

FTSE/JSE TOP40 FUTURES CONTRACT

1. Contract information

Underlying	Standardized futures contract based on the FTSE/JSE Top40 Index (Index)
Ticker	JSE
Contract size	Value of the FTSE/JSE Top40 Futures Contract multiplied by the value of a point expressed in Reals, equivalent to forty centavos (0.40 BRL)
Price Quotation	Points of the FTSE/JSE Top40 Futures Contract
Tick Size	1 Index point
Contract Months	March, June, September, and December
Expiration Date	<p>The third (3rd) Thursday of the expiration month.</p> <p>In case of holidays or if there is no trading session at the Johannesburg Stock Exchange (JSE), the contract's new Expiration Date shall be the first Trading Session in that market before such date, or any other day defined by JSE.</p> <p>If the third Thursday of the expiration month or the new Expiration Date defined by JSE is a holiday in Brazil and/or there is no trading session at B3, the contract's Expiration Date will be the next trading session on which there is a trading session at B3, with due regard for the Special Conditions in clause 4 below.</p>
Last Trading Day	The Business Day prior to the Expiration Date.

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 4880 of December 23, 2020, of the National Monetary Council, as amended from time to time; and (ii) “Trading Session Day”, any of the days in which there is a trading session on according to the calendar released by B3.

2. Daily settlement

Outstanding positions at the end of each trading session will be marked-to-market according to that day’s settlement price (PA) for the day, as per B3’s rules with cash settlement on the following Trading Session Day. The daily settlement will be calculated up to the expiration date in accordance with the following formulas:

a) Daily settlement for trades effected on the day

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

b) Daily settlement of outstanding positions

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

Where:

AD_t = daily settlement value, in Brazilian Reals, in reference to date “t”;

PA_t = settlement price for the contract. expressed in Index points on date “t” for the respective contract month;

PO = trade price in points;

M = price in Brazilian Reals of each index point, established by B3;

n = number of contracts; and

PA_{t-1} = settlement price of the contract on day “t-1” for the respective expiration.

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

3. Settlement Conditions on Expiration

Outstanding positions, after the last settlement price, shall be cash settled by B3 by means of the registration of an offsetting transaction (long or short) on the same number of contracts considering the FTSE/JSE Top40 Index, as provided by JSE.

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

$$VL = P \times M$$

VL = cash settlement value, in Brazilian Reals (BRL) for each contract;

P = Settlement Index, in points, corresponding to the settlement date of the contract;

M = price in Brazilian Reals of each index point, established by B3.

Cash settlement shall be made on the trading session following the expiration date.

4. Special Conditions

a) Extraordinary Holiday

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

For purposes of calculation of the settlement price, if an Extraordinary Holiday arises during the term of the contract in another day previously considered a Business Day, the settlement price will be calculated in the Trading Session Day following the Extraordinary Holiday, pursuant to clause 2.

When the contract Expiration Date is an Extraordinary Holiday: (i) the reference for capture of the settlement value will be maintained; and (ii) the contract Expiration Date 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

In situations not foreseen in this instrument, including, without limitation, those arising from acts emanating from government entities, regulators or other or competent authorities as well as any others that directly or indirectly impact formation, calculation, representativity, publication, availability or continuity of the underlying asset or any of the variables of this contract, B3 will, at its sole discretion, aiming to the settlement, continuity or extension of the contract on equivalent terms.

5. Applicable Law

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

6. Application of B3 standards and regulations

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