

December 07, 2023
207/2023-PRE

CIRCULAR LETTER

OTC and Listed B3 Participants

Re.: **Processing Procedures for the New November 20 Public Holiday**

We hereby inform participants of the processing procedures that the B3 Clearinghouse will follow if there is presidential ratification of Bill 3268/2021 making November 20 into the Black Awareness Day national public holiday.

The new November 20 public holiday will be included in the calendar of the B3 systems at the opening of the trading session that follows the presidential ratification being published in the *Diario Oficial da União* (DOU) federal gazette.

Therefore, on the publication date (T0), the B3 systems' calendar will remain unchanged and not consider the new public holiday. On the day following publication (T+1), however, the calendar for B3 Clearinghouse systems will already include November 20 as a non-business day.

For processing purposes, the reference date of publication in the DOU (T0) is defined as being from 12:00 a.m. to 11:59 p.m. of the day of effective publication of the relevant issue of the DOU, in other words the calendar will be reflected in B3's systems on the day following this publication date as long as it occurs up until 11:59 p.m.

1. Futures contracts

The daily variation margin for positions in futures contracts will be calculated as usual in compliance with the prevailing calendar and the contract specification. At the close of T0, the settlement price will follow the current calendar and at the T+1 close the settlement price will be calculated in accordance with the new calendar. Therefore, the daily variation margin to be settled in the T+2 multilateral settlement window will have the financial impact of the change in counting the business days up until expiration caused by the difference in calendars between T0 and T+1.

Calculation of the values of the curves of interest rate derivatives with daily variation margin, as foreseen in Circular Letter 115/2023-PRE, will follow the calendar that is in effect on the reference date for the calculation, in other words, reference date T0, for the current calendar, and reference date T+1, for the calendar with November 20 as a non-business day.

2. Listed options

The option premiums will be calculated as usual, using the calendar prevailing in the systems on the date. The reference premiums for T0 closing follow the current calendar. As of the opening of the T+1 trading session, the new calendar will be considered, encompassing calculation of the reference premiums and implicit volatilities of the T+1 close.

3. Securities lending

Securities lending positions expiring exactly on November 20 of any year as of 2024, including, night processing of T0, will have their expiration put back to the

next business day on which there is trading at B3. The other agreements' expiration dates will remain unchanged.

4. Listed forwards

Forwards expiring exactly on November 20 of any year as of 2024, including, night processing of T0, will have their expiration put back to the next business day on which there is a trading session at B3. The other contracts' expiration dates will remain unchanged.

5. OTC B3

In the case of OTC B3, there will be no automatic change to the characteristics of the financial instruments.

All positions with cash settlement on the date of this new public holiday will have settlement put back to the next business day.

The current rules for the current holidays will generally apply in the case of the new public holiday, in accordance with the respective financial instruments and systems.

6. Risk calculation

The new calendar will apply for risk calculation purposes as of the end-of-day calculation made one day after (T+1) publication in the DOU, thus impacting the margin required as of the opening on the second day after the publication in the DOU (T+2).

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Further information can be obtained from B3 Services – Settlement, by telephone on +55 11 2565-5014 or by email at settlement@b3.com.br; Risk, by telephone on +55 11 2565-5030 or email at risco@b3.com.br; and OTC by telephone on +55 11 2565-5044 and email at op.derivativosbalcao@b3.com.br.

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