

## **Mini U.S. Dollar Futures Contract**

### **– Specifications –**

#### **1. Definitions**

Settlement price (PA): the day's closing price, expressed in Brazilian Reals (BRL) per 1,000.00 United States Dollars (USD), to three decimal places, calculated and/or arbitrated daily by BM&FBOVESPA, at its sole discretion, for the purpose of updating the value of open positions and calculating the variation margin and for the settlement of day trades.

U.S. Dollar

Exchange Rate (TD): the offered exchange rate of Brazilian Reals per U.S. Dollar, as calculated and disclosed by the Central Bank of Brazil (BACEN), for cash delivery, traded in the foreign exchange market, transaction PTAX800, pursuant to the provisions of National Monetary Council Resolution 3.568/2008, as amended.

#### **2. Underlying asset**

The exchange rate of Brazilian Reals (BRL) per U.S. Dollar, as defined in item 1.

#### **3. Price quotation**

Brazilian Reals per USD1,000.00 to one decimal place.

#### **4. Ticker**

WDO.

#### **5. Tick size**

BRL 0.5 per USD1,000.00.

#### **6. Contract size**

USD10,000.00.

#### **7. Contract months**

All months.

#### **8. Expiration date**

The first business day of the contract month.

#### **9. Last trading day**

The last trading session at BM&FBOVESPA before the expiration date.

**10. Daily settlement of accounts**

The positions outstanding at the end of each session shall be settled according to the day's settlement price, as determined by BM&FBOVESPA rules, with cash settlement on the following business day. The daily settlement of accounts, for each contract month, shall be calculated up until and including the expiration date, in accordance with the following formulas:

**a) For the positions initiated on the day**

$$AD_t = (PA_t - PO) \times 10 \times n$$

**b) For the outstanding positions**

$$AD_t = (PA_t - PA_{t-1}) \times 10 \times n$$

where:

$AD_t$	=	the daily settlement value, in Brazilian Reals, corresponding to day "t";
$PA_t$	=	the settlement price on day "t" for the respective contract month;
$PO$	=	the trading price;
$n$	=	the number of contracts;
$PA_{t-1}$	=	the settlement price on day "t-1" for the respective contract month.

The daily settlement value ( $AD_t$ ), if positive, shall be credited to the buyer and debited from the seller; if negative, it shall be debited from the buyer and credited to the seller.

**11. Settlement conditions on expiration**

On the expiration date, open positions shall be cash settled by BM&FBOVESPA by means of the registration of an offsetting transaction (long or short) on the same number of contracts, at the settlement price (VL) in accordance with the following formula:

$$VL = TD_{t-1} \times 10.000 \times n$$

where:

$VL$	=	the cash settlement value per contract in Brazilian Reals;
$TD_{t-1}$	=	the exchange rate of Brazilian Reals to U.S. Dollar as recorded on the last business day of the month prior to the expiration month, as defined in item 1;
$n$	=	number of contracts.

Cash settlement shall be on the same day as the expiration date.

## **12. Special provisions**

Should BACEN delay disclosure, for one or more days, of the exchange rate defined as TD in item 1 of these contract specifications, or not disclose it, BM&FBOVESPA may, at its sole discretion:

- a) Postpone the contract's settlement up until an official disclosure of the rate by BACEN; or
- b) Close out open positions at the last settlement price; or
- c) Close out open positions at a value arbitrated by itself, if at its sole discretion it does not consider the last settlement price to be representative.

In each case, BM&FBOVESPA may also index the settlement value by arbitrating an opportunity cost from the expiration date to the effective cash settlement date.

Regardless of the situations described above, BM&FBOVESPA may close out open positions at any time by using an arbitrated value, should there be any event that in its view hinders the price discovery process and/or the continuity of this contract.

## **13. Further provisions**

This contract shall be subject, where applicable, to the prevailing legislation and to BM&FBOVESPA rules, regulations and procedures, as defined in its Bylaws, Operating Rules and Circular Letters, as well as to the specific rules set forth by the Brazilian governmental authorities that may affect the terms stated herein.

Should there be situations not covered by this contract, as well as governmental measures and any other fact, that affect the formation, calculation or disclosure of its variables, or even imply their discontinuity, BM&FBOVESPA may at its own discretion take the measures it deems necessary for the contract's cash settlement or continuity on equivalent basis.