BANCO CENTRAL DO BRASIL

STR (Sistema de Transferência de Reservas)
Brazil's Real Time Gross Settlement System

Circular-Letter 3401:
Procedures for the Monitoring of the
STR – Reserves Transfer System

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June 2011

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OVERVIEW

The *Sistema de Transferência de Reserva* (STR), or the Reserves Transfer System, is the real-time gross settlement system (RTGS) for funds transfer in Brazil, which is provided and operated by Banco Central do Brasil (BCB).

Through the STR, participants can send and receive funds transfer orders. The system is of fundamental importance for the settlement of interbank transactions carried out in the monetary, foreign exchange and capital markets in Brazil, which includes the settlement of the clearinghouses net results.

The STR is the core of SPB (*Sistema de Pagamentos Brasileiro*), the Brazilian payment and settlement system. Additional information about SPB is available at:

http://www.bcb.gov.br/Pom/Spb/Ing/TheBrazilianPaymentSystem.pdf

This document is based on "*Carta-Circular 3.401*", Circular-Letter 3401, effective June 23rd, 2009, which sets Procedures for the monitoring of the STR – Reserves Transfer System.

This document aims to provide information about the general functioning of STR and the Accounts. Hence it should not be deemed as an official translation. This document is not enforceable and BCB does not warrants that it reflects the complete and current legal framework applicable for the operation of STR.

Additional information may be obtained from Law 10214/2001, Circular 3100/2002, Circular 3057/2001 and Circular-Letter 3452/2010, among others.

1. The monitoring of the STR is executed by the Department of Banking Operations and Payments System (DEBAN) of BCB, through its monitoring desks located in Brasilia and regional branches.

2. The STR participants must keep updated contact details, of at least two monitors, who must be promptly available for contacting, throughout the day, from 30 minutes before the opening of the STR until 30 minutes after the STR closing.

3. The fulfillment of the aforementioned provision is participant's sole responsibility.

4. Participants cannot claim lack of knowledge of any information or decision, proven to have been communicated to participants' monitors, by the monitoring desk of DEBAN, or via messages of the RSFN[1] Message Catalogue, or any other means to be defined by DEBAN.

5. The orders and instructions given by the DEBAN's monitoring desks or received from the participants, via telephone, are recorded and, as well as the communication via fax, are deemed firm and valid for all intents and purposes.

6. Participant must keep DEBAN, or the relevant regional branch, permanently informed of:

I – any events that, directly or indirectly, affect their financial or operational capability to liquidate obligations under the Brazilian Payment System;

II – participant's operational activities or those related to their intraday cash flow, whenever requested;

III – events that affect or threaten the timely closing of any clearinghouse timetable, or those of any clearing and settlement provider; and

IV – any fact that may interfere in the normal functioning of the STR.

[1] RSFN - *Rede do Sistema Financeiro Nacional* , is the national financial system network created to carry the message flow throughout the environment of the Brazilian payment system.