



**PROCEDURES GUIDE FOR
ACCREDITATION OF MARKET
MAKERS**

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SUMÁRIO

1. OBJECTIVE.....	3
2. ELIGIBLE INSTITUTIONS	3
3. DOCUMENTS.....	4
4. ACCREDITATION PROCEDURE.....	5
5. TRADING ACCOUNTS	6
6. CHANGING IN ACTIVITY PARAMETERS	9

PROCEDURES GUIDE FOR ACCREDITATION OF MARKET MAKERS

1. OBJECTIVE

This document aims to describe the procedures for submitting the documentation required for the accreditation of institutions interested in acting as Market Makers in Market Maker Programs

Market Makers must comply with all rules applicable to the exercise of their activity, as well as the B3 Regulations, Manuals and Circular Letters (Applicable Regulations), including:

- (i) CVM Instruction 133 dated 06/10/2022.
- (ii) Regulation for Market Maker Accreditation in Markets Managed by BM&FBOVESPA, published in Circular Letter 004 2012-DN, dated 03/15/2012 (Rules);
- (iii) Circular Letter 109/2015-DP, dated 10/08/2015.
- (iv) Circular Letter 084/2023-PRE, dated 05/31/23;

2. ELIGIBLE INSTITUTIONS

Institutions domiciled in Brazil or with residence, headquarters or domicile abroad, which meet the required regulatory requirements, may request accreditation.

The accreditation and execution of the Market Maker activity must occur in accordance with the Applicable Regulations and, furthermore, for institutions with residence, headquarters or domicile abroad, Resolutions 2,687 and 4,373, from the National Monetary Council, apply.

PROCEDURES GUIDE FOR ACCREDITATION OF MARKET MAKERS

Investment funds can be accredited in programs appointed by B3. For accreditation in programs hired by the issuer, the fund must be characterized as an exclusive fund, duly constituted under the terms of CVM Instruction 175, of 12/23/2022. The Funds' regulations must provide for the Market Makers activity, clearly identifying their purposes regarding the exercise of this activity.

Institutions domiciled in the United States of America (U.S. Person) that intend to request accreditation must observe, in accordance with the Registration Order with the U.S. Commodity Futures Trading Commission (CFTC). The list of products that can be accessed directly by U.S. Person, available at www.b3.com.br, Regulation, Foreign investment.

Institutions that are not participants of B3, under the terms of the Regulation and Access Manual, must present documentation proving that they have the operational infrastructure and financial capacity to act as a Market Maker, as well as appoint a Full Trading Participant through which will act as an intermediary (Broker).

3. DOCUMENTS

➤ Market Maker Agreement

The Agreement Market Maker (Master Contract) is signed between B3 and the Market Maker once, containing all the obligations inherent to its activity. Once the Agreement has been signed, for each new Program in which it intends to be accredited, the Market Maker must observe the accreditation instructions set out in the Program's Circular Letter in which it intends to act as a Market Maker. In case of changes in the Market Maker's data, the Market Maker must resend this Agreement to B3.

PROCEDURES GUIDE FOR ACCREDITATION OF MARKET MAKERS

➤ **Term of Accreditation**

Term of Accreditation is a document that qualifies the Market Maker to act in a specific Program published by B3, by completing it indicating: (i) the Circular Letter of the said Program; and (ii) the securities in which it intends to act, among those listed in the respective Circular Letter. It may contain so-called Specific Clauses, which are supervening provisions to those of the Market Maker Agreement, but whose application is limited to the Market Maker's actions in the Program covered by the Term of Accreditation. For each Program in which it intends to be accredited, the Market Maker must comply with the accreditation instructions set out in the Program's Circular Letter.

➤ **Required Documentation**

Institutions interested in acting as Market Makers must send a simple copy of: (i) the corporate documents, proving the representation powers of the company or the Fund; and (ii) the balance sheet and/or financial statements, preferably from the last 2 (two) years. The Necessary Documentation will be analyzed by B3, in the Accreditation Approval process.

4. ACCREDITATION PROCEDURE

- **If the institution has not signed the Market Maker Agreement, it must send to B3:**
 - Market Maker Agreement;
 - Required Documentation:
 - Term of Accreditation.

PROCEDURES GUIDE FOR ACCREDITATION OF MARKET MAKERS

Activity and benefit accounts must also be informed, as described in item 6, below.

➤ **If the institution has already signed the Market Maker Agreement, it must send to B3:**

- Term of Accreditation:
- Specific documentation required in the Program's Circular Letter.

Documents must be sent to the email formadordemercadob3@b3.com.br, indicating the Program to which it refers. Only emails that B3 confirmed to have been received will be considered valid.

The Market maker Agreement and Term of Accreditation templates are available in www.b3.com.br, Products and Services, Market Maker, Join in, Accreditation.

5. TRADING ACCOUNTS

The institution must indicate, by the published deadline date, the trading account and benefit account(s) of the accredited institution, as follows:

- **Mandatory trading account** – will be used for the purposes of monitoring Market Maker activities and applying the tariff benefit according to the program rules. Only orders sent by this account will be considered for analysis of compliance with obligations (spread, minimum lot, mandatory maturities and period of action during the trading session);
- **benefit account(s)** - will be considered for the applying the tariff benefit, where the broker will settle the Market Maker trades. This account may be the same as the trading account, or the participant may nominate a Clearing Member account.

PROCEDURES GUIDE FOR ACCREDITATION OF MARKET MAKERS

The registration request for the aforementioned accounts must be sent to formadordemercadob3@b3.com.br, respecting the following guidelines:

- Only requests made by the Market Maker or intermediary will be accepted;
- The Market Maker must inform the participant's code and account;
- The registration of benefit accounts from different participants will be permitted, as long as they belong to the Market Maker's CNPJ;
- The tariff benefit will only occur in the accounts in which the operations are settled (benefit accounts);
- The Market Maker may change, add or delete the account(s) when deemed necessary, upon prior notice to the B3 Operations Department, at least 5 (five) business days in advance, and it is necessary to wait for confirmation by part of B3;
- The Market Maker that operates in programs with delta hedging benefits must register, for each account in this program, a separate benefit account for hedge trades carried out on the underlying asset, to be entitled to the tariff benefit in accordance with the Program in which you are accredited, as shown below.

Exemple 1 – Trading account without give-up

The Market Maker sends buy and sell orders, in accordance with previously defined parameters, via broker 1's account 123, which is an account without a give-up link¹.

PROCEDURES GUIDE FOR ACCREDITATION OF MARKET MAKERS

In this case, registration of the following by B3 must be applied for:

[Participant code] – Mandatory trading Account	[1] – 123
[Participant Code] – Benefit account	[1] – 123

Exemple 2 – Trading account(s) and benefit(s) accounts with give-up links

The Market Maker sends buy and sell orders via broker 2's account 456, which has a give-up link, to broker's account 789. In addition, for benefits applying purposes it may also register broker 4's account 963, which has a give-up link to broker 9's account 122.

In this case, registration of the following by B3 must be applied for:

[Participant code] – Mandatory trading Account	[2] – 456
[Participant Code] – Benefit accounts	[2] – 789
	[9] – 122

Exemple 3 – Options on Bovespa Index

The Market Maker sends buy and sell orders for options on the Bovespa Index (IBOV) via broker 5's account 987. In addition, to perform delta hedging trades with futures contracts, it must use broker 5's account 654, which has a give-up link¹ to participant 7's account 321. For benefits applying purposes the Market Maker may also register broker 8's account 789 for IBOV and broker 7's account 456 (without a give-up link) in order to delta hedge IBOV trades using futures contracts.

PROCEDURES GUIDE FOR ACCREDITATION OF MARKET MAKERS

In this case, registration of the following by B3 must be applied for

	IBOV	Conta par (hedge com contrato futuro)
[Corretora] – Conta de atuação obrigatória	[5] – 987	[7] – 321
[Corretora] – Conta(s) de benefício (fins de isenção)	[8] – 789	[7] – 456

6. CHANGING IN ACTIVITY PARAMETERS

The market maker may request a change to the activity parameters (maximum spread and/or minimum quantity) sending a e-mail to, formadordemercadob3@b3.com.br, indicating the program and asset/derivative ticker to which it refers, with the appropriate justifications for such request. B3 will evaluate each request individually and may or may not accept the change.