

March 22, 2019
028/2019-VOP

EXTERNAL COMMUNICATION

To: B3's Market Participants – BM&FBOVESPA Segment

Re: **Delivery of Upgrades to BM&FBOVESPA Clearinghouse's Systems.**

The following upgrades to BM&FBOVESPA Clearinghouse's processes and systems, developed in response to requests from participants, will go live on **April 29, 2019**:

- In the capture process for transactions without CCP and with gross settlement except distribution offerings, the designated accounts may have give-up links, provided any specific rules for each transaction are observed.
- In the gross settlement process, the transfer of funds to the STR will be performed by the settlement agent of the full trading participant or settlement participant responsible for the designated allocation or give-up account, instead of the custody agent designated for the transaction, as is currently the case.

To use the new functionality, full trading participants and settlement participants must appoint a settlement agent to perform the settlement of their own transactions and those of their clients.

It is important to note that applications to register settlement agents must be formalized by submitting the Appointment Form attached as the Annex to this External Communication to B3's Participant Registration Center.

The upgrades described in this External Communication are now available in the certification environment.

Anyone interested in testing and certifying the upgrades to BM&FBOVESPA Clearinghouse's processes and systems can request support by telephone on +55 11 2565-4400 or by email at cert@b3.com.br.

Further information can be obtained from Post-Trade Support by telephone on +55 11 2565-5000, option 3, or by email at ssp@b3.com.br.

Cícero Augusto Vieira Neto
Chief Operating Officer

Annex to External Communication 028/2019-VOP

INSTITUTION'S LETTERHEAD

[Place] Click here to insert date

To
B3 S.A. – Brasil, Bolsa, Balcão
Central de Cadastro de Participantes
Praça Antonio Prado, 48 – 4º andar
Centro, São Paulo – SP, 01010-901

Re: **Appointment of Settlement Agent**

By this private instrument, Participant [corporate name of participant], federal taxpayer no. CNPJ [CNPJ of participant], hereby appoints as its **Settlement Agent** [corporate name of settlement agent], federal taxpayer no. CNPJ [CNPJ of settlement agent], to perform the settlement of its own transactions and those of its clients in the categories selected below, in accordance with and for the purposes of the **Clearinghouse** Rulebook and Trading Procedures Manual, B3's Corporate Bylaws and Trading Rules, and other norms established by B3.

- ☐ Full Trading Participant
- ☐ Clearing Member
- ☐ Custody Agent
- ☐ Settlement Participant
- ☐ Registration Participant

The **Settlement Agent** undertakes to:

- 1) Comply with all the rules and procedures established in the **Clearinghouse** Rulebook and Trading Procedures Manual, as well as B3's other norms, regarding the transfer of funds for settlement of transactions in the **Clearinghouse** and related activities;
- 2) Implement all the procedures required to receive and transfer funds and information, including via messaging systems, from and to the **Clearinghouse**,

the Central Bank of Brazil and all other institutions that participate in the Brazilian Payment System (SPB), observing all applicable security and control rules and procedures;

- 3) Comply with the **Participant's** payment instructions in accordance with the terms of its agreement with the **Participant**;
- 4) Transfer all funds entrusted to it by the **Participant** or by the **Clearinghouse**, observing the flows and requirements of the latter's settlement process;
- 5) Immediately confirm situations in which discrepancies occur between the payment instructions sent to the **Clearinghouse** and the monetary amounts calculated by it, notifying these by telephone and formal letter addressed to the management of the **Clearinghouse**;
- 6) Advise B3 and the **Participant** without delay of any problem relating to credit or force majeure or of an operational or technological nature, or any occurrence that may totally or partially prevent execution of an instruction to transfer funds;
- 7) Advise B3, in compliance with the applicable confidentiality rules, of any evidence indicating the possibility of non-compliance by the **Participant** with its settlement obligations.

The **Settlement Agent** may accept or refuse an order to transfer funds from the **Participant**, in accordance with specific criteria established contractually between the parties.

The **Participant** and **Settlement Agent** assume full responsibility to each other and the **Clearinghouse** for all the obligations that pertain to their respective qualities.

In the event of any change in the relations and contractual ties between the **Participant** and **Settlement Agent**, they must notify the **Clearinghouse** of the change, and they hereby acknowledge that all such changes will be effective only after any pending obligations are met.

If the **Participant** and **Settlement Agent** belong to the same financial conglomerate, the **Settlement Agent** assumes full responsibility for compliance with the **Participant's** obligations to the **Clearinghouse**, regardless of whether it receives the corresponding payment instructions and notwithstanding the obligations assumed in accordance with previous items.

This appointment will remain in force until all pending matters between the **Participant** and B3 have been resolved.

Participant

(names of legal representatives)

Settlement Agent

(names of legal representatives)

Witnesses:

Name:

RG:

CPF:

Name:

RG:

CPF: