

November 21, 2024  
017/2024-VPC

## CIRCULAR LETTER

Listed B3 Participants

Re.: **Launch of Weekly-Expiring Bovespa Index Call Options and Put Options**

B3 hereby informs you that as of **February 12, 2025**, Weekly-Expiring Bovespa Index Call Options and Put Options will be available for trading.

The specifications and the trading times of the contracts will be available as of the launch date at [www.b3.com.br/en\\_us/](http://www.b3.com.br/en_us/), Products and services, Trading, Equities, Bovespa Index, Options, Weekly Options.

The fee policy of the contracts will be available at [www.b3.com.br/en\\_us/](http://www.b3.com.br/en_us/), Products and services, Fee schedules, Listed equities and derivatives, Equities, Ibovespa and Brazil Index 50, Options.

Further information can be obtained from the Listed Products and Data Department by email at [derivativosequities@b3.com.br](mailto:derivativosequities@b3.com.br) or from the Trading Department by email at [tradingsupport@b3.com.br](mailto:tradingsupport@b3.com.br) and [trading@b3.com.br](mailto:trading@b3.com.br).

Mario Palhares  
Chief Operating Officer – Electronic  
Trading and CCP

Viviane El Banate Basso  
Chief Operating Officer – Issuers,  
Depository and OTC

## Annex I to CIRCULAR LETTER 017/2024-VPC

### WEEKLY-EXPIRING BOVESPA INDEX CALL OPTION CONTRACT

#### 1. Contract information

<b>Underlying</b>	Call Option on the Bovespa Index (Ibovespa) (Option) at the settlement price calculated and published by B3 S.A. – Brasil, Bolsa, Balcão (B3) (Underlying Asset) which gives the Holder the right to buy the Underlying from the Writer
<b>Parties to the contract</b>	<p>“Holder”: Option buyer who has the prerogative to buy the Underlying Asset of the Option</p> <p>“Writer”: Option seller who assumes the obligation to sell the Underlying Asset of the Option upon exercise by the Holder.</p>
<b>Premium</b>	The price of the Option paid by the Holder to the Writer, expressed in points, with each point equivalent to BRL 0.01.
<b>Tick size</b>	5 index points.
<b>Contract size</b>	Ibovespa multiplied by the value in Brazilian Reals of each point, as defined in the item ‘Premium’.
<b>Strike price</b>	The strike price is established and published by B3 and expressed in index points.
<b>Expiration weeks</b>	Every week of the month, except in the week of the Wednesday closest to the 15 <sup>th</sup> of the month.
<b>Last trading day</b>	Expiration date.
<b>Expiration date</b>	Every Wednesday of the month, except in the week of the Wednesday closest to the 15 <sup>th</sup> of the month. If that day is not a Trading Session Day, the expiration will occur on the subsequent date when there is a trading session.
<b>Style</b>	European.

This document produces effects as of the date of its publication. Any specified time limits for validity shall apply. This free translation into English from the original version in Portuguese is available for information purposes only, has not been reviewed by B3’s legal counsel, and is therefore not legally binding. Any questions arising from this free translation should be clarified by consulting the original version in Portuguese. In the event of any discrepancy between this free translation and the original version in Portuguese, the original version in Portuguese shall prevail.

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017/2024-VPC

For the purposes of this contract, (i) "Business Day" shall be considered the day for the purposes of transactions conducted in the national financial market, pursuant to Resolution 4.880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days on which there is a trading session at B3.

## 2. Exercise

Exercise is the transaction by which the Holder, upon request, exercises the right to buy the Underlying Asset of the Option at the strike price. Regardless of the request for exercise, the rights of the Holder and the obligations of the Writer will be automatically terminated on the expiration date of the Option.

On the expiration date of the Option, the exercise will be conducted by B3 if the settlement price of the Bovespa Index exceeds the strike price of the Option.

## 3. Settlement of the option

### 3.1. Premium cash settlement

The premium cash settlement will occur on the settlement date following the day of the transaction and the values will be calculated according to the following formula:

$$VP = P \times M \times Q$$

Where:

**VP** = premium cash settlement value, to the second decimal place

**P** = premium

017/2024-VPC

**M** = value in Brazilian Reals (BRL) of each index point, as defined in clause 1, in the "Premium" item

**Q** = volume of Options traded

### 3.2. Settlement of the exercised position

Exercised positions will be cash settled exclusively. The settlement value will be calculated according to the following formula:

$$VL = (IBV - PE) \times M \times Q$$

Where:

**VL** = Exercise settlement value

**IBV** = Value of the settlement Bovespa Index on the expiration date

**PE** = strike price

**M** = value in Brazilian Reals of each index point, as defined in clause 1 in item "Premium"

**Q** = volume of Options traded

The settlement value will be transferred on the second Trading Session Day following the expiration date.

### 4. Special conditions

#### a) Extraordinary Holiday

Extraordinary Holiday is defined as a holiday not foreseen in the national, state, or local calendar and which is therefore not reflected in the calendar published

017/2024-VPC

by B3, but which is established by competent authorities and does not permit the occurrence of a Trading Session at B3.

When the Expiration Date is an Extraordinary Holiday, the contract Expiration Date and reference for calculation of the premium settlement value will be postponed and will correspond to the first Trading Session Day following the Extraordinary Holiday, as described in Clause 1.

#### **b) Other unforeseen situations**

If, for any reason, the settlement price of the Ibovespa corresponding to the expiration date of the contract is not published, B3 may, at its discretion:

- i. Postpone official publication on the day; or
- ii. Arbitrate a settlement price in accordance with the B3 Clearinghouse Operating Procedures Manual.

### **5. Margin**

The margin criteria will be adopted as outlined in the B3 Clearinghouse Risk Management Manual.

### **6. Applicable Law**

This instrument is governed by and construed in accordance with the laws in force in the Federative Republic of Brazil.

### **7. Application of B3 standards and regulations**

017/2024-VPC



All standards, regulations, rules, and procedures published by B3 shall apply to this instrument.

## Annex II to CIRCULAR LETTER 017/2024-VPC

### WEEKLY-EXPIRING BOVESPA INDEX PUT OPTION CONTRACT

#### 1. Contract information

<b>Underlying</b>	Put Option on the Bovespa Index (Ibovespa) (Option) at the settlement price calculated and published by B3 S.A. – Brasil, Bolsa, Balcão (B3) (Underlying Asset) which gives the Holder the right to sell the Underlying to the Writer
<b>Parties to the contract</b>	<p>“Holder”: Option buyer who has the prerogative to sell the Underlying Asset of the Option</p> <p>“Writer”: Option seller who assumes the obligation to buy the Underlying Asset of the Option upon exercise by the Holder.</p>
<b>Premium</b>	The price of the Option paid by the Holder to the Writer, expressed in points, with each point equivalent to BRL 0.01.
<b>Tick size</b>	5 index points.
<b>Contract size</b>	Ibovespa multiplied by the value in Brazilian Reals of each point, as defined in the item ‘Premium’.
<b>Strike price</b>	The strike price is established and published by B3 and expressed in index points.
<b>Expiration weeks</b>	Every week of the month, except in the week of the Wednesday closest to the 15 <sup>th</sup> of the month.
<b>Last trading day</b>	Expiration date.
<b>Expiration date</b>	Every Wednesday of the month, except in the week of the Wednesday closest to the 15 <sup>th</sup> of the month. If that day is

	not a Trading Session Day, the expiration will occur on the subsequent date when there is a trading session.
<b>Style</b>	European.

For the purposes of this contract, (i) "Business Day" shall be considered the day for the purposes of transactions conducted in the national financial market, pursuant to Resolution 4.880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) "Trading Session Day", any of the days on which there is a trading session at B3.

## 2. Exercise

Exercise is the transaction by which the Holder, upon request, exercises the right to sell the Underlying Asset of the Option at the strike price. Regardless of the request for exercise, the rights of the Holder and the obligations of the Writer will be automatically terminated on the expiration date of the Option.

On the expiration date of the Option, the exercise will be conducted by B3 if the settlement price of the Bovespa Index is lower than the strike price of the Option.

## 3. Settlement of the option

### 3.1. Premium cash settlement

The premium cash settlement will occur on the settlement date following the day of the transaction and the values will be calculated according to the following formula:

$$VP = P \times M \times Q$$

Where:



017/2024-VPC

- VP** = premium cash settlement value, to the second decimal place
- P** = premium
- M** = value in Brazilian Reals (BRL) of each index point, as defined in clause 1, in the "Premium" item
- Q** = volume of Options traded

### 3.2. Settlement of the exercised position

Exercised positions will be cash settled exclusively. The settlement value will be calculated according to the following formula:

$$VL = (PE - IBV) \times M \times Q$$

Where:

- VL** = Exercise settlement value
- IBV** = Value of the settlement Bovespa Index on the expiration date
- PE** = strike price
- M** = value in Brazilian Reals of each index point, as defined in clause 1 in item "Premium"
- Q** = volume of Options traded

The settlement value will be transferred on the second Trading Session Day following the expiration date.

## 4. Special conditions

### a) Extraordinary Holiday

017/2024-VPC

Extraordinary Holiday is defined as a holiday not foreseen in the national, state, or local calendar and which is therefore not reflected in the calendar published by B3, but which is established by competent authorities and does not permit the occurrence of a Trading Session at B3.

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017/2024-VPC



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