

STRUCTURED IBOVESPA ROLLOVER TRANSACTIONS

BM&FBOVESPA has created the Structured Ibovespa Rollover Transaction, ticker IR1, which is also known as a calendar spread. This transaction does not represent a new contract, but only a mechanism that allows for the simultaneous trading of two maturities of the Ibovespa Futures Contract.

The IR1 transactions will be automatically transformed by the BM&FBOVESPA system into two other transactions: a transaction in the Ibovespa Futures Contract for the first contract month (short leg) on the opposite side; and another transaction for the second contract month (long leg) on the same side as that of the IR1. Thus, the IR1 structured transaction will show no open interest at the end of the day and the trades will be distributed among the respective contract months of the Ibovespa Futures.

Considering that there will be no open interest in IR1, all the cash amounts resulting from the IR1 structured transaction will be calculated and settled in accordance with the procedures established for the Ibovespa Futures Contract.

Margin requirements will be calculated based on the risk management system for the Ibovespa Futures Contract by taking into account the positions outstanding in this derivative.

Regarding the price fluctuation limit, no rollover transaction will be accepted where the price attributed to the first contract month (short leg), plus the IR1 traded price, exceeds the price fluctuation limit for the second month (long leg).

The other characteristics of the Structured Ibovespa Rollover Transaction are detailed below.

(a) Structured Ibovespa Rollover Transaction

- **Ticker:** IR1.
- **Maturity:** The combination of contract months. For example: IR1GxxJxx.
- **Side of the transaction:** Buy/sell.
- **Trading hours:** The same hours as those of the Ibovespa Futures Contract.
- **Price quotation:** Index points, with each point being BRL 1.00 (one Brazilian Real).
- **Tick size:** One index point.
- **Trading lot:** Multiples of five contracts.

(b) Automatic transaction to be registered in the Ibovespa Futures Contract (short leg)

- **Maturity:** The first contract month of the IR1 transaction.
- **Side of transaction (buy/sell):** The opposite side as that of the IR1 transaction.
- **Price quotation:** The price for the last executed trade for the first contract month (short leg) at the time the transaction is registered.
- **Number of contracts:** The same as that traded in the IR1 transaction.

(c) Automatic transaction to be registered in the Ibovespa Futures Contract (long leg)

- **Maturity:** The second contract month of the IR1 transaction.
- **Side of transaction:** The same side as that of the IR1 transaction.
- **Price quotation:** The price attributed to the first contract month (short leg) plus the IR1-traded Brazilian Real price.
- **Number of contracts:** The same as that traded in the IR1 transaction.