With the intent of enhancing the process of electronic trading. BM&FBOVESPA establishes (i) a trading tunnel mechanism; and (ii) maximum limits for the size of the orders that can be entered into the system.

1. Trading Tunnels

The BM&FBOVESPA PUMA Trading System offers three complementary types of price tunnels: rejection tunnels, auction tunnels and protection tunnel.

1.1. Rejection Tunnel

The purpose of the rejection tunnel is to reduce the incidence of operational errors. Thereby preventing the insertion of incorrect orders into the trading system. The bids and asks entered into the trading system that are outside the rejection tunnel are automatically rejected by the system.

1.2. Auction Tunnel

Generally. The auction tunnel is narrower than the rejection tunnel. When reached. It will automatically cause the activation of the auction process.
In the event of a tunnel-activated auction. The adopted algorithm maximizes the traded quantity and generates all trades in one single price (fixing). The rules which are applicable to the tunnel-activated auction are available on the BM&FBOVESPA website: Regulations / Regulations and manuals / Operational / Regulation and Manual / Electronic Trading Session Rules

After the implementation of the auction tunnels. Minimum interference levels in the electronic trading system will no longer exist and the minimum order registration size during an auction will be based on the instrument's minimum lot.

1.3. Protection Tunnel

The protection tunnel during the auction is the price variation interval established by BM&FBOVESPA with the objective of automatically postponing the close of the auctions or of the opening and closing calls, if the theoretical price exceeds its upper or lower threshold. In the case of a postponement, BM&FBOVESPA will define the closing time of the auctions or calls.

The tables with the parameters used in the calculation of this trading tunnel are available at www.bmfbovespa.com.br, at Regulation / Regulations and Manuals / Operational / Trading Tunnels.

2. Maximum Order Size Limit

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With the aim of further improving the security of the order registration process. The Exchange established the maximum order size per instrument.

3. Modification of Parameters and Instrument Groups

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BM&FBOVESPA may. At any time and without prior notice. Modify the trading tunnel parameters. The maximum order size. And the distribution of contracts in the liquidity groups. On which the rules for cross trade registration are based.

The maximum order size limits in force. The list of contracts per liquidity group and the parameters related to the tunnel-activated auctions are available on the Exchange website: Regulations / Regulations and manuals / Operational / Regulation and Manual / Tunnels Trading Contract Type

4. Other Information

BM&FBOVESPA may de-activate or modify the configuration of any tunnel during a trading session. The Exchange may also. At its own discretion. Submit any registered transaction to auction. Even if such transaction is included in the auction tunnels.

The current daily price fluctuation limits remain unchanged.

One-Day Interbank Deposit Futures Contracts – Rules applicable to the Trading Tunnel

BM&FBOVESPA implemented the changes to the trading tunnel mechanism exclusively for the One-Day Interbank Deposit Futures Contracts. As follows:

- The rejection tunnel values will be identical to the auction tunnel values;
- There are three trading groups for these contracts: D1, D2 and D3, and the difference between them relates to the values of Rejection tunnels and maximum amounts per order.