

INTERNATIONAL CAPITAL AND FOREIGN EXCHANGE MARKET REGULATION

TITLE : 1 - Foreign Exchange Market
CHAPTER : 17 - Agreement on Reciprocal Payments and Credits (CCR)
SECTION : 1 - General Provisions

1. The Central Bank of Brazil has a Reciprocal Payment and Credit Agreement – CCR with the central banks of Argentina, Bolivia, Chile, Colombia, Ecuador, Mexico, Paraguay, Peru, the Dominican Republic, Uruguay and Venezuela.
2. (Revoked) Circular no. 3530/2011
- 2-A. For purposes of this chapter the following definitions are established:
 - a) CCR System: information system of the Central Bank of Brazil dedicated to records CCR operations, operating in real time, integrated into the system SiCap/Aladi through Web services and authorized financial institutions in Brazil, through messaging;
 - b) SiCap/Aladi: Computerized Support Agreement, operated by the Center for Operations of the RAC, which works on the premises of the Central Bank Reserves Peru, under the coordination of the Latin American Integration (ALADI), centralizes all ongoing operations in the Covenant, entered by central banks participants;
 - c) Authorized Institutions: Financial institutions authorized by the central banks of member countries to make payments (gatherings) and receipts (repayments) through the CCR;
 - d) Code Redemption "Sicap/Aladi": identification number of operations performed in CCR;
 - e) Daily Summary: The result of the rights and obligations of the authorized institution for to its operations conducted in CCR in each day movement, observed that their balance final result of the daily clearing institution for those rights and obligations, for Central Bank of Brazil or the authorized institution, is settled in U.S. dollars United States in the plaza of New York;
 - f) Day-movement: daily period with time-limit within which the operations of an institution authorized transactions performed in the CCR is aggregated for consolidation in the Daily Summary, should be noted that the time-out occurs at 4:00 pm (BRT), exception of 24 and 31 December, when it is anticipated to eleven; (Included by Circular no. 3530/2011)
3. (Revoked) Circular no. 3530/2011
- 3-A. The CCR system allows:
 - a) consultation to instruments recorded and refunds made;
 - b) consultation of the Daily Summary, automatically sent to the authorized institution, containing detailing all operations performed on the day, and
 - c) inclusion, alteration and deletion of the instruments received from abroad, as well as the reversal of repayments made. (Included by Circular no. 3530/2011)
4. (Revoked) Circular no. 3530/2011
- 4-A. The release in the Daily Summary will be made automatically and will include:
 - a) export refunds derivatives trading recorded by the financial institution;
 - b) gatherings of derivatives trading imports registered by the financial institution;
 - c) import uncollected debts derived from emissions / endorsements filed by financial

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institution;

- d) chargebacks, returns, interest and administrative fees. (Included by Circular no. 3530/2011)
5. (Revoked) Circular no. 3530/2011
- 5-A. Payments subject to progress in the CCR are performed only in U.S. dollars U.S. and limited to direct transactions between Brazil and the countries with agreements, corresponding to operations of trade in goods originating from those countries, including all services and expenses related thereto, as well as trading operations services not related to trade in goods contracted by residents of countries with agreements, provided that contemplated in the agreements signed by pairs or groups of banks centers with agreements. (Included by Circular no. 3530/2011)
6. (Revoked) Circular no. 3530/2011
- 6-A. The list of institutions authorized to operate in the CCR is available for consultation on the CCR, the site of the Central Bank of Brazil. (Included by Circular no. 3530/2011)
7. (Revoked) Circular no. 3530/2011
- 7-A. The payments for the transactions listed in item 5-A, which between residents, domiciled or headquartered in the respective participating countries are likely course in CCR, considering the country of origin of goods. (Included in Circular no. 3530/2011)
8. (Revoked) Circular no. 3530/2011
- 8-A. They are also likely to progress in the CCR letters of credit and documentary credits, irrevocable and transferable, referring to Brazilian imports where the exporter is resident in a country signatory and the origin of the goods previously acquired by exporting third country is also signatory ("triangular transactions"), considering this case, for purposes of payment, country of residence of the exporter. (Included by Circular no. 3530/2011)
9. (Revoked) Circular no. 3530/2011
- 9-A. For purposes of the provisions of section 8-A, the issuing bank must send payment instrument, until the next business day after the record of the transaction, e-mail to the Department of International Affairs, Division of Monitoring Systems for International Settlements (Derin / DISIP), in accordance with Annex 23 of this title. (Included by Circular no. 3530/2011)
10. (Revoked) Circular no. 3530/2011
- 10-A. Banks interested in operating in CCR prior membership must apply by letter to the Central Bank of Brazil / Department of International Affairs - Derin, pursuant to Annex 18 of this title, signed by at least one director approved by the Central Bank of Brasil. (Included by Circular no. 3530/2011)
11. (Revoked) Circular no. 3530/2011
- 11-A. The Central Bank of Brazil shall establish for each institution, operating out of a global character to be observed in issuing and granting of guarantees instruments apt for processing through the Covenant.

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12. (Revoked) Circular no. 3530/2011
- 12-A. The participating Brazilian institutions have authorization to issue general character letters credit and promissory notes for the purchase or sale of goods or services linked to trade course which payment under the Agreement, as well as provide guarantees in such promissory notes and bills corresponding to commercial operations, subject to the provisions of this Regulation. (Included by Circular no. 3530/2011)
13. (Revoked) Circular no. 3530/2011
- 13-A. The authorized institution responds fully and solely for verifying the authenticity, legitimacy and the proper execution of operations and information to be recorded in the System CCR, not assuming the Central Bank of Brazil liability incurred by disagreements between authorized institutions regarding the implementation of operations, leaving these settle between themselves and occurrences of the species. (Included by Circular no. 3530/2011)
14. (Revoked) Circular no. 3530/2011
- 14-A. The Central Bank of Brazil guarantees to institutions authorized to operate in the country in the Agreement refund of the amount in U.S. dollars of transactions processed under the system CCR, whose instruments of payment are within 360 days. In the case of longer-term instruments, the Central Bank of Brazil only undertakes to pass those payments that have been honored by the central bank accordingly. (Included by Circular no. 3530/2011)
15. To guarantee the performance of the CCR, which are prerequisites:
- a) the issuing institution or instrument granting the approval is authorized, the date of issuance of the document or to grant approval to operate the System;
 - b) the bank or dealer or performer - in the case of bank guarantee - the sender of the note promissory note or letter endorsed for collection abroad is also authorized to operate the Agreement;
 - c) the authenticity of the document or the endorsement is not doubt;
 - d) instruments are issued, endorsed, completed or negotiated in accordance with the regulations applicable to them;
 - e) instructions are observed ordering of the financial institution or issuer, so that cannot be attributed to the operation of any abnormality. (Included Circular no. 3530/2011)
16. In the event of losing the institution's authority to operate the system, guarantees payment shall be preserved in relation to all transactions linked to instruments by She issued or guaranteed - to travel in the Covenant - as authorized to do so. (Included Circular no. 3530/2011)
17. The authorized institution shall designate the Derin / DISIP a component responsible for centralization and record your operations in the RCC and the relationship with the Central Bank Brazil. (Included by Circular no. 3530/2011)
18. The daily clearing of payments and receipts are made automatically for each institution, by computing the value of gatherings to the Central Bank of Brazil, the value of repayments made on the same date, as well as other launches debit or credit institution, including amounts arising from chargebacks and returns. (Included in Circular no. 3530/2011)

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19. The payment for the net balance in the compensation must be settled daily, in New York, the New York business day following the day-movement of the Daily Summary for through credit order, as follows:
- a) in favor of the institution: made automatically based on data recorded in CCR System and in accordance with instructions issued by the institution itself;
 - b) in favor to the Central Bank of Brazil: made directly to the account of the Central Bank of Brazil, together with banker appointed by him, observed that if the claim is not made until the day following that of compensation, the Central Bank of Brazil, regardless of administrative sanctions applicable, may make the release rate of the corresponding value in the Daily Summary of the institution responsible, well as interest, calculated on the basis of the prime rate plus a spread of 2% pa the period of the delay. (Included by Circular no. 3530/2011)
20. The institution shall keep on file documentation relating to operations conducted in CCR for a minimum of five years counted from the end of the year in which they occurred settlement or cancellation of the transaction for purposes of presentation in this Central Bank Brazil, when prompted. (Included by Circular no. 3530/2011)

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SECTION : 2 - (Revoked) Circular no. 3530/2011

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SECTION : 3 - (Revoked) Circular no. 3530/2011

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SECTION : 4 - (Revoked) Circular no. 3530/2011

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SECTION : 5 - Admissible Payment Instruments

SUBSECTION : 1 - General Provisions

1. The following payment instruments are accepted for processing under the terms of the Agreement:
 - a) letters of credit or documentary credits (CC/CD); (NR)
 - b) bills corresponding to commercial operations guaranteed by authorized institutions (LA) and; (NR)
 - c) promissory notes related to commercial operations issued or guaranteed by authorized institutions. (PA). (NR)
2. (Revoked) Circular no. 3530/2011
3. (Revoked) Circular no. 3530/2011
4. Interest (CCI, CDI, LAI, PAI) and the fees and expenses (CG) directly linked to trade whose payments have been made in the CCR System must be recorded with the same reimbursement code for the instrument to the principal amount. (NR)
5. The authorized issuer or guarantor institution must include the following expression in the instrument: "Reimbursable through the Reciprocal Payment and Credit Agreement under Reimbursement Code no" (NR)

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SECTION : 5 - Admissible Payment Instruments
SUBSECTION : 2 - Letters of Credit or Documentary Credits

1. On issuing the letter of credit for immediate payment, the Brazilian institution must include in the respective instrument the obligation that the institution authorized in the country of the exporter notify it through communication usually accepted in commercial operations on the date in which it occurs. (NR)
2. It is recommended that, after negotiation of the letters of credit or documentary credits, the Brazilian banks request from the bank instituting the credit an immediate statement of position that it is in agreement with the documents remitted.
3. It is not permitted, through the CCR, the processing of letters of credit or documentary credits stipulating importer financing in periods greater than that defined for payments to exporters. (NR)
4. Based on prior authorization of the central banks involved, letters of credit issued under the clauses indicated below may be processed under the terms of the Agreement: (NR)
 - a) "stand by": with the objective of guaranteeing the participation of companies from the countries of the central banks that are members of the Agreement in international tenders in other member countries; (NR)
 - b) "red clause": noted that there will have to guarantee the operation of the Agreement return of foreign exchange arising from the letter of credit issued on the "red clause". (NR)
5. (Revoked) Circular no. 3530/2011
6. Brazilian banks participating in the Agreement are automatically authorized to carry out the operations cited in paragraph 4 above, noting that the letters of credit must necessarily correspond to the commercial transactions. (NR)

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SUBSECTION : 3 - Guaranteed Bills

1. Aside from the duly dated and signed declaration of guarantee, the guaranteed bills must contain:
 - a) on the front side the indication "SINGLE BILL OF EXCHANGE";
 - b) on the back, the indications: (NR)
 - I - "Reimbursement through the Reciprocal Payment and Credit Agreement under Reimbursement Code no (indicated by the issuing institution or guarantor)"; (NR)
 - II - "This bill results from export of (merchandise)..... exporter country..... importer country..... date of shipment..... value in US\$..... date of guarantee.....".(NR)
2. On granting the guarantee, the institution will be certifying that the bill originated in the commercial transaction specified on the back.
3. The instructions of the remitting party must make it explicit that the commissions and banking expenses of the authorized guarantor institution will be paid by the importer.
4. In order to avoid possible duplicity in payments, the authorized institutions should include the following in the letters of remittance in which charging bills are included: "We request that you observe that, at maturity of this (these) bill(s), we will automatically reimburse you through the Reciprocal Payment and Credit Agreement". (NR)
5. In order to qualify for reimbursement of the amounts of the bills guaranteed by institutions authorized to operate under the terms of the Agreement, reception of any type of notification or authorization from the guarantor institution is not essential. (NR)

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SUBSECTION : 4 - Promissory Notes

1. Promissory notes related to commercial operations issued or guaranteed by authorized institutions must include the following indications on the front side:
 - a) "Reimbursement through the Reciprocal Payment and Credit Agreement under Reimbursement Code no (indicated by the issuer or guarantor institution)"; (NR)
 - b) "This promissory note results from export of: (merchandise or services)..... exporter country..... importer country..... date of shipment..... value in US\$..... date of guarantee....." (NR)
2. At the time of issue or guarantee of the promissory note, the issuer or guarantor will be certifying that the instrument originated in the commercial transaction indicated thereon. (NR)
3. In the case of Brazilian exports, the authorized institution effects payment at maturity of the promissory note to the beneficiary and is reimbursed through the Central Bank of Brazil. (NR)
4. In those cases in which it is expressly stipulated on the promissory note that payment will be effected in installments and in those in which interest is levied on the operation, the banker of the exporter will send a receipt for the corresponding amounts to the issuer institution or guarantor. (NR)
5. The receipts cited in the previous paragraph must contain the elements required for identification of the promissory note to which they refer, including their respective reimbursement code.
6. The processing of promissory notes through the Agreement when such are issued or guaranteed by authorized Brazilian institutions for discounting of instruments derived from commercial operations that are also to be processed through the CCR is prohibited (financing in the third party country. (NR)

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SECTION : 6 - (Revoked) Circular no. 3530/2011

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SECTION : 7 - (Revoked) Circular no. 3530/2011

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SECTION : 8 - (Revoked) Circular no. 3530/2011

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SECTION : 9- Registration on the CCR system and record in the daily summary (Included in Circular no. 3530/2011)

1. The record of the issuance of letters of credit and documentary credits and negotiation of letters and backed promissory notes should be performed:
 - a) within 20 calendar days from the date of its issuance or its approval, in the case of exports;
 - b) after the issue in the case of imports.
2. The Department of International Affairs (Derin) can admit, at its discretion, the registration mentioned on item 1-a of this chapter in a period exceeding 20 calendar days from the date of its issuance or its approval, as appropriate, observed the prior authorization of the central bank of the country issuing the reimbursement code Computerized Information System Support to the CCR from Aladi.
3. The emissions recorded on item "1-b" shall receive reimbursement code "Sicap / Aladi," which will appear in the payment instrument.
4. The issue must be recorded at full value, with the registration of the issuance date and the maturity of the instrument. It must be made with the actual amount negotiated with the information on the negotiation and settlement date, being the launch of the credit or debit card processed automatically by the Daily Summary System of the institution, the date indicated due under this section.
5. The records indicated in the previous section are sent to the Computerized Support CCR Aladi (SICAP / ALADI) and if there are no differences and the record becomes effective in SICAP / ALADI, the operation turns to the situation "registered".
6. Should the Daily Summary have a positive balance for the Central Bank of Brazil, not being paid within the prescribed period, there should be paid interest based on the prime rate plus a spread of 2% per year for the period between the due date and the date of actual payment, subject to the penalties provided in the Letter of Accession to the CCR, with the Central Bank of Brazil making the launch of the unpaid amount at the Daily Summary of the institution.
 - a) by the time the CCR System is in production, trading records of export transactions with a maturity of less than 360 days from the date of issue or its approval will be deleted by the Central Bank of Brazil that are cumulatively the following conditions: Maturity date of entry inferior to the entry date of production of the CCR System;
 - b) those whose respective foreign exchange contracts have not been linked in the old system CCR-Sisbacen until the date of production entry of the CCR System.
7. The financial institution may register with CCR System negotiations that excluded the previous item.

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SECTION : 10- Specific Provisions on Exports (Included in Circular no. 3530/2011)

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1. The Central Bank of Brazil transfers to the authorized bank the value of the recorded trade with the expiration date being the same as indicated on the system. The authorized bank shall deliver the foreign currency to the exporter in the manner and within agreed, subject to regulations about receiving exports.
 2. Only credit operations whose records have been properly made and whose status is "registered" will be credited on maturity, observed the restrictions of items 6 and 7.
 3. When there is an improper credit, the amount paid by the Central Bank of Brazil must be refunded by the institution that made the record of negotiation, including the reversal in the CCR System, and the file with the proving the operation must be kept, with the institution being entirely entitled to confirm that the appropriate procedures have been made.
 4. In the case mentioned in the previous section, the institution is subject to payment of:
 - a) interest calculated at prime rate prevailing at the date of commencement of creep in interest rates plus a spread of 2% pa (Two percent per year) for the period between the effective date of repayment and including the date of cancellation;
 - b) the rate of US\$25.00 (twenty five U.S. dollars) for the reimbursement of administrative expenses of the Central Bank.
 5. The calculated values in the previous item are automatically launched in the Daily summary of the bank at the same day as in the CCR System. When the reversal is of export transactions with payments up 360 days, these values will only be launched in the Daily Summary after the close of the quarter in which it was conducted.
 6. Regardless of the expiration date informed in the Daily Summary, the entries are made by the Central Bank of Brazil after the close of each quarter, entirely or partially, depending on prior payment by central banks, net of automatic repayments made by the Central Bank of Brazil when based on payment instruments with a maturity of 360 days from the date of issue or its approval, as appropriate.
 7. The Daily Summary entries in the form of the previous item are:
 - a) made two working days after the compensation made by the RAC, or, if no payment has been honored in full, two days after the settlement of the unpaid portion;
 - b) paid in pro rata rates on two-month Libor rate (disclosed in the transaction SISBACEN PTAX800, option 8) minus 1/8 (one eighth) in the period between the expiration date reported in the System and the second working day after settlement of compensation.

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SECTION : 11 - Specific Provisions on Imports (Included in Circular no. 3530/2011)

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1. The amount collected that is not subjected of a debt by a foreign bank will be reimbursed through the establishment of credit included in the Daily Brief, with the institution requesting repayment to the Central Bank of Brazil, through the CCR System.
 2. If the Central Bank of Brazil will be charged abroad for a value that has not been collected, it will automatically be performed by the CCR System the launch of a charge in the Daily Summary of the authorized institution.
 3. In the event of the preceding item, if the release of the debt in the Daily Summary of the authorized institution is made after the date of debiting the account of the Central Bank of Brazil, interest rates will also launched automatically in the Daily Summary of the institution, calculated based on the prime rate prevailing at the date of commencement of the interest plus a spread of 2% year (Two percent per year) for the period between the date of debiting the account of the Central Bank of Brazil and the date of release in the Daily Summary.
 4. The values of the instruments impact the operational limit of the institution since the date of issue or grant of approval until they are liquidated or canceled in whole or in part.
 5. It is forbidden in the CCR System the issuance and endorsement of instruments for values greater than the balance of the operating limit granted to the institution.