

## CIRCULAR LETTER 3315

Clarifies the procedures to be used for calculating the Required Reference Equity (PRE) amount related to the operating risk ( $P_{OPR}$ ) which Circular 3383/2008 is about.

In accordance with Circular 3383 of April 30, 200 and also aiming at clarifying the procedures to be used for calculating the PRE amount related to operating risk, based on one of the following methodologies, namely Basic Indicator Approach, Alternative Standard Approach, and Simplified Alternative Standard Approach, we present below examples of calculations that should be performed to reach to the  $P_{OPR}$  amount, taking into consideration the base date of June 2008:

## Basic Indicator Approach:

- I. Calculation of the Operating Risk Exposure Indicator (IE), pursuant to article 3, subparagraph I, of Circular 3383/2008, in accordance with prescriptions set forth in paragraph 1 of the referred article:

	YEAR 1		YEAR 2		YEAR 3	
	06/30/2008	12/31/2007	06/30/2007	12/31/2006	06/30/2006	12/31/2005
Financial intermediation income	100.00	120.00	110.00	120.00	120.00	130.00
Income from services rendered	50.00	80.00	60.00	60.00	70.00	80.00
Financial intermediation expenses	10.00	12.00	12.00	14.00	10.00	11.00
Subtotal	140.00	188.00	158.00	166.00	180.00	199.00
Gains on the disposal of securities not classified in the negotiation portfolio	20.00	0.00	0.00	0.00	0.00	0.00
Loss on the disposal of securities not classified in the negotiation portfolio	4.00	0.00	0.00	0.00	0.00	0.00
TOTAL	124.00	188.00	158.00	166.00	180.00	199.00
Exposure Indicator (IE)	312.00		324.00		379.00	

- II. Calculation of the  $P_{OPR}$  amount applying the formula provided in article 5 of Circular 3838/2008:

$$P_{OPR} = Z \times (312.00 \times 0.15) \times 0.15 \quad 324.00 \times 0.15 \quad 379.015)/3$$

$$P_{OPR} = Z \times 50.75$$

CHAPTER : Non-codified Circular Letters – 3

SECTION :

From July 1, 2008 to December 31, 2008: Z = 0.20

$$P_{OPR} = 0.20 \times 50.75$$

$$P_{OPR} = 10.15;$$

Alternative Standard Approach

III. Calculation of the IE, pursuant to article 3, subparagraph I, of Circular 3383/2008, for business lines described in article 4, **caput**, subparagraphs III to VIII:

BUSINESS LINES	YEAR 1			YEAR 2			YEAR 3		
	Income – Expenses		IE	Income – Expenses		IE	Income – Expenses		IE
	06/30/08	12/31/07		06/30/08	12/31/07		06/30/08	12/31/07	
Corporate finance	100.00	100.00	200.00	110.00	110.00	220.00	120.00	120.00	240.00
Negotiation and sales	210.00	250.00	460.00	350.00	190.00	540.00	550.00	830.00	1,380.00
Payments and settlements	600.00	620.00	1,220.00	580.00	570.00	1,150.00	590.00	620.00	1,210.00
Financial agent services	120.00	130.00	250.00	130.00	140.00	270.00	120.00	130.00	250.00
Assets management	80.00	110.00	190.00	120.00	130.00	250.00	140.00	150.00	290.00
Retail brokerage	50.00	40.00	90.00	60.00	70.00	130.00	60.00	80.00	140.00

IV. Calculation of the Operating Risk Exposure Alternative Indicator (IAE), pursuant to article 3, subparagraph II, of Circular 3383/2008, for Retail and Commercial business lines described in article 4, **caput**, subparagraphs I and II:

Retail						
	YEAR 1		YEAR 2		YEAR 3	
	06/30/2008	12/31/2005	06/30/2008	12/31/2005	06/30/2008	12/31/2005
Credit operation balances	46,567.14	21,142.86	16,500.00	13,500.00	17,914.29	13,514.29
Commercial leasing operation balances	12,041.52	16,914.29	13,200.00	10,800.00	14,331.43	10,811.43
Other transfer of credit-like operation balances	10,021.05	4,228.57	3,300.00	2,700.00	3,582.86	2,702.86
Balance for the six-month period	68,629.71	42,285.72	33,000.00	27,000.00	35,828.58	27,028.58
Six-month period balances average	55,457.72		30,000.00		31,428.58	
IAE _ Six-month period	1,941.02		1,050.00		1,100.00	

CHAPTER : Non-codified Circular Letters – 3

SECTION :

balances average						
Commercial						
	YEAR 1		YEAR 2		YEAR 3	
	06/30/2008	12/31/2005	06/30/2008	12/31/2005	06/30/2008	12/31/2005
Credit operation balances	80,400.00	79,800.00	78,100.00	77,350.00	78,880.00	79,400.00
Commercial leasing operation balances	20,810.00	19,770.00	18,750.00	18,340.00	18,790.00	19,360.00
Other transfer of credit-like operation balances	15,370.00	12,948.00	12,360.00	11,650.00	11,430.00	12,150.00
Securities not classified in the negotiation portfolio balances	5,201.14	0	0	0	0	0
Balance for the six-month period	121,781.14	112,518.00	109,210.00	107,340.00	109,100.00	110,910.00
Six-month period balances average	117,149.57		108,275.00		110,005.00	
IAE _ Six-month period balances average	4,100.24		3,789.63		3,850.18	

V. Calculation of the P<sub>OPR</sub> amount, pursuant to article 6 of Circular 3383/2008:

BUSINESS LINES	β	YEAR 1		YEAR 2		YEAR 3	
		Indicator (IAE or IE)	Indicator * β	Indicator (IAE or IE)	Indicator * β	Indicator (IAE or IE)	Indicator * β
Retail	0.12	1,941.02	232.92	1,050.00	126.00	1,100.00	132.00
Commercial	0.15	4,100.24	615.04	3,789.63	568.44	3,850.18	577.53
Corporate finance	0.18	200.00	36.00	220.00	39.60	240.00	43.20
Negotiation and sales	0.18	460.00	82.80	540.00	97.20	1,380.00	248.40
Payments and settlements	0.18	1,220.00	219.60	1,150.00	207.00	1,210.00	217.80
Financial agent services	0.15	250.00	37.50	270.00	40.50	250.00	37.50
Assets management	0.12	190.00	22.80	250.00	30.00	290.00	34.80
Retail brokerage	0.12	90.00	10.80	130.00	15.60	140.00	16.80
Annual grand total			1,257.46		1,124.34		1,308.03

$$P_{OPR} = Z \times (1,257.46 + 1,124.34 + 1,308.03)/3$$

$$P_{OPR} = Z \times 1,229.94;$$

From July 1, 2008 to December 31, 2008: Z = 0.20

CHAPTER : Non-codified Circular Letters – 3

SECTION :

$$P_{OPR} = 0.20 \times 1,229.94;$$

$$P_{OPR} = 245.99;$$

## Simplified Alternative Standard Approach

- VI. Calculation of the IE, pursuant to article 3, subparagraph I, of Circular 3383/2008, calculated on an aggregated basis for business lines not included in business lines described in article 4, **caput**, subparagraphs I and II:

YEAR 1		IE <sub>1</sub>	YEAR 2		IE <sub>2</sub>	YEAR 3		IE <sub>3</sub>
Income - Expenses			Income – Expenses			Income – Expenses		
06/30/2008	12/31/2007	2,410.00	06/30/2008	12/31/2007	2,560.00	06/30/2008	12/31/2007	3,150.00
1,160.00	1,250.00			1,350.00		1,210.00		

- VII. Calculation of the IAE, pursuant to article 3, subparagraph II, of Circular 3383/2008, calculated on an aggregated basis for Retail and Commercial business lines described in article 4, **caput**, subparagraphs I and II:

Commercial and Retail						
	YEAR 1		YEAR 2		YEAR 3	
	(a)	(b)	(a)	(b)	(a)	(b)
	06/30/2008	12/31/2005	06/30/2008	12/31/2005	06/30/2008	12/31/2005
Credit operation balances	126,967.14	100,942.86	94,600.00	90,850.00	96,794.29	92,914.29
Commercial leasing operation balances	32,851.52	36,684.29	31,950.00	29,140.00	33,121.43	30,171.43
Other transfer of credit-like operation balances	25,391.05	17,176.57	15,600.00	14,350.00	15,012.86	14,528.86
Securities not classified in the negotiation portfolio balances	5,201.14	0.00	0.00	0.00	0.00	0.00
Balance for the six-month period	190,410.85	154,803.72	142,210.00	134,340.00	144,928.58	137,938.58
Six-month period balances average	172,607.29		138,275.00		141,433.58	
IAE _ Six-month period balances average	6,041.25		4,839.63		4,950.18	

- VIII. Calculation of the P<sub>OPR</sub> amount applying the formula provided in article 7 of Circular 3383/2008:

CHAPTER : Non-codified Circular Letters – 3

SECTION :

Year	IE	IAE	IE * $\beta$ ( $\beta = 0.18$ )	IAE * $\beta$ ( $\beta = 0.15$ )	Annual Grand Total
Year 1	2,410.00	6,041.25	433.80	906.19	1,339.99
Year 2	2,560.00	4,839.63	460.80	725.94	1,186.74
Year 3	3,510.00	4,950.18	631.80	742.53	1,374.33

$$P_{OPR} = Z \times (1,339.99 + 1,186.74 + 1,374.33)/3$$

$$P_{OPR} = Z \times 1,300.35;$$

From July 1, 2008 to December 31, 2008:  $Z = 0.20$

$$P_{OPR} = 0.20 \times 1,300.35;$$

$$P_{OPR} = 260.07.$$

Brasília, April 30, 2008.

Financial System Standards Department

Amaro Luiz de Oliveira Gomes  
Chief Officer