

March 28, 2024
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CIRCULAR LETTER

Listed B3 Participants

Re.: **Launch of the Bitcoin Futures Contract and of the Bitcoin Futures Rollover Structured Transaction**

B3 hereby informs you that it has scheduled the date for provision of the Bitcoin Futures Contract and Bitcoin Futures Rollover Structured Transaction to be **April 17, 2024**.

This date is conditional upon the regulator approving the normative documents that are required for provision of the contract.

The technical specifications for the contract and for the rollover structured transaction are provided in the Annexes hereto.

More information on the Bitcoin Futures Contract is available at clientes.b3.com.br/en/, Roadmap, Projects, Cryptocurrency Futures.

Further clarification can be obtained from the Listed Products Department by telephone on +55 11 2565-4616 or from the Electronic Trading Department by telephone on +55 11 2565-5021/5022 or by email at tradingsupport@b3.com.br and trading@b3.com.br.

Gilson Finkelsztain
Chief Executive Officer

José Ribeiro de Andrade
Chief Product and Client Officer

Annex I to CIRCULAR LETTER 044/2024-PRE

BITCOIN FUTURES CONTRACT

1. Information

Object	Standardized bitcoin futures contract, in Brazilian Reals, traded on the exchange market operated by B3 S.A. – Brasil, Bolsa, Balcão (B3).
Ticker	BIT
Contract size	0.1 bitcoin.
Price quotation	In Brazilian Reals per bitcoin, to two decimal places.
Tick size	BRL 20 per bitcoin.
Expiration date	Normally on the last Friday of the contract month. If the last Friday of the month is a public holiday in London and the United States of America or there is no trading session on that date at B3, the expiration date will be the immediately previous trading session at B3 that is also a business day in London or the United States of America.
Last trading day	Expiration date.
Contract months	All months.
Settlement price	Brazilian Reals per bitcoin, to two decimal places, calculated daily by B3 in accordance with published rules. This price is used to update open positions and calculate daily variation margin.

2. Daily variation margin

Open positions at the end of each trading session are adjusted based on the settlement price (PA) of the day, and the amounts are cash settled on the following business day.

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The following formulas are used to calculate the daily variation margin up to the trading session immediately preceding the expiration date (inclusive):

a) For positions initiated on the day

$$AD_t = (PA_t - PO) \times TM \times n$$

b) For positions initiated on the previous trading day

$$AD_t = (PA_t - PA_{t-1}) \times TM \times n$$

AD_t = value of daily variation margin for date "t", in Brazilian Reals;

PA_t = settlement price for the respective contract month on date "t", in Brazilian Reals;

PA_{t-1} = settlement price for the contract for date "t-1" for the respective contract month.

PO = traded price in Brazilian Reals;

TM = contract size;

n = number of contracts.

If positive, the variation margin (AD_t) calculated according to the above formula is credited to the buyer and debited from the seller. If negative, it is debited from the buyer and credited to the seller.

3. Settlement conditions on expiration

Open positions are cash settled by B3 on the expiration date, by means of registration of an offsetting position (long or short) for the same number of contracts as the position, by the settlement amount in accordance with the following formula:

$$VL = P \times Tx C_t \times TM \times n$$

VL = contract settlement amount in Brazilian Reals;

P = Nasdaq Bitcoin Reference Price – Settlement, in US Dollars (USD), on the contract expiration date;

$Tx C_t$ = Brazilian Reals (BRL) exchange rate per U.S. Dollar (USD) for one-day settlement, calculated and published by B3;

TM = contract size;

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n = number of contracts.

The proceeds of cash settlement are transferred on the business day after the expiration date.

4. Special conditions

In situations not foreseen in this instrument, including without limitation those deriving from measures implemented by government entities, regulators or other competent authorities, as well as any other events that directly or indirectly affect the formation, calculation, representativity, publication, availability or continuity of the underlying asset or any of the variables of this contract, B3 will at its sole discretion take the measures it deems necessary for the contract's settlement, continuity or extension on an equivalent basis in compliance with its rules.

5. Governing law

This instrument is governed by and will be construed under the laws in force in the Federative Republic of Brazil.

6. Application of B3's rules and regulations

All norms, rules, regulations and procedures established by B3 apply to this instrument.

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Annex II to CIRCULAR LETTER 044/2024-PRE

BITCOIN FUTURES ROLLOVER STRUCTURED TRANSACTION

1. Information

B3 has developed a structured transaction to roll over the Bitcoin Futures Contract (BT1), also known as a calendar spread. This is not a new contract, but a structured transaction designed to enable simultaneous trading in two contract months.

B3's system will automatically convert BT1 transactions into two other transactions: an opposite-side trade in the first Bitcoin Futures contract month (short leg), and a trade in the second contract month on the same side as the BT1 (long leg). Thus, BT1 structured transactions will show no open interest at the end of the day but will be distributed across the corresponding Bitcoin Futures Contract months.

All cash amounts arising from BT1 rollover transactions will be calculated and settled in accordance with the procedures established for the Bitcoin Futures Contract, since there will be no open interest in BT1.

Margin requirements will be calculated by the method described in the B3 Clearinghouse Risk Management Manual.

With regard to price fluctuation limits, rollovers will not be accepted if the sum of the price assigned to the first contract month (short leg) and the financial

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difference traded in BT1 exceeds the price fluctuation limit for the second contract month (long leg).

2. Technical Characteristics

Bitcoin Futures Rollover Structured Transaction	
Object	Bitcoin Futures Rollover Structured Transaction in Brazilian Reals, traded on the exchange market operated by B3 S.A. – Brasil, Bolsa, Balcão.
Ticker	BT1
Quotation	Expressed in Brazilian Reals per bitcoin, to two decimal places.
Tick size	BRL 1 per bitcoin.
Round lot	Multiples of one contract, with one rollover structured transaction meaning one short leg contract and one long leg contract.
Contract month	Combination of contract months. Example: BT1HxxJxx
Side	Buy and sell

Automatically registered trade in the Bitcoin Futures Contract (short leg)	
Contract month	First contract month or short leg of the BT1 transaction.
Side	Opposite side to that of the BT1 transaction.
Price	Price of the last trade in the first contract month (short leg) executed when the transaction is registered, or reference price calculated by B3.
Number of contracts	The same as the quantity for the BT1 transaction.

Automatically registered trade in the Bitcoin Futures Contract (long leg)	
Contract month	Second contract month or long leg of the BT1 transaction.
Side	Same side to that of BT1.
Price	Price assigned to the first contract month (short leg) plus the price in Brazilian Reals traded in BT1.
Number of contracts	The same as the quantity for the BT1 transaction.

3. Special conditions

In situations not foreseen in this instrument, including without limitation those deriving from measures implemented by government entities, regulators or other competent authorities, as well as any other events that directly or indirectly affect the formation, calculation, representativity, publication, availability or continuity of the price of the underlying rate or any of the variables of this contract, B3 will at its sole discretion take the measures it deems necessary for the contract's settlement, continuity or extension on an equivalent basis in compliance with its rules.

4. Governing law

This instrument is governed by and will be construed under the laws in force in the Federative Republic of Brazil.

5. Application of B3's rules and regulations

All norms, rules, regulations and procedures established by B3 apply to this instrument.