



August 31, 2021

103/2021-PRE

CIRCULAR LETTER

To: Listed B3 Participants

Re: **Accreditation Process for the Market Maker Program for the Nikkei 225 Futures Contract (INK).**

Up to three market makers will be accredited under this program.

If the accreditation requests exceed the number of openings provided, B3 will select the market makers to be accredited at its sole discretion.

Please note that in this program the market maker will also trade in the Nikkei 225 Futures Rollover (NK1). The market maker can request exemption from activity in the rollover, in which case it will have no rights to the respective benefits from these transactions.

Accreditation procedure

Institutions that want to take part in this program can find advice in the Procedures Guide for the Accreditation of Market Makers (Accreditation Guide), available at www.b3.com.br/en_us, Products and Services, Trading, Market Maker, Join in, Accreditation.

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Timetable

Accreditation Instrument Filed	Accounts registered	Activity starts	Obligation ends
By Sep. 10, 2021	Sep. 24, 2021	Oct. 1, 2021	Dec. 12, 2022

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

Activity parameters

Market makers accredited for this program must enter bids and asks in accordance with the trading parameters that B3 defines.

The list of options on single stocks eligible for the program and the respective activity parameters can be found in the document Nikkei 225 Futures Contract Market Maker Program Rules, available at www.b3.com.br/en_us, Products and Services, Trading, Market Maker, Join in, Programs, Nikkei 225 Futures (INK).

Market makers are required to register bids and asks in INK until the last business day before the expiration date of the first contract month that is available for trading. As of the fourth and third business days before expiration, market makers are obliged to trade in the Nikkei 225 Futures Rollover (NK1). After this, the market maker obligation passes onto the following contract month.

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

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

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

Test period

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

Maximum number of parameter breaches

Market makers' accreditation under this program may be cancelled in the event of more than twelve (12) unjustified breaches of the activity parameters and/or of the obligations set forth in this Circular Letter and in the Market Maker Accreditation Instrument, or if the justification is not accepted by B3. The agreement is available at www.b3.com.br, Products and Services, Trading, Market maker, Join in, Contracts.

Exemption from compliance with obligations

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During public holidays on the New York, Chicago or Tokyo marketplaces, the market makers will be exempted from meeting the activity parameters. They will also be exempted from mandatory activity in periods in which there is no trading session at the CME Group or JPX Group trading platforms.

Minimum activity period

If a market maker desists from the accreditation process without having begun its activities under this program, it will be exempted from meeting the thirty-day minimum activity period established in Circular Letter 109/2015-DP, dated October 8, 2015. If a market maker withdraws after this period, it must comply with the thirty-day activity requirement without fail so that its de-accreditation can be communicated to the market.

Benefits

Accredited market makers will be exempted from the single fee and settlement fee (if applicable) on trades in any contract month of this program's assets.

The flow of messages, trades and volumes generated by accredited institutions will not be considered for the purposes of the Policy for the Control of Trading Messages, as set forth in Circular Letter 039/2013-DP, dated May 27, 2013, and Circular Letter 050/2013-DP, dated July 30, 2013.

General provisions

B3 will resolve any omissions in regard to this accreditation process and to the program.

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Further information can be obtained from the Electronic Trading Department by calling +55 11 2565 5021 or emailing formadordemercadob3@b3.com.br.

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