Cash-Settled Mini Crude Oil Futures Contract at the Price of the CME Group Light Sweet Crude Oil (WTI) Futures Contract

– Specifications –

1. **Definitions**

Contract (specifications):	Terms and rules under which transactions will be executed and settled.
BM&FBOVESPA Reference Exchange Rate (TxC):	Exchange Rate in Brazilian Reals per United States Dollar, calculated by BM&FBOVESPA for settlement in one (1) day, in accordance with what is set out in Annex III of Circular Letter 058/2002-DG of April 19, 2002.
Business day:	For the purposes of this contract, a business day is considered any on which there is a trading session at BM&FBOVESPA and trading of the Light Sweet Crude Oil (WTI) Futures Contract on the CME Group. For the purposes of cash settlement and meeting margin calls, a day on which there is a trading session at BM&FBOVESPA shall be considered a business day.
BM&FBOVESPA or Exchange:	BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros.
CME Group:	Chicago Mercantile Exchange Group.

2. **Underlying Asset**
   The CME Group Light Sweet Crude Oil (WTI) Futures Contract.

3. **Price quotation**
   United States Dollar per barrel, to two decimal places.

4. **Tick size**
   USD0.01 (one cent of a United States Dollar) per barrel.

5. **Maximum daily price fluctuation**
   As established by BM&FBOVESPA.

BM&FBOVESPA may alter the price fluctuation limit applicable to any contract month at any time, even during a trading session, by communicating this information to the market with 30 minutes advance notice.

6. Trading Unit

100 (one hundred) barrels.

7. Contract months

Every month.

8. Number of authorized contract months

As authorized by BM&FBOVESPA.

9. Last Trading day and Expiration Date

The last trading day for the contract shall be the expiration date.

The expiration date for the contract shall be the fourth business day prior to the 25th (twenty fifth) day of the month prior to the contract month. If this date is a public holiday or if there is no trading on BM&FBOVESPA, the expiration date shall be the previous business day.

10. Daily settlement of accounts (variation margin)

The positions outstanding at the end of each session shall be marked-to-market according to that day's settlement price, based on the settlement price published by CME Group. The corresponding amount shall be cash settled on the following business day. The variation margin shall be calculated up to the expiration date by the following formulas:

a. For the positions initiated on the day

$$AD_t = ((PA_t - PO) \times 100 \times TxC) \times N$$

b. For the positions outstanding on the previous day

$$AD_t = ((PA_t - PA_{t-1}) \times 100 \times TxC) \times N$$

Where:

AD_t	=	the daily settlement value, in Brazilian Reals, corresponding to date "t";
PA_t	=	the day's settlement price, in US Dollars, on date "t," for the respective contract month;
PO	=	the trading price, in US Dollars;
N	=	the number of contracts;
PA_{t-1}	=	the settlement price, in US Dollars, of the previous business day for the respective contract month.
TxC	=	as defined in item 1.

The daily settlement value (AD_t) calculated as above, if positive, shall be credited to the buyer and debited from the seller. Should the calculation above present a negative value, the AD_t shall be debited from the buyer and credited to the seller. The settlement price or arbitrated price of the CME Group Light Sweet Crude Oil (WTI) Futures Contract for each of the authorized contract months, expressed in US Dollars per barrel (US$/barrel), shall be used as the PA_t.

Determination of the settlement price shall observe the "Special Provisions" set out in item 12.

11. Settlement procedures on expiration

The positions outstanding on the expiration date shall be cash settled by the Exchange through the registration of an offsetting transaction (buy or sell), for the same volume of contracts, at the day's settlement price (PA_t).

The settlement value of each contract shall be calculated in accordance with the following formula:

$$VL = PA_t \times 100 \times TxC$$

Where:

VL	=	the settlement value, in Brazilian Reals, per contract;
PA_t	=	the settlement price, in US Dollars;
TxC	=	as defined in item 1.

Settled amounts will be made available on the first business day following the expiration date.

12. Special provisions

Should for any reason CME Group delay or not publish the settlement price of the Light Sweet Crude Oil (WTI) Futures Contract, BM&FBOVESPA may at its discretion:

a) Arbitrate a settlement price at its discretion; or

b) Postpone contract settlement until official publication by CME Group; or

c) On expiration, close out outstanding positions at the last settlement price, or at a price arbitrated by the BM&FBOVESPA at its discretion.

Independently of the situations described above, if any situation should occur that hinders the free functioning of the cash market and/or the trading of this contract, BM&FBOVESPA may, at its own discretion, cash settle open positions at any time by using an arbitrated value.

13. Ex-pit transactions

BM&FBOVESPA shall allow ex-pit transactions up to the last trading day, as long as the conditions established by BM&FBOVESPA are met. These transactions shall be disclosed by BM&FBOVESPA but they shall not be subject to market interference.

14. Hedgers

Producers, refineries, fuel distributors, oil importers and exporters, suppliers of oil-based raw materials.

15. Margin requirements

Margin shall be required from all customers with outstanding positions, the value of which shall be updated daily by BM&FBOVESPA, in accordance with the margin calculation criteria for futures contracts.

16. Assets acceptable as margin

Those accepted by BM&FBOVESPA.

17. Trading costs

17.1 Exchange fees

Consist of the fees charged in accordance with the BM&FBOVESPA fee structure policy.

17.2. Due dates

The fees shall be due on a date established by BM&FBOVESPA.

18. 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, Rules, Manuals 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 any situation not covered by this contract, or governmental measures or any other facts that affect the formation, calculation or publication of its variables, or which imply its discontinuation, BM&FBOVESPA may, at its own discretion, take the measures it deems necessary for the contract's settlement or continuation, on equivalent bases.