



**BM&FBOVESPA S.A. – BOLSA DE
VALORES, MERCADORIAS E FUTUROS**
CNPJ nº 09.346.601/0001-25
NIRE 35.300.351.452
Publicly-held Company



**CETIP S.A. – MERCADOS
ORGANIZADOS**
CNPJ nº 09.358.105/0001-91
NIRE 33.300.285.601
Publicly-held Company

MATERIAL FACT

BM&FBOVESPA S.A. – BOLSA DE VALORES, MERCADORIAS E FUTUROS (“BM&FBOVESPA”) and **CETIP S.A. – MERCADOS ORGANIZADOS (“CETIP”)** hereby jointly inform you that on this date the management of BM&FBOVESPA, of COMPANHIA SÃO JOSÉ HOLDING (“**Holding Company**”) and of CETIP (Holding Company jointly with BM&FBOVESPA and CETIP, the “**Companies**”) as well as the Companies have entered into the Merger and Justification Agreement (“**Merger and Justification Agreement**”) for the purposes of the corporate reorganization described below (“**Transaction**”): (a) the absorption of the shares issued by CETIP by the Holding Company, whose total of the shares is on this date (and shall be on the date of the approval of the absorption of the shares issued by CETIP) the property of BM&FBOVESPA, and (b) the subsequent merger of the Holding Company by BM&FBOVESPA, which shall be submitted for approval by the respective shareholders, in extraordinary general shareholders meetings, all called on this date, to be held, upon a first call notice, on May 20 2016.

1. CORPORATIONS INVOLVED IN THE TRANSACTION AND THEIR ACTIVITIES

1.1. BM&FBOVESPA.

(a) *Identification.* BM&FBOVESPA S.A. – BOLSA DE VALORES, MERCADORIAS E FUTUROS, publicly held company with head offices in the City of São Paulo, State of São Paulo, at Praça Antônio Prado, 48, 7th floor, Postal Code 01010-901, enrolled with the Brazilian National Taxpayer’s Registry (“CNPJ/MF”) under No. 09.346.601/0001-25.

(b) *Activities.* BM&FBOVESPA is a company that operates organized markets for securities and derivative contracts, as well as providing registration, clearing and settlement services, acting, principally, as central counterparty for the cash settlement of trades executed in its environments.

1.2. CETIP.

(a) *Identification.* CETIP S.A. – MERCADOS ORGANIZADOS, publicly held company with head offices in the City of Rio de Janeiro, State of Rio de Janeiro, at Av. República do Chile,

230, 11th floor, Postal Code 20031-919, enrolled with the CNPJ/MF under No. 09.358.105/0001-91.

(b) *Activities.* CETIP is a company that offers registration, central securities depository, trading and settlement services for assets and securities, besides providing electronic solutions for the delivery of information required for the registration of contracts and financial liens by transit bodies.

1.3. Holding.

(a) *Identification.* COMPANHIA SÃO JOSÉ HOLDING (current corporate name of NETANYA EMPREENDIMENTOS E PARTICIPAÇÕES S.A.), privately owned company with head offices in the City of São Paulo, State of São Paulo, at Praça Antônio Prado, 48, Postal Code 01010-901, enrolled with the CNPJ/MF under No. 23.791.728/0001-84.

(b) *Activities.* The Holding Company is a non-operational corporation whose main purpose is to hold stakes in other corporations and whose shares are on this date, in their totality, the property of BM&FBOVESPA, and shall be extinguished as a result of this Transaction.

2. DESCRIPTION AND PURPOSE OF THE TRANSACTION

2.1. Description.

The Transaction shall comprise the following steps, all interdependent, and whose completion shall be subject to the applicable corporate approvals and observance of the conditions referred to in item 5 below:

- (a) capital increase of the Holding, upon the issuance of new common shares, nominative and with no par value, which shall be fully subscribed and paid in by BM&FBOVESPA, in local currency, until the Date of Completion of the Transaction, as defined below, at the total issuance price of at least R\$7,920,019,939.00, of which a portion, to be defined in the general meeting, shall be assigned to the creation of a capital reserve (“**Capital Increase of the Holding**”);
- (b) on the same date, as a subsequent and interdependent act of the Capital Increase of the Holding, merger of the totality of the shares issued by CETIP by the Holding, by its economic value, resulting in the issuance, by the Holding, in favor of the shareholders of CETIP owners of the merged shares (“**Shareholders of CETIP**”), of common and redeemable preferred shares issued by the Holding, provided that each common share issued by CETIP shall be exchanged for 1 common share and 3 redeemable preferred shares issued by the Holding (considering the amount of shares in the CETIP’s capital stock and adjustments mentioned in the Merger and Justification Agreement) (“**Merger of CETIP’s Shares**”). After the completion of the Transaction, CETIP shall preserve its own legal identity and net worth, and no legal succession shall exist;
- (c) on the same date, as a subsequent and interdependent act of the Merger of CETIP’s Shares, redemption of the totality of the preferred shares issued by the Holding, upon payment, for every 3 redeemed preferred shares issued by the Holding, of the Redemption Value for Every Three Redeemable Preferred Shares of the Holding

(“**Redemption**”). Once redeemed, the preferred shares of the Holding shall be cancelled against the capital reserve; and

- (d) on the same date, as a subsequent and interdependent act of the Redemption, merger of the Holding by BM&FBOVESPA, by the book value of the Holding (already considered the effects of the Capital Increase of the Holding, the Merger of CETIP’s Shares and the Redemption), with the consequent extinction of the Holding and the succession, by BM&FBOVESPA, of all of its assets, rights and obligations, with the consequent migration of the Shareholders of CETIP to the capital stock of BM&FBOVESPA (“**Merger of the Holding**”).

2.2. Purpose of the Transaction.

The purpose of the Transaction is for CETIP to become a wholly-owned subsidiary of BM&FBOVESPA, with the receipt by the CETIP Shareholders, assuming CETIP’s total capital stock is represented on the Date of Completion of the Transaction (as defined below) by 264,883,610¹ common shares, excluding treasury shares, and subject to the provisions set forth in the Merger and Justification Agreement, upon the receipt, for each common share issued by CETIP of which they are owners on the referred date, of:

- (a) a cash portion in local currency in the amount of R\$30.75, adjusted, including by the CDI rate, between April 8, 2016 and the Financial Settlement Date, under the terms provided in the Merger and Justification Agreement (after the adjustments, the “**Redemption Value for Every Three Redeemable Preferred Shares of the Holding**”) to be paid in a lump sum, in a single installment, no later than forty (40) days counted as of the day on which the fulfilment of the last of the Conditions Precedent; and
- (b) 0.8991 of a share of common stock issued by BM&FBOVESPA (“Reference Exchange Ratio”), adjusted under the terms provided in the Merger and Justification Agreement (after the adjustments, the “**Final Amount of BM&FBOVESPA Shares for each Common Share of the Holding**”).

3. MAIN BENEFITS, COSTS AND RISKS OF THE TRANSACTION

3.1. Main Benefits.

It is sought, with the Transaction, the creation of a world-class market infrastructure company, of high systemic importance, prepared to compete in an increasingly sophisticated and challenging global marketplace, enhancing the security, solidity and efficiency of the Brazilian market.

¹ Estimated considering that on the date of the Transaction there will be 264,883,610 shares of stock in CETIP (considering a total of 262,978,823 shares, excluding 3,513,011 treasury shares and including 5,417,798 shares deriving from early vesting of stock option plans). The number of CETIP’s outstanding shares may vary by the Date of Completion of the Transaction.

The combination of the activities of the Companies shall strengthen significantly the business model of the combined entity, to the extent that it will broaden the level of diversification of revenues, allowing the financial institutions, custodians, indenture agents, resource managers and brokers the consolidation of their processes and back-office systems and treasury, with significant reduction of the costs and operational risks for the whole financial system, as well as gaining efficiency in the interaction with the financial and capital markets oversight bodies.

Considering the complementarity of the Companies, their combination will be positive to clients, market participants, investors and companies that need resources to invest or financial instruments to manage their risks. The combination shall also result in greater capital efficiency for clients, given the possibility of using over-the-counter or exchange-traded derivatives in one central counterparty, together with other securities and financial assets.

3.2. Costs of the Transaction.

The managements of BM&FBOVESPA and the Holding Company estimate that the joint costs for the Companies from the execution of the Transaction will be approximately R\$50 million, including costs with publications, auditors, valuation experts, lawyers and other professionals hired for consulting purposes for the transaction.

The management of CETIP estimates that the costs of the execution of the Transaction will be, for CETIP, approximately R\$50 million, including costs on publications, auditors, valuation experts, lawyers and other professionals hired for consulting purposes for the transaction.

3.3. Risks of the Transaction.

The market value of the common shares of BM&FBOVESPA at the moment of the Completion of the Transaction may vary significantly in relation to their price on the date on which the Merger and Justification Agreement was signed. Although the Merger and Justification Agreement established mechanisms to deal with a determined level of fluctuation for BM&FBOVESPA common shares, the price fluctuation of the shares may result from a range of factors that are beyond the control of the Companies, including changes to its business, operations and projections, timetable and regulatory questions and general market and economic conditions, as well as those related to the industry. BM&FBOVESPA and CETIP cannot terminate the Merger and Justification Agreement as a result of changes to the price variation of the common shares of any one of the Companies.

The success of the Transaction will depend, in part, on the Companies' ability to execute growth opportunities and cost savings resulting from the merger of the businesses of BM&FBOVESPA and CETIP. It is not certain, however, whether such opportunities and economies will be successful. If these objectives are not met successfully, the benefits hoped for from the Transaction may not occur in full or totally, or may take longer than expected to occur.

BM&FBOVESPA and CETIP operate and, until the Completion of the Transaction, will continue to operate, independently. Both of the Companies will face important challenges in integrating functions, merging organizations, processes and operations in a timely and

efficient manner, as well as retaining staff. The integration of the companies will be complex and will take time. The managements of both Companies will have to dedicate substantial resources and efforts for implementation. The merger process and the other aspects of the Transaction may result in challenges for each one of the Companies in the respective course of their businesses, which could adversely affect their ability to maintain their relationships with customers, suppliers, employees and others with whom the Companies interact, or adversely affect the achievement of the benefits expected from the Transaction.

4. EXCHANGE RATIO OF SHARES AND PRICING CRITERIA

4.1. Merger of CETIP Shares.

The shareholders of CETIP will receive new common shares and new redeemable preferred shares issued by the Holding (considering the adjustments mentioned below), all nominative and with no par value, in exchange for the common shares of CETIP held by them, in the ratio of 1 common share and 3 redeemable preferred shares issued by the Holding for every common share issued by CETIP (considering the adjustments mentioned below).

The exchange ratio of the shares issued by CETIP for common and preferred shares issued by the Holding, deriving from the Merger of CETIP's Shares shall be proportionally adjusted by any and all stock splits, reverse stock splits and bonus issuances of shares of CETIP occurred as of September 30, 2015. Split of shares of the Holding shall not impact the exchange ratio determined in this Merger and Justification Agreement.

4.2. Merger of the Holding.

The shareholders of CETIP (at such moment already shareholders of the Holding) will receive the Final Amount of BM&FBOVESPA Shares for each Common Share of the Holding (objectively determined by the use of the formulas provided in the Merger and Justification Agreement), being the board of directors of BM&FBOVESPA responsible for recognizing and disclosing the exact number of shares actually issued.

4.3. Criteria for the Exchange Ratio.

The exchange ratios have been negotiated between independent parties. The management of BM&FBOVESPA and CETIP, individually, engaged the advice of investment banks of international recognition to assist the relevant Board of Directors in the informed decision making process regarding the financial parameters of the Transaction.

5. SUBMISSION TO THE LOCAL OR FOREIGN GOVERNMENT AUTHORITIES

The completion of the Transaction shall be, according to the the terms of article 125 of the Brazilian Civil Code, subject to ("**Conditions Precedent**"):

- (a) the approval of the Transaction by the Economic Defense Administrative Council – CADE;
- (b) the approval of the Transaction by the Brazilian Securities and Exchange Commission – CVM, pursuant to the terms of its applicable rules; and

- (c) the submission and analysis of the Transaction by the Central Bank of Brazil, pursuant to the terms and limits of the applicable rules.

6. EXCHANGE RATIOS ACCORDING TO ARTICLE 264 OF THE BRAZILIAN CORPORATION LAW

The exchange ratios have been negotiated between BM&FBOVESPA and CETIP, independent parties, and the right of withdrawal is not applicable, as mentioned in item 7 below. Notwithstanding, BM&FBOVESPA, for informative purposes and considering that, on the date of the Merger of the Holding, will be the controlling shareholder of the Holding, also requested KPMG Corporate Finance Ltda. to prepare an appraisal report pursuant to article 264 of Law No. 6.404/76, to appraise both net worth in accordance with the same criteria and on the same date, at market value.

7. RIGHT OF WITHDRAWAL AND REIMBURSEMENT VALUE

7.1. Right of Withdrawal on the Merger of CETIP Shares.

There is no need to refer to the right of withdrawal of the shareholders that hold the shares issued by CETIP that do not vote in favor of the Merger of CETIP's Shares, that refrain from voting or that do not attend the relevant extraordinary shareholders meeting, once CETIP does not fall within the requirements of article 137, item II of Law No. 6.404/76 and article 9 of the Normative Ruling CVM 565.

7.2. Right of Withdrawal on the Merger of the Holding.

Considering that, on the date of the extraordinary shareholders meeting of the Holding that deliberates about the Merger of CETIP's Shares, BM&FBOVESPA shall be the sole shareholder of the Holding, there is also no need to refer to the right of withdrawal as a result of this step of the Transaction.

8. OTHER RELEVANT INFORMATION

8.1. The effectiveness of the Merger of Shares of CETIP, of the Redemption and of the Merger of the Holding shall depend on the completion of the following acts, all interdependent and with its effects subject to the fulfillment of the Conditions Precedent, which shall all occur tentatively on the same date:

- (a) extraordinary general shareholders meeting of CETIP to, in this order, (i) approve the waiver of the public offer for the acquisition of shares issued by CETIP, set forth in Article 88 of the Bylaws of CETIP within the scope of the Transaction; (ii) approve the Merger and Justification Agreement; (iii) approve the Transaction; (iv) authorize the subscription, by its managers, of the new shares to be issued by the Holding; and (v) in case CETIP has not obtained the waiver by the debenture holders, ensure, in the terms set forth by the first paragraph of article 231 of Law 6.404/76, to CETIP's debenture holders that wish, during the six-month term counted as of the date of publishing of the minutes of the shareholders general meetings related to the Transaction, the redemption of the debentures they own;

- (b) extraordinary general shareholders meeting of the Holding to, in this order, (i) approve the Increase in the Capital Stock of the Holding; (ii) approve the Merger and Justification Agreement; (iii) ratify the appointment of KPMG Corporate Finance Ltda. to proceed with the appraisal and to determine the economic value of the shares issued by CETIP that will be merged by the Holding ("**Appraisal Report of CETIP's Shares**"); (iv) approve the Appraisal Report of CETIP's Shares; (v) approve the creation of a new class of preferred shares, according to item 4.1 above; (vi) approve the Merger of CETIP's Shares; (vii) approve the increase in the capital stock to be subscribed and paid-in by the officers of CETIP, with the corresponding amendment to its bylaws; (viii) approve the Redemption, with the corresponding amendment to its bylaws; (ix) approve the Merger of Holding into BM&FBOVESPA; and (x) authorize the subscription, by its officers, of the new shares to be issued by BM&FBOVESPA; and
- (c) extraordinary general shareholders meeting of BM&FBOVESPA to, in this order, (i) approve the investment, by BM&FBOVESPA, for the Capital Increase of the Holding, upon the issuance of new shares; (ii) approve the Merger and Justification Agreement; (iii) ratify the appointment of APSIS Consultoria e Avaliações Ltda. to proceed with the appraisal and to determine the book value of the net equity of the Holding, for the Merger of the Holding by the Company ("**Appraisal Report of the Holding**"); (iv) approve the Appraisal Report of the Holding; (v) approve the Transaction; (vi) authorize the increase of the capital stock to be subscribed and paid in by the managers of the Holding, with the following amendment to its bylaws; and (vii) approve the amendment to its bylaws, in the terms foreseen in the Merger and Justification Agreement.

8.2. The 5th business day counted as of the fulfillment of the last Condition Precedent (as described above), shall be the date of reference for the definition of the shareholders of CETIP that will receive the shares issued by BM&FBOVESPA ("**Date of Completion of the Transaction**").

8.3. Shareholders should consider the opinion of their legal and tax advisors to verify possible legal, foreign exchange rate and tax implications pursuant to the Transaction. In relation to CETIP shareholders that do not reside in Brazil ("**Non-Resident Shareholders**"), BM&FBOVESPA will, in accordance with the applicable legislation, withhold income tax on the positive difference, if applicable, between the amount received deriving from the redemption of the preferred shares issued by the Holding and the corresponding acquisition cost of the shares held by the Non-Resident Shareholders, at the tax rate of 15% (or 25% in the case of Non-Resident Shareholders that reside in favorable tax jurisdictions, as defined by fiscal authorities) (or applicable tax rates on the Date of Completion of the Transaction). In such way, the Non-Resident Shareholders will receive the amounts deriving from the redemption of the preferred shares issued by the Holding, net of any amount to be paid as withholding income tax. For such purposes, the Companies will disclose relevant Notice to Shareholders requesting the necessary information for the referred retention to be done.

The Merger and Justification Agreement and the appraisal reports shall be at the disposal of the Companies' shareholders in the respective headquarters as of the date of the call notice to the Extraordinary General Shareholders Meetings of the Companies, and/or, as applicable,

on the Investor Relations website of CETIP (www.cetip.com.br/ri) and on BM&FBOVESPA's (www.bmfbovespa.com.br/ri) as well as on the Securities and Exchange Commission's and on BM&FBOVESPA – Bolsa de Valores, Mercadorias e Futuros's websites.

For further information, please contact the Investor Relations Departments at BM&FBOVESPA and/or CETIP.

São Paulo, April 15, 2016.

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BM&FBOVESPA

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