

March 09, 2023  
028/2023-PRE

## CIRCULAR LETTER

Listed B3 Participants

Re.: **Change to Rejection Tunnels' Order and Transaction Parameters for Securities Lending Electronic Trading with T0 and T+1 Settlement**

B3 hereby informs you that new parameters will come into effect as of **March 27, 2023** for rejection tunnels for orders and transactions in securities lending electronic trading with T0 and T+1 settlement.

Rejection tunnels determine upper and lower limits that are based on a percentage that is defined for the mode and added to and subtracted from, respectively, the average rate of transactions on T-1, in accordance with the methodology available at [www.b3.com.br/en\\_us/](http://www.b3.com.br/en_us/), Products and Services, Securities lending, Trading Tunnels.

In practice, the rejection tunnels consist of validation of the rates entered with each new order or transaction that B3 receives in T0 and T+1 trading modes, which also encompasses mandatory lending.

Therefore, if the participant designates order entry or the execution of a transaction outside of the permitted limits, it will receive an error message in accordance with the trade flow established in the B3 messages catalog.

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Below are the parameters applicable as of **March 27, 2023**.

Market	Group	Rejection tunnel
		Percentage
92 - T0	All assets	50%
93 - T+1	All assets	50%

The changed T0 and T+1 parameters will not modify the publication of average rates nor the prevailing messages catalog for securities lending.

The tunnels will be readjusted daily in accordance with the average rate calculated for the day, while the parameters regarding the rejection tunnel for orders and transactions will be reviewed every six months and published at [www.b3.com.br/en\\_us/](http://www.b3.com.br/en_us/), Products and Services, Securities lending, Trading Tunnels.

### **Certification period**

Participants who wish to validate the criteria of the T0 and T+1 tunnels may access the certification environment for tests as of **March 13, 2023**.

Further information can be obtained from Settlement Processes Support by telephone on +55 11 2565-5014 or by email at [liquidacao@b3.com.br](mailto:liquidacao@b3.com.br).

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