

May 25, 2017

036/2017-DP

CIRCULAR LETTER

To: B3 Market Participants – Equity and Derivatives Segments

Re: **Exclusive Investment Fund Accreditation as Market Maker.**

As announced through Circular Letter 106/2016-DP of November 08, 2016, B3 allows the accreditation of exclusive investment funds (Exclusive Fund), duly incorporated pursuant to CVM Instruction 555 of December 17, 2014, so that these can operate as market makers for securities accepted for trading in the markets that it operates.

The legal basis of this permission is the authorization that was granted by the Securities and Exchange Commission of Brazil on October 04, 2016.

Seeking to enhance this model, considering that not all of the business groups which use exclusive funds for the execution of their activities (and which have expressed an interest in using this type of structure for market making activity) perform the activity of investment fund administrator, B3 informs you that it will henceforth accredit as market maker, as of May 26, 2017, Exclusive Funds whose manager and sole shareholder are the same financial institution or financial institutions in the same business group, should the activity of administrator be exercised by another institution.

In this regard, for the purposes of item 2 of Chapter I of the Rules for Accreditation of Market Makers in the Markets Managed by BM&FBOVESPA (Market Maker

036/2017-DP

Rules), announced in Circular Letter 004/2012-DN of April 15, 2012, please note that the following may also carry out market maker activity:

- Exclusive Funds whose shareholder and administrator are the same financial institution or financial institutions that are part of the same business group, should management activity be exercised by the administrator;
- Exclusive Funds whose shareholder and manager are the same financial institution or financial institutions that are part of the same business group, should management activity not be exercised by the administrator.

Please note that the Exclusive Funds' rules must foresee their activity as market makers, clearly identifying their intentions as regards the exercise of this activity.

The obligations and responsibilities contained in the Market Maker Rules will be attributable (i) to the administrator, if it is the party responsible for management of the Exclusive Fund; or (ii) the manager, if the administrator is not the party responsible for management of the Exclusive Fund.

The accredited Exclusive Funds will be entitled to the benefits that B3 grants to market makers.

Finally, it is incumbent upon BM&FBOVESPA Market Supervision (BSM) to supervise and inspect compliance with the rules described herein.

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

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