

## **Change in the expiration time of the UDS Strategy Functionality in the Derivatives segment**

Intended for segment participants: Listed

Summary: Starting from 07/14/2025, the automatic expiration of the strategy code will occur on the same date that the instrument with the shortest expiration of the strategy expires.

Since 03/23/2019, B3 has offered, on the PUMA Trading System trading platform, the UDS Strategy (User Defined Strategy) functionality for the following assets and derivatives: futures, spot, options on available and options on futures traded on the B3 stock market.

The UDS functionality makes it possible to trade multiple instruments in a single trade, mitigating the risk encountered when trading each of the instruments individually. The creation of UDS can be carried out by the participant himself or by B3, upon request.

Circular Letter 135/2023-PRE, of 07/27/2023, communicated the implementation, on 08/28/2023, of the trading tunnels for strategies through the UDS functionality, allowing continuous executions throughout the trading session. It also consolidated the trading rules of the UDS Strategy Feature.

On that occasion, it was informed that the automatic expiration of the strategy code would occur on the second Friday from its creation date, if not traded in the expiration week. However, we have clarified that the expiration will now occur on the same date that the shorter date expires.

We clarify that the other information and rules previously disclosed in Circular Letter 135/2023-PRE have not been changed and are consolidated in the Annex of this Circular Letter. In this way, this Circular Letter revokes and replaces Circular Letter 135/2023-PRE of 07/27/2023.

The rules regarding the trading tunnels of the UDS functionality have not been changed and are included in the [B3 Trading Operating Procedures Manual](#).

The trading of UDS Strategy respects the rules described below and in the Annex to this Circular Letter.

- Trading of derivatives strategies that are set up in the same trading core in the PUMA Trading System will only be permitted;
- Strategies composed of derivatives will only be accepted by the trading system if they have the same standard lot and the same minimum tick size;
- The pricing of the strategy is carried out automatically by the trading system, using the pricing model defined by B3, considering:
  - a. determination of the fair value of the strategy by calculation based on the reference price of each of its individual components, using the most recent price between the settlement price and the last trade for futures and spot contracts, and the most recent price between the reference price or the last trade for options contracts on available and options on futures.
  - b. verification of the difference between the negotiated price and the fair value; and
  - c. the price adjustment of each individual component of the strategy.
- Operations originating from strategies have priority in closing, even if the price of each individual component is less than or equal in the purchase or greater or equal in the sale than the price of the best offer recorded in the order book;
- It is not allowed to carry out strategy operations that use instruments that have been suspended or prohibited from trading. If one of the components of the

strategy is in auction, the end of the strategy auction will be conditioned to the end of the component auction;

- Strategy operations are disclosed with a different indication and are subject to the daily fluctuation limits of each component;
- The strategy code will automatically expire on the same date that the shortest paw expires, based on its creation date;
- Trades arising from strategies will not trigger stop offers, as well as will not affect the price of the last trade, settlement price, or the statistics of the instruments that compose it;
- The instrument code for Strategy trading must be initiated by the unique identification for all UDS, consisting of 3 (three) characters "**UD:**"; preceded by the identification of the merchandise code, consisting of 3 (three) characters; of the strategy type, consisting of 2 (two) characters; and a sequential number of up to 6 (six) characters, as shown in the example: UD:DOLGN100001.

The table with the division of derivatives by trading cores, the types of strategy allowed by the system, as well as the list of commodities and strategies authorized for this trading model, are available in [Trading Rules | B3](#).

For more information, please contact our call centers.

Central – Operations Service

+55 (11) 2565-5022

[negociacao@b3.com.br](mailto:negociacao@b3.com.br)

Central – Negotiation Support

+55 (11) 2565-5021

[suporteanegociacao@b3.com.br](mailto:suporteanegociacao@b3.com.br)

**B3 S.A. – Brasil, Bolsa, Balcão**

**Annex 1****TYPES OF STRATEGIES – UDS****1. FF – Future vs. Future and Option vs. Option****Features**

- It involves derivatives from the futures or options market with up to 4 (four) components;
- It can be carried out with derivatives of the same or different underlying assets.

**Future x Future Composition**

- Purchase: 1 (one) lot of futures contract
- Sale: 1 (one) lot of futures contract

**Composition Option x Option**

- Purchase: one (1) lot of option contract
- Sale: 1 (one) lot of option contract

**2. FO – Future vs. Option****Features**

- It involves derivatives from the futures and options market with up to 4 (four) components;
- The derivative in the option market must have as its underlying asset the same corresponding futures contract in the composition of the UDS.

**Composition**

- Purchase: 1 (one) lot of futures contract
- Sale: 1 (one) lot of option contract
- Purchase: one (1) lot of option contract

### **3. 3W – 3 Way**

#### **Features**

- It involves series of options on the same underlying asset, same expiration and different strike prices.

#### **3-Way Call Spread Composition**

- Purchase: 1 (one) lot of call option contract (Call)  
Strike Price X – Expiration A
- Sell: 1 (one) lot of call option contract (Call)  
Exercise price Y – Expiration A
- Sale: 1 (one) lot of put option contract (Put)  
Exercise price Z – Expiration A

#### **3-Way Put Spread Composition**

- Purchase: 1 (one) lot of put option contract (Put)  
Strike Price X – Expiration A
- Sale: 1 (one) lot of put option contract (Put)  
Exercise Price Y – Expiration A
- Sale: 1 (one) lot of call option contract (Call)  
Exercise price Z – Expiration A

### **4. BX – Box**

#### **Features**

- It involves the purchase of a call option and the sale of a put option, at the same strike price, and the purchase of a put option and the sale of a call option, with the same strike prices equal to and higher than the others for the same underlying asset and the same expiration.

## Composition

- Purchase: 1 (one) lot of call option contract (Call)  
Strike Price X – Expiration A
- Sale: 1 (one) lot of put option contract (Put)  
Exercise Price X – Expiration A
- Sell: 1 (one) lot of call option contract (Call)  
Exercise price Y (greater than X) – Expiration A
- **Buy: 1 (one) lot of put option contract (Put)**  
Exercise price Y (greater than X) – Expiration A

## 5. BO – Butterfly

### Features

- It involves (i) the purchase of a call option at a certain strike price; (ii) the sale of two call options with an exercise price higher than the purchase price (i); and (iii) the purchase of a call option with an exercise price higher than the sale price (ii); **or** involves (iv) the purchase of a put option (Put) at a certain strike price; (v) the sale of two put options (Put) with an exercise price lower than the purchase price (iii); and (vi) the purchase of a put option (Put) with an exercise price lower than the sale (iv), all on the same underlying asset and with the same expiration date.

### Call Butterfly Composition

- Purchase: 1 (one) lot of call option contract (Call)  
Strike Price X – Expiration A
- Sell: 2 (two) lots of call option contract (Call)  
Exercise price Y (greater than X) – Expiration A
- Purchase: 1 (one) lot of call option contract (Call)  
Strike price Z (greater than Y) – Maturity A

### Put Butterfly Composition

- Purchase: 1 (one) lot of put option contract (Put)  
Strike Price X – Expiration A
- Sale: 2 (two) lots of put option contract (Put)  
Exercise price Y (less than X) – Expiration A
- Buy: 1 (one) lot of put option contract (Put)  
Exercise price Z (less than Y) – Expiration A

## 6. XT – Christmas Tree

### Features

- It involves three positions in the options market with symmetrical prices, i.e., the strike prices must be equidistant;
- It involves (i) the purchase of a call option at a certain strike price; (ii) the sale of a call option with a strike price higher than the purchase price (i); and (iii) the sale of a call option with an exercise price higher than the sale (ii); **or** involves (iv) the purchase of a put option (Put) at a certain strike price; (v) the sale of a put option with an exercise price lower than the purchase price (iv); and (vi) the sale of a put option (Put) with an exercise price lower than the sale (v), all on the same underlying asset, same quantity and same expiration date.

### Composition Call Christmas Tree

- Purchase: 1 (one) lot of call option contract (Call)  
Strike Price X – Expiration A
- Sell: 1 (one) lot of call option contract (Call)  
Exercise price Y (greater than X) – Expiration A
- Sell: 1 (one) lot of call option contract (Call)  
Exercise price Z (greater than Y) – Expiration A

### Composition Put Christmas Tree

- Purchase: 1 (one) lot of put option contract (Put)  
Strike Price X – Expiration A
- Sell: 1 (one) lot of put option contract (Put)  
Exercise price Y (less than X) – Expiration A
- Sell: 1 (one) lot of put option contract (Put)  
Strike price Z (less than Y) – Expiry A

### 7. 3C – 3 Way – Straddle x Call

#### Features

- It involves the purchase of a call option and a put option of the same underlying asset with the same strike price and expiration date, plus the sale of a call option of the same underlying asset with the same expiration date but a different strike price.

#### Composition

- Purchase: 1 (one) lot of call option contract (Call)  
Strike Price X – Expiration A
- Purchase: 1 (one) lot of put option contract (Put)  
Strike Price X – Expiration A
- Sell: 1 (one) lot of call option contract (Call)  
Exercise price Y – Expiry A

### 8. 3P – Straddle x Put

#### Features

- It involves the purchase of a call option and a put option of the same underlying asset, with the same strike price and expiration date, plus the sale of a put option



of the same underlying asset, same expiration date, but with a different strike price.

### Composition

- Purchase: 1 (one) lot of call option contract (Call)  
Strike Price X – Expiration A
- Purchase: 1 (one) lot of put option contract (Put)  
Strike Price X – Expiration A
- Sale: 1 (one) lot of put option contract (Put)  
Exercise price Y – Expiration A

## 9. DG – Diagonal

### Features

- Involves buying a longer-expiring call option and selling a shorter-expiring call option of the same underlying asset at different strike prices, or involves buying a longer-expiring put option and selling a shorter-expiring put option; of the same underlying asset, with different strike prices.

### Call Diagonal Composition

- Purchase: 1 (one) lot of call option contract (Call)  
Strike price X – Expiration A (long expiration)
- Sell: 1 (one) lot of call option contract (Call)  
Exercise Price Y – Expiration B (Short Expiry)

### Put Diagonal Composition

- Buy: 1 (one) lot of put option contract (Put)  
Strike price X – Expiration A (long expiration)
- Sell: 1 (one) lot of put option contract (Put)  
Exercise price Y – Expiration B (short expiration)

## 10. CO – Condor

### Features

- Condor Call: involves the simultaneous purchase of a call option (Call), with a low strike price, the sale of a call option (Call) with an average strike price, the sale of a call option (Call) with a high strike price, and the purchase of a call option (Call) with an even higher strike price relative to the market price, on the same underlying asset and with the same maturity date.
- Condor Put: involves the simultaneous purchase of a put option with a high strike price, the sale of a put option with an average strike price, the sale of a put option with a lower strike price, and the purchase of a put option with an even lower strike price relative to the market price. on the same underlying asset and with the same maturity date.

### Condor Call Composition

- Purchase: 1 (one) lot of call option contract (Call)  
Strike Price X – Expiration A
- Sell: 1 (one) lot of call option contract (Call)  
Exercise price Y (greater than X) – Expiration A
- Sell: 1 (one) lot of call option contract (Call)  
Strike price W (greater than Y) – Expiration A
- Buy: 1 (one) lot of call option contract (Call)  
Strike price Z (greater than W) – Expiration A

### Put Condor Composition

- Purchase: 1 (one) lot of put option contract (Put)  
Strike Price X – Expiration A
- Sell: 1 (one) lot of put option contract (Put)  
Exercise price Y (less than X) – Expiration A

- Sell: 1 (one) lot of put option contract (Put)  
Exercise price W (less than Y) – Expiration A
- Buy: 1 (one) lot of put option contract (Put)  
Exercise price Z (lower than W) – Expiration A

## 11. HS – Horizontal Straddle

### Features

- It involves the simultaneous trading of two straddles (purchase of a call option and purchase of a put option), at the same strike price and with a long expiry, and the sale of a call option and the sale of a put option, at the same lower strike price and with a short expiration) on the same underlying asset.

### Composition

- Purchase: 1 (one) lot of call option contract (Call)  
Strike Price X – Expiration A (Long Expiry)
- Buy: 1 (one) lot of put option contract (Put)  
Strike price X – Expiration A (long expiration)
- Sell: 1 (one) lot of call option contract (Call)  
Exercise price Y (less than X) – Expiration B (short expiration)
- Sell: 1 (one) lot of put option contract (Put)  
Exercise price Y (less than X) – Expiration B (short expiration)

## 12. DB – Double

### Features

- It involves buying a call option at a certain strike price and buying another call option at the larger strike price; or the purchase of a put option (Put) at a certain

exercise price and the purchase of another put option (Put) at the lower exercise price, all on the same underlying asset and the same expiration date.

### **Call Double Composition**

- Purchase: 1 (one) lot of call option contract (Call)  
Strike Price X – Expiration A
- Buy: 1 (one) lot of call option contract (Call)  
Exercise price Y (greater than X) – Expiration A

### **Composition Put Double**

- Purchase: 1 (one) lot of put option contract (Put)  
Strike Price X – Expiration A
- Buy: 1 (one) lot of put option contract (Put)  
Exercise price Y (less than X) – Expiration A

## **13. GT – Guts**

### **Features**

- It involves the simultaneous trading of two series, with the call option with an exercise price lower than the put option, on the same underlying asset and the same expiration date.

### **Composition**

- Purchase: 1 (one) lot of call option contract (Call)  
Strike Price X – Expiration A
- Buy: 1 (one) lot of put option contract (Put)  
Exercise price Y (greater than X) – Expiration A

## 14. SR – Strip

### Features

- It involves the purchase of four call or put options of the same underlying asset and the same exercise price, for four equidistant maturities.

### Call Strip Composition

- Purchase: 1 (one) lot of call option contract (Call)  
Strike Price X – Expiration A
- Buy: 1 (one) lot of call option contract (Call)  
Strike Price X – Expiration B
- Buy: 1 (one) lot of call option contract (Call)  
Strike price X – Expiration C
- Purchase: 1 (one) lot of call option contract (Call)  
Exercise price X – Expiration D

### Put Strip Composition

- Purchase: 1 (one) lot of put option contract (Put)  
Strike Price X – Expiration A
- Purchase: 1 (one) lot of put option contract (Put)  
Strike price X – Expiration B
- Purchase: 1 (one) lot of put option contract (Put)  
Exercise Price X – Expiration C
- Buy: 1 (one) lot of put option contract (Put)  
Strike Price X – Expiration D

- **15.12 – Ratio 1 x 2**

**Features**

- It involves two positions in the options market with different strike price and quantities, with the second quantity being twice that of the first, with the same expiration.

**Call 1 x 2 Composition**

- Purchase: 1 (one) lot of call option contract (Call)  
Strike Price X – Expiration A
- Sell: 2 (two) lots of call option contract (Call)  
Exercise price Y (greater than X) – Expiration A

**Composition Put 1 x 2**

- Purchase: 1 (one) lot of put option contract (Put)  
Strike Price X – Expiration A
- Sale: 2 (two) lots of put option contract (Put)  
Exercise price Y (less than X) – Expiration A

**16.13 – Ratio 1 x 3****Features**

- It involves two positions in the options market with different strike price and quantities, with the second quantity being three times that of the first, with the same expiration.

**Call 1 x 3 Composition**

- Purchase: 1 (one) lot of call option contract (Call)  
Strike Price X – Expiration A

- Sell: 3 (three) lots of call option contract (Call)  
Exercise price Y (greater than X) – Expiration A

### **Put Composition 1 x 3**

- Purchase: 1 (one) lot of put option contract (Put)  
Strike Price X – Expiration A
- Sale: 3 (three) lots of put option contract (Put)  
Exercise price Y (less than X) – Expiration A
- The **Ratio** type can be extended to a maximum of nine times the amount of the first.

### **17. 23 – Ratio 2 x 3**

#### **Features**

- It involves several positions in the options market with different strike price and quantities, with the quantity of the first being multiplied by two and the quantity of the second being multiplied by three, with the same expiration.

### **Call 2 x 3 Composition**

- Buy: 2 (two) lots of call option contract (Call)  
Strike price X – Expiration A
- Sell: 3 (three) lots of call option contract (Call)  
Exercise price Y (greater than X) – Expiration A

### **Put Composition 2 x 3**

- Purchase: 2 (two) lots of put option contract (Put)  
Exercise Price X – Expiration A

- Sale: 3 (three) lots of put option contract (Put)  
Exercise price Y (less than X) – Expiration A
- The **Ratio** type can be extended to a maximum of nine times the amount of the first.

## 18. RR – Risk Reversal

### Features

- It involves the purchase of a call option and the sale of a put option of the same underlying asset, with the same expiration, and the put option may have the same or lower strike price.

### Composition

- Purchase: 1 (one) lot of call option contract (Call)  
Strike Price X – Expiration A
- Sale: 1 (one) lot of put option contract (Put)  
Exercise price Y (equal to X or lower) – Expiration A

## 19. ST – Straddle

### Features

- It involves the simultaneous purchase of a call option and a put option on the same underlying asset, with the same strike price and the same expiration date.

### Composition

- Purchase: 1 (one) lot of call option contract (Call)  
Strike Price X – Expiration A
- Purchase: 1 (one) lot of put option contract (Put)  
Exercise price X – Expiration A



## 20. SG – Strangle

### Features

- It involves the simultaneous purchase of a call option (Call) and a put option (Put), where the call option (Call) has a higher strike price than the put option (Put), on the same underlying asset and with the same expiration date.

### Composition

- Purchase: 1 (one) lot of put option contract (Put)  
Strike Price X – Expiration A
- Purchase: 1 (one) lot of call option contract (Call)  
Exercise price Y (greater than X) – Expiration A

## 21. VT – Vertical

### Features

- It involves buying a call option at a certain strike price and selling a call option at a higher strike price; or a purchase of a put option (Put) at a certain exercise price and the sale of a put option (Put) with the lowest exercise price on the same underlying asset and with the same expiration date. It is also known as a Call Spread or Put Spread, depending on its composition.

### Vertical Call Composition

- Purchase: 1 (one) lot of call option contract (Call)  
Strike Price X – Expiration A
- Sell: 1 (one) lot of call option contract (Call)  
Exercise price Y (greater than X) – Expiration A

**Vertical Put Composition**

- Purchase: 1 (one) lot of put option contract (Put)  
Strike Price X – Expiration A
- Sale: 1 (one) lot of put option contract (Put)  
Exercise price Y (less than X) – Expiration A

**22. GN – Generic****Features**

- It involves strategies with construction validated by the system but not identified in the previously defined structures.