

BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros
National Corporate Taxpayers Register (CNPJ) No. 09.346.601/0001-25
State Registration Number (NIRE) 35.300.351.452
Publicly-Held Company

MATERIAL FACT

BM&FBOVESPA S.A. – BOLSA DE VALORES, MERCADORIAS E FUTUROS (“B3”) hereby notifies that a Merger and Justification Agreement (“**Merger and Justification Agreement**”) was entered into by and between the managers of B3 and **CETIP S.A. – MERCADOS ORGANIZADOS (“CETIP”)**, a wholly-owned subsidiary of B3 (jointly, “Companies”) on the date hereof, the subject-matter of which is the merger of CETIP into B3 (“**Merger**”), which shall be submitted to the approval of their respective shareholders at a special shareholders' meeting and subsequently to the approval of the Brazilian Securities Commission.

1. COMPANIES INVOLVED IN THE MERGER AND THEIR ACTIVITIES

1.1. B3.

(a) *Identification.* BM&FBOVESPA S.A. – BOLSA DE VALORES, MERCADORIAS E FUTUROS, a 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 CNPJ/MF under No. 09.346.601/0001-25.

(b) *Activities.* B3 is a company that administers organized markets for securities and derivative contracts, in addition to providing registration, clearing and settlement services, acting mainly as a central guarantor counterparty of the financial settlement of the transactions carried out in its environments. Its activities also include, without limitation, technology and data processing relating to its markets and environments.

1.2. CETIP.

(a) *Identification.* CETIP S.A. – MERCADOS ORGANIZADOS, a 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, a wholly-owned subsidiary of B3, is a company that provides services of registration, central securities depository, trading and settlement for the assets and securities, besides providing electronic solutions for the delivery of information required for the registration of contracts and financial liens by traffic bodies, which shall be wound-up as a result of the Merger.

2. MERGER DESCRIPTION AND PURPOSE

2.1. Description. Merger of CETIP into B3, at its book equity value, and consequent winding-up of CETIP and succession by B3 of all its assets, rights and obligations.

2.2. Purpose. The purpose of the Merger is to make the equity structure simpler and to reduce operating and management costs of the group, in such a manner as to provide benefits to the shareholders of B3.

3. MAIN BENEFITS, COSTS AND RISKS OF THE MERGER

3.1. Main Benefits. The Merger seeks to make the equity structure simpler and to reduce operating and management costs of the group, consequently providing benefits to the shareholders of B3. The synergies are especially seen in the combination of companies of the group that have the same activity.

3.2. Merger Costs. The managements of the Companies estimate the main costs for performance of Merger, for these companies, jointly of approximately R\$350,000.00.

3.3. Merger Risks. The Merger also seeks to take advantage of the synergies obtained with the business combination between the Companies consummated on March 29, 2017. This integration process may result in difficulties of an operating, regulatory, commercial, financial and contractual nature, which may prevent the enjoyment of the expected synergies or result in unexpected losses or expenses.

4. EXCHANGE RATIO OF THE SHARES AND SETTING CRITERIA

4.1. Exchange Ratio. B3 holds 100% of the shares representing the capital stock of CETIP, and therefore the transaction shall not result in capital increase of B3, or in modification in the equity interest of its shareholders. Therefore, it is not possible to talk about exchange ratio.

4.2. Criterion. Not applicable, as set forth in item 4.1.

5. SUBMISSION OF THE MERGER TO THE BRAZILIAN OR FOREIGN AUTHORITIES

5.1. The Merger shall be submitted to the CVM (Brazilian Securities Commission) for approval, as provided for by CVM Instruction No. 461/2007.

6. RIGHT OF WITHDRAWAL AND REIMBURSEMENT AMOUNT

6.1. Considering that, on the date of the special shareholders' meeting of CETIP that shall resolve on the Merger, B3 shall be the only shareholder of CETIP, it is not possible to talk about dissident shareholders or right of withdrawal of the shareholders as a result of the Merger.

7. EXCHANGE RATIO PURSUANT TO ARTICLE 264 OF THE CORPORATION LAW

7.1. Not applicable, as set forth in item 4.1.

8. OTHER RELEVANT INFORMATION.

8.1. The Merger consummation is not intended to generate any effects before July 3, 2017, without prejudice to the performance of the following acts:

(i) Shareholders' Meeting of CETIP with (a) approval of the Merger and Justification Agreement; (b) approval of the Merger; and (c) assurance, as provided for by paragraph one of article 231 of Law No. 6404/76, to the debenture holders of CETIP that wish to redeem the debentures held by them during the term of six months as from the date of publication of the minutes of the shareholders' meetings concerning the Merger;

(ii) Shareholders' Meeting of B3 with (a) approval of the Merger and Justification Agreement; (b) ratification of the appointment of the Specialized Company, as defined in the Merger and Justification Agreement; (c) approval of the Valuation Report, as defined in the Merger and Justification Agreement; (d) approval of the Merger; and (e) authorization for the managers of B3 to perform all acts required to formalize the Merger;

(iii) Approval of the Merger by the CVM, as provided for by CVM Instruction No. 461/07; and

(iv) It shall be incumbent upon the managers of B3 to perform all acts required for implementation of the Merger, including writing-off of the registration of CETIP with any applicable federal, state and municipal bodies, as well as maintenance of the accounting books of the Merged Company for the legal term.

8.2. The Merger consummation is conditioned to occurrence of the events set forth in items (i) to (iii) of item 8.1 above, provided that, in case that event (iii) takes place after July 3, 2017, the merger shall take place on the first business day of the month following that of occurrence of the event.

8.3. The Merger and Justification Agreement and the valuation report shall be available to the shareholders of the Companies at their respective head offices as from the date hereof, on the Investors Relations site of CETIP (www.cetip.com.br/ri) and B3 (www.bmfbovespa.com.br/ri) and on the websites of the Brazilian Securities Commission and BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros.

8.4. For any further clarifications, please contact the Chief Investor Relations Office of B3 and/or CETIP.

São Paulo, May 12, 2017

Daniel Sonder

Chief Financial Officer of B3