



January 18, 2022

006/2022-PRE

## CIRCULAR LETTER

To: Listed B3 Participants

Re: **Procedures to Regularize Forward Contract and Securities Lending (BTB) Position Limits.**

As set out in Chapter 5 of the B3 Clearinghouse Risk Management Manual, B3 establishes position limits in the forward and securities lending (BTB) markets based on percentages applied to assets outstanding in the market.

These limits are defined in regard to assets traded in the equity and corporate debt markets. The prevailing position limits are foreseen in Circular Letter 090/2021-PRE, dated August 12, 2021.

If the position limit is reached, B3 will adopt procedures for its regularization, as described below:

1. When the position limit has demonstrably been reached for a determined underlying asset, B3 will publish an External Communication communicating the fact and will suspend registration of new contracts. The registration of contracts aimed at rollovers and the closeout of existing positions may occur, subject to B3's authorization.

This Circular Letter produces effects as of the date of its publication. Any specified time limits for validity shall apply.

This free translation is not legally binding. Any questions arising from the text should be clarified by consulting the original in Portuguese. In the event of any discrepancy, the original in Portuguese shall prevail.

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2. B3 will identify all the transactions where the limit has been reached in the market and in the underlying asset, ordered by the time and date of the trade or of the registration in a descending order (from newest to oldest), excluding rollover transactions.

B3 will define, following this ordering, the totality of transactions that must be closed out, so that total outstanding positions are covered by the prevailing limits, and will request that the participants responsible for these transactions close out these positions.

3. B3 will publish an External Communication informing the market of the reestablishment of the registration of new contracts for the market and underlying asset in question.

The volume of total open interest for each of the markets is available at:

- **forward:** [www.b3.com.br/en\\_us](http://www.b3.com.br/en_us), Market data and indices, Data services, Market Data, Reports, Equities, Forward markets, Open interest.
- **securities lending (BTB):** [www.b3.com.br/en\\_us](http://www.b3.com.br/en_us), Products and Services, Securities lending, Listed products, Reports, Open Positions.

Further information can be obtained from the Risk Management Department by telephone on +55 11 2565-5031.

Gilson Finkelsztain  
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Chief Operating Officer – Issuers,  
Depositary and OTC

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