



October 14, 2021

124/2021-PRE

CIRCULAR LETTER

To: Listed B3 Participants

Re: Launch of Cash-Settled FOB Santos (Platts) Soybean Futures Contract, Options and Rollover

The Cash-Settled FOB Santos Soybean Futures Contract based on the S&P Global Platts SOYBEX® Price Assessment,¹ Call and Put Options on FOB Santos Soybean Futures (SOY) and the FOB Santos Soybean Futures Rollover (SO1) will be available for trading from **November 29, 2021** (inclusive).

1. Contract specifications

The contract specifications for the FOB Santos (Platts) Soybean Futures Contract, its Options and Rollover are set out in Annexes I, II and III to this Circular Letter, and are available at www.b3.com.br/en_us, Products and Services, Trading, Commodities, Soybean, Cash-Settled FOB Santos (Platts) Soybean Futures Contract.

2. Fee policy

No fees will be charged during the first 12 months of trading in FOB Santos (Platts) Soybean Futures, Options and Rollovers. In due course, B3 will publish the fee policy that will take effect on **November 30, 2022**.

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3. Parameters for calculating position limits

The parameters for calculating position limits for these instruments will be available from **November 12, 2021** at www.b3.com.br/en_us, Products and Services, Clearing and settlement, Clearing, Risk management, Position limit query, Limit rules.

4. Parameters for calculating margin requirements

The parameters for calculating margin requirements will be available from **November 29, 2021** at www.b3.com.br/en_us, Products and Services, Clearing and settlement, Clearing, Risk management, Risk model, Risk parameters.

5. Pricing

The pricing methodology for this futures contract will be available from **November 1, 2021** at www.b3.com.br/en_us, Market Data and Indices, Data services, Market data, Reports, Derivatives, Methodology, B3 Pricing Manual.

6. Cash settlement based on Platts Assessment

Settlement of positions carried to contract expiration will be based on the average SOYBEX® FOB Santos S&P Global Platts Assessment, as detailed in Annex I to this Circular Letter.

The SOYBEX® FOB Santos price assessment methodology can be found at www.spglobal.com/platts/en, Methodology, Methodology & Specifications, Agriculture, Specifications Guide Global Grains and Oilseeds.

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7. Trading hours

Trading hours are available at www.b3.com.br/en_us, Solutions, Platforms, PUMA Trading System, Participants and traders, Trading hours, Derivatives.

8. Trading tunnels

Tables with the parameters used to calculate rejection and auction tunnels are available at www.b3.com.br/en_us, Solutions, Platforms, PUMA Trading System, Participants and traders, Rules and trading parameters, Trading tunnel parameters.

The rule requiring an auction for the first trade of the day will apply to Cash-Settled FOB Santos (Platts) Soybean Futures and Rollovers.

Rejection and auction tunnels will be activated after the first trade of the day for these products.

The minimum interval for the parameter applied to the opening of call and put options on Cash-Settled FOB Santos (Platts) Soybean Futures (SOY) will be specified in the forthcoming version of B3's Trading Procedures Manual.

Further clarification can be obtained from the Listed Products Department by calling +55 11 2565-7118 or emailing produtos.commodities@b3.com.br.

Gilson Finkelsztain
Chief Executive Officer

José Ribeiro de Andrade
Chief Product and Client Officer

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Annex I to Circular Letter 124/2021-PRE

CASH-SETTLED FOB SANTOS (PLATTS) SOYBEAN FUTURES CONTRACT

– Contract specifications –

Underlying	Bulk soybeans, FOB Santos, 60,000 metric tons
Ticker	SOY
Contract size	34 metric tons
Quotation	United States Dollars per metric ton (USD/mt), two decimal places.
Tick size	USD 0.20/mt
Trading days	All days of the month on which trading sessions take place.
Contract months	All months.
Expiration date	The sixteenth day of the month prior to the contract month. If there is no trading session on that day, the expiration date is the day of the next trading session.
Last trading day	The business day before the expiration date.
Settlement at expiration	Financially settled



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Settlement price	The average of all SOYBEX® FOB Santos assessments published by S&P Global Platts during the average settlement price formation period.
Average settlement price formation period	From the sixteenth day of the second month prior to the contract month to the fifteenth day of the month prior to the contract month.

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Annex II to Circular Letter 124/2021-PRE

**CALL AND PUT OPTIONS ON CASH-SETTLED FOB SANTOS (PLATTS)
SOYBEAN FUTURES**

– Contract specifications –

Underlying	Bulk soybeans, FOB Santos, 60,000 metric tons
Ticker	SOY
Option style	American
Contract size	34 metric tons
Quotation	Option premium expressed in United States Dollars per metric ton (USD/mt), two decimal places.
Tick size	USD 0.20/mt
Trading days	All days of the month on which trading sessions take place.
Contract months	All months.
Expiration date	The sixteenth day of the month prior to the contract month. If there is no trading session on that day, the expiration date is the day of the next trading session.
Last trading day	The business day prior to the expiration date.

Settlement at expiration	<p>Options are exercised automatically by B3 on the expiration date on condition that:</p> <p><u>Call</u></p> <p>a) The difference between the settlement price for the futures contract and the option's strike price for the option holder is positive;</p> <p>b) The option holder does not register with the trading system their intention not to exercise the call on the expiration date.</p> <p><u>Put</u></p> <p>a) The difference between the option's strike price for the option holder and the settlement price for the futures contract is positive;</p> <p>b) The option holder does not register with the trading system their intention not to exercise the put on the expiration date.</p>
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Annex III to Circular Letter 124/2021-PRE

ROLLOVER OF CASH-SETTLED FOB SANTOS (PLATTS) SOYBEAN FUTURES

– Contract specifications –

Underlying	Cash-Settled FOB Santos (Platts) Soybean Futures Contract
Ticker	SO1
Contract size	Each rollover refers to one Cash-Settled FOB Santos (Platts) Soybean Futures Contract.
Quotation	United States Dollars per metric ton (USD/mt), two decimal places.
Tick size	USD 0.20/mt

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