

September 13, 2017

058/2017-DP

C I R C U L A R L E T T E R

To: B3 Market Participants – BM&FBOVESPA Segment

Re: **Accreditation Process in the Market Maker Program for Commodities Futures Contracts.**

B3 hereby informs you of the start of the accreditation process in the Market Maker Program for Commodities Futures Contracts (Program).

For this Program, there will be accreditation of up to five (5) Market Makers for each one of the following futures contracts and mini futures contracts:

- (i) Cash Settled Crystal Sugar (**ACF**);
- (ii) Cash Settled Live Cattle (**BGI**);
- (iii) 4/5 Arabica Coffee (**ICF**);
- (iv) Cash Settled Hydrous Ethanol (**ETH**);
- (v) Cash-Settled Corn (**CCM**);
- (vi) Cash-Settled Soybean at the Price of the CME Group Mini-Sized Soybean (**SJC**) Futures Contract; and
- (vii) Cash-Settled Mini Crude Oil Contract at the Price of the CME Group Light Sweet Crude Oil (**WTI**) Futures Contract.

Accreditation process

Institutions that wish to take part in this Program can find the relevant information in the Procedures Guide for the Accreditation of Derivatives Contract Market Makers (Guide), available at [www.bmfbovespa.com.br/en_us/Services, Market Maker, Join in, Accreditation](http://www.bmfbovespa.com.br/en_us/Services/Market%20Maker/Join%20in/Accreditation).

If the number of accreditation requests surpasses the number of available openings and/or if they are made outside of the time frame given in this Circular Letter (as long as there is due justification for this delay), the selection of the Market Makers to be accredited shall be at the sole discretion of B3.

Time frames

Submission of the Instrument of Accreditation	Registration of accounts	Start of activity	End of link
By November 10, 2017	November 30, 2017	December 14, 2017	December 13, 2018

B3 may, at its sole discretion, assess the accreditation applications submitted outside the time frames indicated in this Circular Letter, provided there is due justification for this.

Activity parameters

The Market Makers accredited in this Program shall register bids and offers by adopting the following activity parameters: (i) spread; (ii) round lot; (iii) activity period during the trading session; (iv) dates of activity; and (v) mandatory contract months (Parameters).

These Parameters will be defined after suggestions have been submitted by institutions interested in participating in the Program as Market Makers by November 10, 2017 by e-mail to: formadordemercadob3@b3.com.br and comercialemercado@b3.com.br. After evaluating the suggestions received by B3, the Parameters will be published via news agency and at www.bmfbovespa.com.br/en_us/, Services, Market Maker, Derivatives, Futures.

Should Market Makers' activity be mandatory for the first contract month available to trade, such activity must occur up until the fifth (5th) business day before the expiration date. As of the fourth (4th) business day before the expiration date, Market Makers' activity shall not be mandatory for the first contract month, but for the subsequent contract months authorized to trade in accordance with the Parameters set forth by B3.

Test period

The accredited institutions shall enjoy the Market Maker benefits specified below, without having to observe the activity Parameters, for up to ten (10) business days before the start of its formal activity, so that it can execute connectivity, trading session and order routing tests, as well as other necessary technological

configurations. After the Test Period, the activity of the institutions accredited as Market Makers shall be monitored by B3.

Maximum number of parameter breaches

Accreditation to this Market Maker Program may be cancelled if, more than twelve (12) times there are unjustified breaches of the Parameters and/or obligations set forth in this Circular Letter and in the Agreement of Accreditation for Market Maker Activity, or if there is a justification not accepted by B3.

Minimum time frame for activity

If the accredited institution desists from the process, without having begun its activities as Market Maker in this Program, it shall be exempted from meeting the minimum time frame for activity. If this cessation occurs after the start of its activity, the Market Maker must, without fail, comply with the thirty (30) days prior notice as set forth in the Circular Letter 109/2015-DP of October 8, 2015.

Waiver of obligations

In periods when there are no trading sessions on the CME Group electronic trading platform, and on holidays in the New York or Chicago markets, Market Makers shall be exempted from complying with the activity Parameters for the following derivatives: (i) Cash-Settled Soybean at the Price of the CME Group Mini-Sized Soybean (SJC) Futures Contract; and (ii) Cash-Settled Mini Crude Oil Contract at the Price of the CME Group Light Sweet Crude Oil (WTI) Futures Contract.

Benefits

The accredited institutions shall be exempted from Exchange Fees and fees related to: (i) fixed and variable registration, (ii) settlement, and (iii) permanence charged on transactions carried out with the contracts mentioned in this Circular Letter for any one of their contract months.

It should be noted that the flow of messages, trades and volume generated by the accredited institutions will not be considered for the purposes of the Policy for

the Control of Trading Messages, as set forth in Circular Letters 039/2013-DP of May 27, 2013 and 050/2013-DP of July 30, 2013.

General provisions

Any omissions regarding this accreditation process and the Program shall be resolved by B3.

Further information may be obtained from the Client and Business Development Department, by telephone at (+55 11) 2565-7498.

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