations not foreseen in this instrument, including , without limitation, those arising from acts emanating from government entities, regulators or other or competent authorities as well as any others that directly or indirectly impact formation, calculation, representativity, publication, availability or continuity of the underlying asset or any of the variables of this contract, B3 will, at its sole discretion, aiming to the settlement, continuity or extension of the contract on equivalent terms.

#### **5. Margin for writer**

Margin shall be required from all writers, which amount will be calculated in accordance with the criteria published by B3, which may be updated daily. The margin will be due on the next Business Day. For non-resident investors, if the next Business Day is a bank holiday in New York, the margin will be due on the first Business Day following the trade date. Any conversion of margin amounts, if necessary, will be made observing, as applicable, the provisions of clause 6.

## **6. Form of payment and receipt of amounts related to cash settlement and conversion of margin costs**

Cash Settlement of day trades, variation margins, on expiration and of operating costs, as well as the conversion of margin values will be made as follows:

### **a) Non-resident clients - Regulated by CMN Resolution 2.687**

Settlement in USD in New York, in the United States of America, via settlement institutions authorized by B3.

#### **i. Pass-through of exchange-rate variation**

B3 is responsible for providing local currency at the Agreed Exchange Rate quoted by a foreign-exchange institution obtained by B3 at the foreign-exchange institution. Any financial difference between the settlement value due by the non-resident investor calculated on the basis of B3's Reference Exchange Rate, and the settlement value calculated on the basis of the Exchange Rate is entirely passed through to the investor.

The amount of the financial pass-through is calculated daily on the basis of the settlement value due by the non-resident investor, and the respective financial entry is included in the investor's multilateral net

balance on the settlement date.

The following formula is used to calculate the pass-through amount:

$$VR_t = Trunc \left\{ VliqDOL_t \times \left[ \left( \frac{TxreferencialB3t}{Txcambiot} \right) - 1 \right]; 2 \right\}$$

Where:

$VR_t$  = value of the daily pass-through in USD for date "t"

$VliqDOL_t$  = investor's settlement value in USD on date "t"

$TxreferencialB3t$  = the exchange rate of BRL/USD as defined above, on date "t"

$Txcambiocontrat$  = the agreed exchange rate used by B3 for trades by non-resident investors pursuant to CMN Resolution 2687, on date "t"

#### **b) Resident and non-resident investors – (except for CMN Resolution 2687)**

The settlement is made in Reals as outlined in the B3 Clearinghouse Operating Procedures Manual.

Where applicable, B3 uses its Reference Exchange Rate for a specific date, according to the nature of the settlement value:

- i. For settlement of day trades: On the trade day
- ii. On the settlement of the variation margin: On the date to which the margin refers; and
- iii. On the cash settlement upon expiration: On the Business Day before the date of the cash settlement.

For the conversion of amounts related to trading costs expressed in US dollars, if necessary, the Exchange Rate (PTAX) shall apply.

## **7. Applicable Law**

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## **8. Application of B3 standards and regulations**

All standards, regulations, rules, and procedures published by B3 shall apply to this instrument.

**Annex XVIII to CIRCULAR LETTER 056/2024-PRE**

**PUT OPTION ON 4/5 ARABICA COFFEE FUTURES CONTRACT**

**1. Contract information**

|                             |  |
|-----------------------------|--|
| <b>Underlying</b>           | The 4/5 Arabica Coffee Futures Contract traded at B3   |
| <b>Ticker</b>               | ICF  |
| <b>Option style</b>         | American   |
| <b>Contract size</b>        | Each option refers to a 4/5 Arabica Coffee Futures Contract which negotiation unit corresponds to one hundred (100) 60-net kilogram bags |
| <b>Price Quotation</b>      | Option premium expressed in US Dollars per 60-net kilogram bag, to two decimal places  |
| <b>Tick size</b>            | USD0.01 (one cent of a U.S. Dollar) per 60-net kilogram bag  |
| <b>Beginning of trading</b> | Regular options: the first Trading Session Day subsequent to the beginning of trading of the underlying futures month, provided that the |



|                         |   |
|-------------------------|---|
|                         | <p>Series is authorized by B3.</p> <p>Serial options: the first Trading Session Day of the third month before the option expiration month, provided that the Series is authorized by B3.</p>  |
| <b>Last Trading Day</b> | Trading Session Day immediately before the expiration date.   |
| <b>Expiration date</b>  | Second Friday of the month preceding the option calendar month or the previous Trading Session Day, with due regard for the special conditions of clause 4 below  |
| <b>Contract Months</b>  | <p>This Contract will be divided into two option types, in accordance with its contract months in relation to the 4/5 Arabica Coffee Futures Contract, which are:</p> <p>Regular options: March, May, July, September, and December, whose underlying futures will respectively be the contract that expires in March, May, July, September, and December</p> <p>Serial options: January and February, whose underlying futures contract will be that expiring in March; April, whose underlying futures contract will be that expiring in May;</p> |

|                                   |   |
|-----------------------------------|---|
|                                   | June, whose underlying futures contract will be that expiring in July; August, whose underlying futures contract will be that expiring in September; and October and November, whose underlying futures contract will be that expiring in December. |
| <b>Strike Prices</b>              | Strike prices shall be established and published by B3, expressed in US Dollars per 60-net kilogram bag   |
| <b>Reference Exchange Rate</b>    | Exchange rate of Brazilian Reals per US Dollar calculated by B3, as published on its website.   |
| <b>Agreed Exchange Rate</b>       | The rate used by B3 for foreign exchange transactions relating to trades by non-resident investors pursuant to CMN Resolution 2687.   |
| <b>PTAX</b>                       | Exchange rate of Brazilian Reals per US Dollar pursuant to PTAX800 offered rate, published by the Central Bank of Brazil.   |
| <b>Settlement upon expiration</b> | Cash settlement   |

For the purposes of this contract, (i) "Business Day" shall be considered the day for the purposes of transactions conducted in the national financial market, pursuant to Resolution 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of

the days in which there is a trading session on B3, according to the calendar released by B3.

## **2. Exercise**

The holder may request manual exercise of the option pursuant to the hours established on the expiration date, the exercise of the option will be automatically made by B3, subject to the following conditions:

Put option:

- a) if the result of the difference between the strike price and the settlement price of the contract, for the holder, is positive; and
- b) If the holder does not register in the trading system the intention not to exercise the call on the expiration date.

## **3. Settlement of the option**

### **a) Cash settlement of the premium**

The premium cash settlement will occur on the Business Day following the day of the trade and the values will be calculated according to the following formula:

$$\mathbf{VLP = P \times 100}$$

Where:

VLP = the premium settlement value per contract in US Dollars

P = the option premium in US Dollars

### **b) Settlement of exercised position**

The exercise of an option means that the holder shall enter into a short position on the 4/5 Arabica Coffee Futures Contract and the writer shall enter

into a long position on the 4/5 Arabica Coffee Futures Contract, both at the corresponding strike price.

The requirements relating to margin, cash settlement of variation margin and cash settlement upon expiration outlined in the 4/5 Arabica Coffee Futures Contract shall apply to both cases.

#### **4. Special conditions**

##### **a) Extraordinary Holiday**

Extraordinary Holiday is defined as the holiday not foreseen in the national, state, or local calendar and not reflected in the calendar published by B3, established by competent authorities, which does not permit the occurrence of a Trading Session at B3.

If the Extraordinary Holidays correspond to the days previously considered Business Days and occur:

- i.** On the Expiration Date: the Expiration Date considered will be the Business Day immediately before the Extraordinary Holiday.

##### **b) Other unforeseen situations**

In situations not foreseen in this instrument, including , without limitation, those arising from acts emanating from government entities, regulators or other or competent authorities as well as any others that directly or indirectly impact formation, calculation, representativity, publication, availability or continuity of the underlying asset or any of the variables of this contract, B3 will, at its sole discretion, aiming to the settlement, continuity or extension of the contract on equivalent terms.

#### **5. Margin for writer**

Margin shall be required from all writers, which amount will be calculated in accordance with the criteria published by B3, which may be updated daily. The margin will be due on the next Business Day. For non-resident investors, if the next Business Day is a bank holiday in New York, the margin will be due on the first Business Day following the trade date. Any conversion of margin amounts, if necessary, will be made observing, as applicable, the provisions of clause 6.

## **6. Form of payment and receipt of amounts related to cash settlement and conversion of margin costs**

Cash Settlement of day trades, variation margins, on expiration and of operating costs, as well as the conversion of margin values will be made as follows:

### **a) Non-resident clients - Regulated by CMN Resolution 2.687**

Settlement in USD in New York, in the United States of America, via settlement institutions authorized by B3.

#### **i. Pass-through of exchange-rate variation**

B3 will obtain the Agreed Exchange Rate and will do so based on the exchange quotation obtained by B3 from an exchange institution. Any financial difference between the settlement value of the principal determined by the B3 reference exchange rate and the settlement value calculated based on the Exchange Rate will be fully transferred to the non-resident principal.

The amount of the financial pass-through is calculated daily on the basis of the settlement value due by the non-resident investor, and the respective financial entry is included in the investor's multilateral net balance on the settlement date.

The following formula is used to calculate the pass-through amount:

$$VR_t = Trunc \left\{ V_{liqDO}L_t \times \left[ \left( \frac{Tx_{referencialB3t}}{Tx_{cambio_t}} \right) - 1 \right]; 2 \right\}$$

Where:

$VR_t$  = value of the daily pass-through in USD for date "t"

$V_{liqDO}L_t$  = investor's settlement value in USD on date "t"

$Tx_{referencialB3t}$  = the exchange rate of BRL/USD as defined above, on date "t"

$Tx_{cambiocontrat}$  = the agreed exchange rate used by B3 for trades by non-resident investors pursuant to CMN Resolution 2687, on date "t";

**b) Resident and non-resident investors – (except for CMN Resolution 2687)**

The settlement is made in Reals as outlined in the B3 Clearinghouse Operating Procedures Manual.

If applicable, it will be made by the B3 Reference Exchange Rate for a specific date according to the nature of the value settled:

- i. On the settlement of day trade transactions: the exchange reference rate on the transaction day.
- ii. On the settlement of daily variation margins: the reference exchange rate on the date to which the variation margin refers; and
- iii. For cash settlements upon expiration: the reference exchange rate on the business day before the date of the cash settlement.

For the conversion of amounts related to trading costs expressed in US dollars, if necessary, the Exchange Rate (PTAX) shall apply.

## 7. Applicable Law

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

## **8. Application of B3 standards and regulations**

All standards, regulations, rules and procedures published by B3 shall apply to this instrument.