

BM&FBOVESPA S.A.
BOLSA DE VALORES, MERCADORIAS E FUTUROS
The Brazilian Securities, Commodities and Futures Exchange

Brazilian Federal Taxpayer (CNPJ) No.09.346.601/0001-25
State Registration (NIRE) No. 35.300.351.452

Notice to the Market

Clarifications on changed rates of Tax on Financial Transactions (“IOF”)

With regard to Brazilian Securities Commission official letter dated October 20, 2010, under reference “Ofício/CVM/SEP/GEA-1/Nº397/2010,” BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros (“Company”) clarifies the following:

- i) In response to Presidential Decree No. 7,330 dated October 18, 2010, a number of investors and market analysts contacted the Company that very evening and again in the morning of October 19, 2010, to discuss the changes to the IOF tax rates. Thus, in the afternoon of October 19, the investor relations officer and other Company officers held a conference call to discuss our understanding of the Brazilian government action.

We believe the conference call did not require the Company releasing notice of material fact or any special notice to the market, given that its only purpose was a discussion of the Presidential Decree and related news reports, and included no support materials produced by us.

- ii) With regard to the news item according to which between October 18 and 19 our CEO and IRO gave conflicting statements about the matter, the report is not confirmed and the inference is attributed entirely to that news outlet.

São Paulo, October 20, 2010.

Eduardo Refinetti Guardia
Investor Relations Officer