

**To Executive Directors of all Signatory Associations of
the Universal Cotton Standards Overseas' Signatories' Committee**

This is to inform you that, having agreed with the United States Department of Agriculture (USDA), Bolsa Brasileira de Mercadorias (BBM) has replaced Bolsa de Mercadorias & Futuros (BM&F) as a member of the Universal Cotton Standards Agreement and therefore a Signatory of the Universal Cotton Standards Overseas' Signatories' Committee. The reason is explained as follows:

B3 S.A – Brasil, Bolsa, Balcao (B3), a publicly-held company authorised in Brazil as a financial market infrastructure that manages trading, clearing, settlement and registration systems for all main types of securities, and act as a central depository and a central counterparty for transactions carried out in its markets, is the result of corporate combinations of several companies, among them Bolsa de Mercadorias e Futuros (BM&F), which was a mercantile and future exchange in Brazil and a member of the Universal Cotton Standards Agreement.

BM&F was also the managing exchange for cotton and one of the cotton sorting laboratories, therefore becoming a member of the Universal Cotton Standards Agreement as well as of the Committee for International Cooperation between Cotton Associations (CICCA).

However, BM&F (directly and as BM&FBOVESPA, its corporate successor) decided to transfer its activities related to commodities, including cotton to Bolsa Brasileira de Mercadorias (BBM), a commodities exchange created in 2002 under the coordination of BM&F and as its subsidiary, with the purpose of developing agribusiness activities in Brazil. Therefore, the main goal of BBM is to be the link among agriculture, trade, industry, financial markets and government with the purpose of incrementing the agricultural production, especially by facilitating the access to private financing, as an alternative to traditional Government financing mechanisms.

Should you require any further information or have any comments, please do not hesitate to contact me.

Kind regards,
Robert Jiang
Universal Cotton Standards Overseas' Signatories' Committee