



**BANGLADESH BANK**  
(Central Bank of Bangladesh)  
**Head Office**  
Motijheel, Dhaka-1000  
Bangladesh

Payment Systems Department

PSD Circular No. 01/2025

Dated: 19 January 2025

Managing Director/Chief Executives  
All Scheduled Banks and Finance Companies in Bangladesh

Dear Sir,

**Bangladesh Real Time Gross Settlement (BD-RTGS) System Rules**

In order to facilitate safe, secured and efficient interbank payments, Bangladesh Bank has upgraded the Real Time Gross Settlement (BD-RTGS) system and updated Real Time Gross Settlement (BD-RTGS) system rules as well.

All scheduled banks and finance companies participating in Bangladesh Real Time Gross Settlement System (BD-RTGS) are hereby advised to follow the BD-RTGS System Rules Version 2.1 enclosed herewith with immediate effect. Henceforth, the BD-RTGS system rule as stated in the circular no.09 dated 09/09/2015 shall stand repealed.

Please acknowledge the receipt.

Yours sincerely

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**Bangladesh Real Time Gross Settlement  
(BD-RTGS) System Rules  
Version 2.1**



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Payment Systems Department  
Bangladesh Bank

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January 2025

Version 2.1

**Version Table**

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## INTRODUCTION

### 1.1 Objective

The purpose of this document is to define the System Rules for Bangladesh Real Time Gross Settlement (BD-RTGS) System. These Rules define operational aspects of BD-RTGS, together with the duties and obligations of all participants including Bangladesh Bank (BB) in its role as both System Operator and as a Participant. These Rules shall be applicable to all participants that are authorised by BB and have signed their agreement hereto. BB issues these System Rules as part of its responsibilities under the 7 (e) (i) of Bangladesh Bank Order, 1972 (P.O No. 127 of 1972) and Bangladesh Payment and Settlement System Act, 2024 (Act No. 9 of 2024). The RTGS system is regarded by BB as a systemically important payment system in Bangladesh. BB owns the RTGS system and is the legal system operator.

These Rules mean all the conditions mentioned here and each related Annex and attachment as supplemented by other related materials, including Functional Specifications, related circulars and instructions of BB. Any of these materials may be amended from time to time. If there is a conflict between these Rules and any Annex, the terms of the Annex will prevail in respect of the relevant Service. Section 12 describes how these Rules may be amended from time to time. All time indications in these rules relate to the Bangladesh Standard Time (BST).

### 1.2 Overview

BD-RTGS is a real time interbank large value electronic funds transfer mechanism for both local and foreign currency transactions. Participating financial institution will be able to transfer funds on `real time` and on `gross` basis. Settlement in `real time` means transaction is not subjected to any waiting period. `Gross settlement` means the transaction is booked in central bank's account on one to one basis without netting with any other transaction. BD-RTGS will accommodate only credit transfers from participating financial institution while Bangladesh Bank and other payment system operator(s) may be allowed to settle both credit and debit transactions. The participants in the BD-RTGS system are as follows:

- a) **Originator:** The Originator is the entity that agrees to make payment to a receiver by initiating RTGS entries into the system. The Originator is usually a company, bank & NBFIs, government agency or an individual instructing the Originating Financial Institution to debit his/her/its account and credit the amount to another customer's account with Receiving Financial Institution. However, as an exception, Bangladesh Bank or other Payment System Operator(s) can act as an Originator and may send instructions directly to the system in which other participants' account may be debited and/or credited.
- b) **Originating Financial Institution (OFI):** The Originating Financial Institution is the bank, NBFIs or other Financial Institution which receives payment instructions from its customer (the Originator) and forwards the instruction to BD-RTGS system.
- c) **Bangladesh Real Time Gross Settlement (BD-RTGS) System:** BD-RTGS System is the central processing and settlement facility, operated by Bangladesh Bank. The system receives instructions from Originating Financial Institution, and before distributing the instructions to the appropriate Receiving Financial Institution, it does the settlement.
- d) **Receiving Financial Institution (RFI):** The Receiving Financial Institution is the

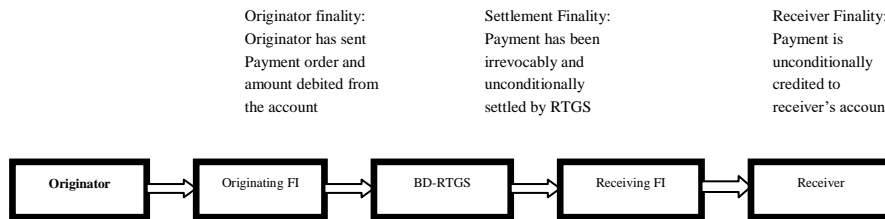
bank, NBFIs or other Financial Institutions that receive RTGS payment instructions from the BD-RTGS System and post the same to the appropriate account which may be its customer (Receiver).

- e) Receiver: A Receiver is a person/organization that has agreed with an Originator to receive RTGS payment to its account maintained with a Receiving Financial Institution.

### 1.3 Finality and Irrevocability of Payments

A valid RTGS payment is final and irrevocable. The moment the central System has accepted a Payment Instruction for Settlement, withdrawal by the Originator/OFI or by the System is not allowed unless the payment is queued for settlement and is therefore allowed to cancel.

Settlement will be final and unconditional at the moment the Settlement Accounts of OFI and RFI have been debited and credited. There is no perceptible delay between the acceptance for Settlement and the final Settlement in RTGS, provided Originating Financial Institution has sufficient balance at the time of acceptance of the payment instruction.



**Figure 1: Finality and irrevocability of payments**

### 1.4 RTGS Utilities

BD-RTGS is the interbank large value payment system which accommodates:

- Local and approved foreign currency payments initiated by OFIs on their own behalf and on behalf of their customers;
- The final and irrevocable gross settlement in Participants' Settlement Accounts of the net positions arise from the Net Settlement Instruction (NSI) of:
  - Bangladesh Automated Cheque Processing System (BACPS);
  - NIKASH Bangladesh Electronic Funds Transfer Network (NIKASH-BEFTN);
  - National Payment Switch Bangladesh (NPSB);
  - Interoperable Digital Transaction Platform (IDTP);
  - or from any other multilateral interbank DNS system that BB may deem appropriate.

## 2. ACCESS CRITERIA AND CONDITIONS

### 2.1 Membership Criteria

RTGS system membership is open to entities that meet the following criteria:

- Licensed Commercial Bank regulated by BB;
- Licensed Non-Bank financial institutions regulated by BB;
- National Board of Revenue (NBR) and Ministry of Finance;
- Bangladesh Bank;
- Authorised domestic entities that provide payment and clearing services.

Licensed Financial Institutions must apply to participate using the forms provided (See Appendix 1).

BD-RTGS participation in the form of direct membership is mandatory for all the schedule banks in Bangladesh. However, before sending live payment instructions, banks need to pass through the System Integration Test (SIT), participant training and should sign agreement with Bangladesh Bank.

### 2.2 Membership Mode

BD-RTGS membership is mandatory for all schedule banks in Bangladesh. All initial and future members shall have relevant systems, procedures and trained staff meeting the criteria set by Bangladesh Bank. Participants shall endeavor to keep their systems updated and in synchronization with the central RTGS System and with the policy and procedures prescribed by the Central Bank. Bangladesh Bank is the sole authority to make decision to incorporate other/new member(s) and may refix the criterias for existing members as and when it may deem appropriate. Currently, there are four types of Members recognised in BD-RTGS:

- **Direct Member:** is a member which has a Deposit Account with Bangladesh Bank's CBS and a settlement account with BD-RTGS System and is directly connected to RTGS via VPN. The Direct Participants are:
  - Scheduled Banks in Bangladesh
  - Non Bank Financial Institutions in Bangladesh and
  - BB itself.

NBFI is allowed to execute both FI to FI transactions and Client to Client Transaction in connection with Loan Disbursement and Loan Receipt.

- **Sub Member:** a member which has a Deposit Account with BB and a settlement account with BD-RTGS but has no direct connection to the System (its connection is via the network of a Direct member). Few small Schedule Banks & NBFI may choose to be a sub member.
- **Special Member:** A Clearing House which has no Current Account with BB but may directly be connected to the System for submission of NSI Files. The Special members, currently, are:
  - Bangladesh Automated Cheque Processing System (BACPS);
  - NIKASH Bangladesh Electronic Funds Transfer Network (NIKASH-BEFTN);



- National Payment Switch Bangladesh (NPSB);
- Interoperable Digital Transaction Platform (IDTP)

or from any other multilateral interbank DNS system that BB may deem appropriate.

- **Monitoring Member:** a member which has no Deposit Account with Bangladesh bank and no settlement account with BD-RTGS, however, these organisations may have a connection to the System for the purpose of monitoring their incoming payments, These organizations may be:

- The Controller General of Accounts (CGA) and
- The National Board of Revenue (NBR) authority.
- Ministry of Finance
- Bangladesh Bank

### 2.3 Obligation and Responsibility

Participants are liable for any damage resulting from non-compliance with the procedures or from improper or fraudulent use thereof and in particular are fully liable for every transaction performed by their user(s). Each participating bank shall ensure that its own system and procedures provide appropriate protection against fraudulent activity in connection with the system. All actual or suspected fraudulent activity in connection with RTGS must be reported immediately to the Director, Payment Systems Department (Division-2), Bangladesh Bank where such fraud or suspected fraud is on the part of the participant's staff or customer or anyone else.

### 2.4 Role of Bangladesh Bank

Bangladesh Bank as the central bank of Bangladesh is the System Operator for BD-RTGS. It is the entity with the legal responsibility for controlling, managing and operating BD-RTGS. BB in its capacity as the central bank of Bangladesh would administer the Settlement Accounts of the Participants and provide SOD fund, Top-up, Intraday Liquidity Facilities (ILF) to ensure efficient and sound payment, clearing and settlement process. In its capacity as the System Operator, BB is responsible for:

- Authorization and management of Participants in the BD-RTGS System;
- The establishment and maintenance of System Rules and related Procedures;
- Management of profile and users of the system;
- Execution of SOD and Top-up fund;
- The authorisation of operating standards and procedures for BD-RTGS System;
- Ensuring adherence to these Rules by the Participants and
- Ensuring that the system runs smoothly and efficiently to conduct transaction and take necessary steps to Maintain long-term health of the system.

As System Operator of BD-RTGS, BB administers the operation of the daily business cycle, manages the creation of reports and charts and is responsible for the security of RTGS data, central software/services, including managing backups and fallback situations of the central system.

### 3. MESSAGES

#### 3.1 Message Categories

RTGS accepts messages from Participants in two categories:

1. Transfers, i.e. Payment Instructions.
2. Queries, which are divided into:
  - a. Transactional Requests, which change the status of a Transfer;
  - b. Informational Requests, which do not affect Transfers rather a request to provide information.

Both payment requests and queries will result into outgoing messages includes notification on occurrence of the related event in the system.

#### 3.2 Message Formats

All messages must conform to ISO 20022 formatting as defined in the Technical Documentation. The following message types would be accepted by BD-RTGS.

MESSAGE TYPE	MESSAGE DESCRIPTION
<b>Participants to RTGS</b>	
<b>Pacs.008</b>	Single Customer Credit Transfer
<b>Pacs.009</b>	General Financial Institution Transfer
<b>Pacs.009</b>	Special Type of Transaction allowed for the Central Bank. <ol style="list-style-type: none"><li>1) Participant Credit</li><li>2) Participant Debit</li><li>3) Participant Transfer</li></ol>
<b>Pacs.029</b>	Net Settlement Instruction
<b>Pacs.004</b>	Payment Return
<b>Admi.004/ camt.998</b>	Free Format Message
<b>Camt.005</b>	Get Transaction
<b>Camt.007</b>	Modify Transaction
<b>Camt.008</b>	Cancel Transaction
<b>Camt.060</b>	Reporting Request
<b>Camt.059</b>	Customer Credit Confirmation

MESSAGE TYPE	MESSAGE DESCRIPTION
<b>RTGS to Participants</b>	
<b>Pacs.008, Pacs.009,Pacs.004</b>	Payment messages are forwarded to recipient Participants
<b>Pacs.002</b>	Payment message to sender participants
<b>Camt.054</b>	Confirmation of Debit (optional by Participant – set in Participant data). Sent because of the settlement of payments.
<b>Camt.054</b>	Confirmation of Credit, (optional by Participant – set in Participant data). Sent in the settlement cases mentioned above.
<b>Camt.053 and Camt.052</b>	End of Day Account Statement Message (optional by Participant – flag set in Participant data) generated automatically at EoD. Only Participant who is on boarded in the RTGS system will receive this message.
<b>Admi.004 / Camt.998</b>	Free Format Message
<b>Admi.007</b>	Receipt Acknowledgement for incoming admi.004
<b>Camt.025</b>	Receipt Acknowledgement for the Camt. messages
<b>Camt.006</b>	Return Transaction
<b>Camt.059</b>	Customer Credit Confirmation

### 3.3 Transaction Reference Number

There must be a seventeen digit transaction reference number inserted by the Originating Financial Institution to each RTGS payment instruction. This number consists of a 4 digit unique bank code, 6 digit value date (YYMMDD format), and a seven digit transaction serial number (unique for the day) for that particular OFI in which first digit will be 0-8.

### 3.4 Payment Information Need to be Supplied to the Receiver

Important payment information like name of the Originator and description of payment, in case of trade payments, additional information like invoice number/reference number(s) needed to be supplied to the Receiver by the Receiving Financial Institution by means of monthly statement or by any other means convenient.

### 3.5 Reserve

The RTGS system provides the earmarking facility through special sub-accounts of the settlement account – reserve accounts. A Participant, or the Central Bank on behalf of a Participant, can move funds from the Participant settlement account to a specific reserve account. A reserve account can be associated with a specific transaction type, ensuring that only a transaction of that type will use the funds available in the reserve account.

There can be possibility of defining “generic reserves”, where Participants can store funds for later use. This way, funds will become inaccessible to regular transactions until they are moved back to the settlement account. There is no limit with regards to the number of reserves that can be made available for the Participants by the system administrator via the management facility.

There is a possibility, for instance, to reserve funds for special transaction types, whenever the

Participant has certain funds and wants to make sure that only a certain transaction (important customer, clearing house net settlements, etc.) use those funds. A TTC code always links a payment transaction in the RTGS system. Besides other parameters explained previously, the TTC also controls the reserve associated with a transaction (configurable). Therefore, it is possible to reserve funds in a reserve account and when the transaction is executed with the TTC associated with the reserve, the funds are automatically taken from the reserve account, without any human intervention. With this mechanism, it is guaranteed that no other transaction can use reserved funds. A reserve can be set up so that whenever the funds reserved are partially used, after the posting of the transaction, the funds from the reserve account are moved back to the settlement account.

### **3.6 Document Library**

The Document Library functionality will allow the BB administrator user to upload the respective documents such as technical or business user manuals etc. through the Upload menu option available under Document Library function in the RTGS system. The BB Admin user can create a mapping as well as between the documents and the participant type i.e. whether the uploaded will be viewed only by Central Bank or Participant or Both. The Participant user will have provision to only download specific documents which are mapped with them while uploading process such as RTGS or PO application user manuals, circular, business documents such as minutes, guidelines, rules etc.

The Document Library Function in the RTGS system will have the following operations:

- List
- Upload
- Remove
- Approve

## **4. PAYMENT PROCESSING PROCEDURES**

### **4.1 Suitable Payments**

BD-RTGS is designed to process interbank electronic credit transfers carried out both by the Originating Financial Institutions' own behalf and on behalf of an Originator, besides these, transactions related to NSI files can be processed through the system.

### **4.2 Payments Initiation**

RTGS payments should be initiated through Branch office, Internet Banking channel, Mobile Application, corporate solution or other convenient way maintaining proper security. Physical instrument for initiation of payment instruction is highly discouraged. Bank will design client's RTGS transaction request form confirming the existence of all the information that is instructed by Bangladesh Bank. However, required information changed by Bangladesh Bank from time to time might be circulated via circular, meeting minutes etc. OFI will ensure that BD-RTGS system receives information as per client request form. In case of client not present at branch, positive pay or other technology based verification will be confirmed.

### **4.3 Acceptable Currencies**

RTGS processes payments in the following currencies:

1. Bangladeshi Taka (BDT);
2. British Pound (GBP);
3. Canadian Dollar (CAD);
4. Chinese Yuan(CNY)
5. Euro (EUR);
6. Japanese Yen (JPY) and
7. United States Dollar (USD).

Each Participant has a single Settlement Account for each currency in BD-RTGS System. Each Participant will also have a ILF account for BDT only. FC transaction will be operated as per guidelines of Annex-7.

### **4.4 Value Limits**

The minimum amount for an RTGS payment in BDT is 1,00,000.00 (Taka one hundred thousand). However, there is no minimum limit for foreign currency payments, Govt. transaction (TTC 31 & 42), Customs transaction (TTC 41) and EDS Money Transaction (TTC 50) and BB may choose to relax this limit for specific local currency payments time to time as well. There is no maximum limit for the amounts that may be transferred through BD-RTGS except the system's acceptable amount field limit, which is 17 digits.

### **4.5 Value Dates**

BD-RTGS will work in a store-and-forward mechanism, which made it possible to process both same day as well as future dated transactions upto next 7 calendar days.

#### **4.6 Payment Priorities**

BD-RTGS allows Participants to assign Priorities to the Payments. Priority codes vary from 1 to 99. Bangladesh Bank payments have the highest Priority while DNS Files have the next priorities. The order in which payments in the waiting queues are settled depends first on the Priority, and second on the time they are validated by RTGS within each Priority. The range of message priorities is mentioned at annex-4.

#### **4.7 Modification of Priorities**

A Participant may change the Priority of a queued payment message that has been submitted but not settled yet. The priority may be changed through the participants' web station module. Procedure(s) for changing Priority codes is defined in the technical document and web station user manual.

#### **4.8 Submission and Validation**

The Participants shall take all necessary measures to optimize the smooth flow of the payments, especially by adhering to the published message format along with the processing timetable. Payment Instructions sent by Participants shall immediately be validated by BD- RTGS system. The 'handover point' between a Participant and RTGS is the point of Technical Acceptance. This happens when RTGS receives and validates a Payment Instruction and therefore accepts it for Settlement. An acknowledgement message is sent to the Originating Financial Institution at this point. Messages which fail validation are rejected and the reason(s) are reported back to the OFI.

Error notifications contain a clear identification of fields and positions where the error is found. Validation consists of the followings:

- Authenticity check – check if particular message is received from valid source and was not altered during transmission;
- Syntax check – check if the particular message is valid in terms of supported message format
- Semantic check – check if the message is valid according to rules applicable for particular message type.

#### **4.9 Use of Appropriate Routing Information**

While sending a Payment Message in BD-RTGS, the Originating Financial Institution must ensure that the correct SWIFT BIC code or unique bank/NBFI code (See Appendix 1) of the Receiving Financial Institution along with an appropriate routing number for the Receiving Financial Institution Branch is used. Central RTGS system will maintain a list of Routing Numbers for RTGS enabled bank branches, and will verify the list before sending information to the Receiving Financial Institution. If the Receiving Financial Institution branch is not in the list, the transaction will be rejected without settlement. The Originating Financial Institution will be solely responsible for any consequence in processing and settlement due to its inputting erroneous routing information. For any new branch inclusion, bank will send a request through RTGS portal and BB operator will approve checking proper validation of information as well as ability of RTGS operation.

#### 4.10 Execution and Notification

Payment instructions sent by an OFI shall be executed in BD-RTGS System by debiting the amount to the OFI’s settlement account and crediting the amount to the concerned RFI’s settlement account. The OFI and the RFI shall be advised of the execution of Payment Instruction by BD-RTGS system. The detailed processing, execution and notification of Payment Instructions is described in the Technical Documentation. The System Rules deal only with the basic principles.

The activity and status of a Payment Instruction is charted below:

Submission and validation	Technical Acceptance and queuing	Acceptance for Settlement by RTGS	Immediate Settlement with finality
<p>The Payment Instruction or DNS File has been transmitted to RTGS. RTGS conducts various operational processes on the payment, such as validation. Payment Instructions which fail validation are rejected.</p>	<p>If the submitted instruction is found technically fine then the RTGS applies its liquidity test to the Instruction or DNS File. If insufficient funds are available, or there are already queued payments with the same or higher Priority, the Payment Instruction or DNS File is queued or cancelled in accordance with the operating timetable.</p>	<p>Once the Participant/s to be debited has/have sufficient funds available, the Payment Instruction or DNS File is accepted for Settlement by RTGS.</p>	<p>Acceptance for Settlement is immediately followed by unconditional and irrevocable settlement with finality (Participant/s debited, beneficial Participant/s credited).</p>

#### 4.11 Profile Matching and Sanction Screening

All RTGS payments are subjected to sanction screening as per the BFIU rules and guidelines. The responsibility of both profile matching and sanction screening is vested to the bank where the complete customer KYC is kept. Therefore, it is the responsibility of the Originating Financial Institution to ensure the sanction screening and profile matching of the Originator before sending an instruction to BD-RTGS System, while Receiving Financial Institution would be responsible to verify the same for the Receiver before crediting the account.

#### 4.12 Transaction Queuing

If a payment instruction cannot be settled immediately because of lack of funds on OFI’s settlement account, it must be put in the queue. BD-RTGS will put the instruction in a queue depending on different parameters. The most important among these are the time of acceptance of transaction and the priority attached to Annex-4.

If a participant wishes some Payment Instructions to be treated preferentially, they shall insert a higher Priority code (from 2-99) in those messages. The order in which payments in the Queues are executed depends first on the Priority and second on the time they are validated by BD-RTGS System. RTGS treats payments with the same Priority in each Queue on the basis of the FIFO (“First In First Out”) principle.

Each participant may control their queue by re-ordering the priority in the queue or cancelling queued payments, while BB may re-order or cancel any queued payment if it deems fit.

The RTGS Monitoring and Control functions provides complete real-time online, secure access to view the details of all items in their pending queue at the central bank. Participants can then intervene to reprioritize or revoke (Cancel) the queued messages.

#### **4.13 Priority Change**

The transaction will be placed by default at the end of the queued transaction list for the new priority unless a particular position in the queue is specified. The order of a transaction in a queue can be altered as well. Any change in the queued transaction, attributes take immediate effect (after the mandatory approval step), and its effects are immediately visible (either on the monitoring screen or in the possible transactions that are being released). This is available only for urgent payments.

#### **4.14 Gridlock Resolution**

Gridlock occurs when two or more payment queues are blocked due to shortage of funds. Gridlock Resolution is achieved by simulating a bilateral or multilateral netting procedure. This involves netting off Payment Instructions in the Queue presented by an OFI or OFIs against those to be received by the same OFI(s) on the assumption that all Payment Instructions would be carried out simultaneously. As a consequence of a successful resolution, some other pending transactions may be released as well.

BD-RTGS contains a special algorithm intended to resolve payment gridlocks. The system detects gridlock situation and selects those payments that can be settled on a Net basis without injecting additional funds into participants' settlement accounts. The system detects gridlock based on parameters mentioned below:

- Number of Payment instructions in the queue
- Amount of funds available in the settlement account of those participants
- Number of payments that were queued since last payment settled

Based on the parameters, BD-RTGS system would issue an alert to BB system administrator and the system administrator(s) may decide to trigger the Gridlock Resolution Procedures. During Gridlock Resolution process, payment instructions queued is frozen and new payment instructions are not taken into account until the process is completed. After re-activation of normal exchange period these new payment instructions will be accepted automatically on queue-ordering basis.

#### **4.15 Cancellation of Payments**

A queued payment instruction may be cancelled by the Originating Financial Institution or by Bangladesh Bank any time before settlement through RTGS web station. However, unsettled payment instructions (if any) in the queue after the regular transaction period will automatically be cancelled by the system.

#### **4.16 Four Eyes Mechanism**

The 4-Eyes check is a control mechanism designed to achieve a high level of security for especially critical activities. Under this rule, a separate User having the necessary authorization privileges must approve all activities performed by a user. The RTGS system implements the



4-Eyes check mechanism by default, for most activities that users perform via the GUI.

The RTGS system will have the following type of 4-Eyes principals in-built for the activities or operations performed on the user in GUI.

#### **4-Eyes principal**

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##### **Use cases for static data for 4-Eyes:**

- All processes will go through APPROVE – ACTIVE operations.
  - Approved activities (create/modify/activate) will be marked as ACTIVE.
  - Approved activities (disable/remove) will be marked as DISABLED/REMOVED accordingly.
  - If any activity (modify/activate/disable/remove) other than create is rejected, the previous status will be reverted.
  - If a create activity is rejected, the item will no longer be available for any other operation.
- 

#### **4.17 Direct Debit**

BB reserves the right to debit any participant during the operation hours. Besides, on behalf of a participant BB can transfer fund from one participant to another participant during the SOD and EOD based on the availability of fund.

## 5. MANAGEMENT OF PAYMENTS

### 5.1 Monitoring Payment Flows

Each Participant shall be responsible for monitoring throughout the day the Settlement of the payment instructions it has sent, the number and amount of payments pending in its Queues, the balance of both its Reserve and Settlement Account, its ILF status. Each Participant must aim to avoid having unsettled payments.

BB shall not be liable for any loss incurred by a Participant due to failure by a Participant to monitor and reconcile its payment flows, and each Participant hereby agrees to hold BB and the other Participants harmless from and against any claim, cost or expense (including legal fees) resulting from their failure to monitor their payment flows and their failure to post and reconcile.

### 5.2 Execution and Posting of Payments

An Originating Financial Institution shall send Payment Instructions to BD-RTGS system on behalf of their customers within at most 30 (thirty) minutes from the receipt of the corresponding request, and debiting his/her account, While all settled customer payments shall have to be posted to the Receiver's accounts within at most 30 (thirty) minutes following the notification of the settlement (Camt.054) received from BD-RTGS. Otherwise, System Operator may impose penalty as describe in the section 8. The above timeline will not be applicable for accounts which are special in condition or type. Besides, FC transaction will be posted as per timeline mentioned at annex 7. If the account number and the name of the receiver contained in an instruction do not relate to the same account, the RFI may rely on the account number and 50% name matching contained in the instruction form of posting.

### 5.3 Credit Confirmation

After receiving the settled instruction (pacs.008), Receiving Financial Institution shall post the instruction to its CBS and reply with a credit confirmation message (camt.059) to the Originating Financial Institution within 30 (thirty) minutes following the notification of the settlement (Camt.054) received from BD-RTGS. Originating Financial Institution shall take necessary step to notify the customer about the confirmation of posting through SMS, Email or other convenient media instantly.

### 5.4 Return Payments

Return payments/Payment instructions can be initiated either by the Originator/OFI or by the RFI of the original payment:

On request by the OFI/Originator: an OFI/Originator may request the return of a completed payment from the RFI mentioning the valid ground like error, wrong account or amount, dual transaction etc. Issues related to misconduct of business cannot be raised for return. The request must be made in writing i.e. by email, fax or letter as soon as possible. Both OFI and RFI will verify at their end before sending a return request as well as the return payment. In this case, the RFI will return the fund to the OFI/Originator, if the funds are still available in the account of the Receiver. If the funds are not available, the RFI will cooperate with OFI/Originator to collect the fund. Moreover, RFI can deduct the fund from the account of the beneficiary to initiate return if valid reason exists.

At the initiative of the RFI: if a Receiving Financial Institution becomes aware that its Settlement Account has received a payment erroneously or for the wrong amount/account, it will return the payment to the Originating Financial Institution immediately.

In both cases the return payment will be made using the required message type (pacs.004) containing (*inter alia*):

- The identification of the original payment (i.e Transaction Reference Number)
- A Return Reason Code selected from the table below.
- Return will have to execute within the same business day.

If return is not executed within the day, Originator or OFI may claim interest for the delay. Besides, Bangladesh Bank may charge penalty for the above.

#### 5.5 Return Reason Codes (Technical)

SR No.	ERROR NUMBER	ERROR CODE	ERROR DESCRIPTION
SL. No.	Code		Meaning
1.	001	INVDATEFMT	The received message had an invalid date.
2.	002	INVCREDINST	Invalid credit institution.
3.	003	INVDEBINST	Invalid debit institution.
4.	004	INVSND	Invalid message sender.
5.	005	INVRCV	Invalid message receiver (This should always be the BB BIC.)
6.	008	INVCURR	The received message specifies an invalid currency.
7.	009	INVAMT	The amount is invalid as per the following cases: i) Sum of debits is different from the sum of credits for NSI. ii) Credit amount is 0 for NSI.
8.	011	INVDATE	The received message has an invalid date: past date.
9.	012	INVDATEEOD	The message specifies a date which is closed already for business.
10.	013	INVDATEIC	The message was received after Initial Cutoff
11.	014	INVDATEFC	The message was received after Final Cutoff.
12.	015	INVBUSSDATE	The received message refers a non-working business date
13.	016	INVBUSSDATEFUTURE	The value date is ahead of the allowed number of days.
14.	017	INVMTTYPE	The received message has an invalid (unsupported) message type.
15.	018	INVSIG	The digital signature could not be verified (failed the validation).
16.	020	INVDEFPROCTTC	No default TTC defined for this type of transaction or the TTC defined for a message type was used for another message type.
17.	021	INVTRANTYPEFORTTC	The TTC specified belongs to a different Class of TTCs and cannot be used.
18.	022	INVTTCPARTTYPE	The TTC cannot be used with this sender's Participant Type
19.	023	INVRESERVEOWNER	The owner of the requested reserve operation does not match the sender.

## 5.6 Return Reason Codes (Operational)

Sl.	Code	Meaning
01	R 01	Account Closed
02	R 02	No Account/Unable to Locate Account
03	R 03	Invalid Account Number
04	R 04	Returned per Originator/Originating FI's Request
05	R 05	Representative Payee Deceased or Unable to Continue in that Capacity
06	R 06	Beneficiary or Account Holder (other than a Representative Payee) Deceased
07	R 07	Account Frozen/Account Dormant
08	R 08	Non-Transaction Account
09	R 09	Entry Refused by the Receiver, because: <ul style="list-style-type: none"><li>- Minimum amount required has not been remitted;</li><li>- Exact amount required has not been remitted;</li><li>- The account is subject to litigation;</li><li>- Amount is too high;</li><li>- Originator is not known to the Receiver;</li><li>- The Receiver has not authorised this credit entry to this account.</li></ul>
10	R 10	Others

Payments must be returned:

- The same day of receipt of the request by the Receiving Financial Institution, made by the Originator/OFI;
- Within one hour of receipt of the original payment where RFI detects it as an erroneous payment.

If the return payment has not been made available within the timeline above, the Originating Financial Institution /Originator may claim interest for the delayed period from the RFI. This interest will be calculated on the basis of the overnight deposit rate applicable.

## 5.7 Responsibilities of the Participants

The participants shall issue their payment instructions to BD-RTGS in accordance with these rules and shall adhere to and be held responsible for the followings:

- a) the completeness and authenticity of the information they send on their own behalf and on behalf of their customers ;
- b) the compliance of payment messages with the ISO20022 message format, and additionally, any other agreed-upon technical protocols and formats;
- c) securing the access to their BD-RTGS Monitoring and Control Workplace(s) and ensure proper segregation of duties and responsibilities among the operational team ;

- d) ensuring that they collect all data provided to them by BD-RTGS and take necessary steps to preserve all transactional and audit data contained therein for as long as applicable law stipulates;
- e) ensure that all customer payments are send and posted in accordance with these Rules;
- f) ensuring that only duly authorized Users who have been issued with an access control e-token by BB are using the System and
- g) In case of any technical or other issue for which the participant is unable to initiate and/or receive transaction or settlement instruction, they are responsible for immediately notifying all other participants of the BD-RTGS system as well as BB so that appropriate measure can be taken at their end to minimize customer inconvenience. Same applies at the time when the issue is resolved.

Each Participant shall be responsible for monitoring, throughout the day, the Settlement of the payments it has sent, post the payments it has received, the number and amount of payments stored in outward Queues, any queued net and gross settlement instructions, the balance of its Settlement Account, its ILF position and the level of its Reserves. Each Participant shall aim to avoid having any unsettled payments.

For better communication, each participant shall nominate and share RTGS Manager along with second man's details with other participants and BB as well.

BB shall not be liable for any loss incurred by a Participant due to the participants failure to monitor and reconcile its payment flows, and each Participant hereby agrees to hold BB and the other Participants harmless from and against any claim, cost or expense (including legal fees) resulting from their failure to monitor their payment flows and their failure to reconcile.

#### **5.8 Responsibilities of Bangladesh Bank**

To the extent consistent with applicable law, BB shall be liable only for its failure to act in good faith or to exercise reasonable care to operate the central RTGS processing engine. BB shall not be liable for delay or failure in performance by a Participant or a third party, nor the accuracy of any data or instructions provided by a Participant or a third party. Under no circumstances shall BB be liable for any indirect, incidental or consequential loss (including loss of profit) even if advised of the possibility of such loss.

As System Operator, BB:

- a) is responsible for checking the Payment Instructions received in accordance with the published format;
- b) is responsible for, (once RTGS has technically accepted the Payment Instruction for processing), integrity, security and confidentiality of a Payment Instruction until it is dispatched to the Receiver.
- c) is responsible for keeping a record of all Payment Instructions according to relevant Bangladesh legislation;
- d) is not responsible for damage resulting from messages containing erroneous information provided by the Originator/Originating Financial Institution ;
- e) will take all necessary reasonable measures to protect its computer system and to prevent it from being out of order and endeavor to offer as quickly as possible, upon

every breakdown or important Constraining Event, a solution to the problem by carrying out the appropriate fall back procedures. If these measures have been taken, BB is no longer responsible for the possible breakdown or Constraining Event, even temporary, for any reason, of the computers or the programs it uses or places at the disposal of its Participants for the processing of their payments, nor for the destruction or erasing of data stored in the computers or for possible fraudulent use thereof by third parties ;

- f) is responsible for making available to the Participants the updated information concerning their payment flows and the status of their Settlement Accounts as generated by the System.

The liabilities of BB as Technical Operator are limited to:

- a) the correct operating of the System as described in the Functional Specification;
- b) securing by means of adequate devices and procedures the System as regards data integrity, availability and confidentiality;
- c) endeavoring to solve without delay, and in close co-operation with the hardware, software and/or service providers, any failure or malfunction of the System.

BB shall not be liable for any failure of RTGS resulting from the incorrect use of the system by the Participants or due to software errors or communication failures. Except as provided in this section, BB shall have no liability whatsoever to any Participant or any other person for any loss, liability, or expense suffered by such Participant or person arising from BB's acts or omissions in connection with RTGS.

## **6. LIQUIDITY AND TREASURY MANAGEMENT**

### **6.1 Settlement Accounts**

Each participating bank has one settlement account per currency in BD-RTGS system. These settlement accounts would start with a zero (0) balance at the beginning of each business day and ends with a zero balance at the end of the business day. Each bank would provide BB with a standing instruction to deduct a pre-fixed sum from its current account held in the BB-CBS and transfer the same to its settlement account. These instructions, however, may be changed from time to time. The current account of Bangladesh Bank will be updated with the settlement account balance at the end of the day.

### **6.2 SOD and EOD Fund Transfer**

Each participant will send SOD fund transfer request to Bangladesh Bank (For BDT address to Executive Director, Motijheel Office and for Foreign Currency address to Director, Forex Reserve and Treasury Management Department Bangladesh Bank Head Office). SOD fund should be set such a way that it should not be changed frequently.

After Start of the Day, an automatic procedure will be executed and debiting current account maintained with BB and crediting RTGS settlement account. If SOD fund of a participant fails for consecutive 5 (Five) Business Days as shortage of fund at their current account, system operator may suspend participant or impose penalty at describe in section 8. At the End of Day (EOD), available balance of the participants will transfer from settlement account to current account.

### **6.3 Top-Up**

If a participant feels shortage of fund at their settlement account, it can send top-up request to respective department of Bangladesh Bank. BB will execute top-up request based on the availability of fund at their current account maintained with Bangladesh Bank.

### **6.4 Intraday Liquidity Facility**

BB makes liquidity available, in BDT only, to Participants on an intraday basis in accordance with the Guidelines of Intraday Liquidity Facility (see Annex-5) and the Guidelines of Intraday Liquidity Facility for Islamic Shariah based banks (see Annex-6). The steps of ILF processing are as follows:-

1. Based on the configuration in the BD-RTGS system, the system can request the security system of Bangladesh Bank to get the ILF amount for a particular participant for a specific currency.
2. Based on the request received from BD-RTGS system, the security system will repo or pledge the securities at their end and initiate an ILF fund transfer to BD-RTGS system will help Pacs.009 to fund the collateral account of the participant.
3. The BD-RTGS system will receive Pacs.009 with a specific TTC code to identify it as an ILF funding request for a participant.
4. Below accounting will be performed in the BD-RTGS system for the ILF request:
  - Debit:Bangladesh Bank Collateral A/C
  - Credit:Participant Collateral A/C

5. The BD-RTGS system will provide an option to the commercial bank where they can decide for which pending payments they want to make use of funds from the collateral account for the settlement of the payments.
6. The BD-RTGS system will make a track of all the funds utilized from the collateral account to settle the pending payments with the help of the intermediate or virtual ILF account.
7. The BD-RTGS system monitors the participant payments the moment they receive any incoming payments which credit their settlement account, on priority the RTGS system tries to move the fund from the Settlement account to Collateral account of that participant up to the utilized amount.
8. After the Final Cutoff timetable event is executed in the BD-RTGS, the system will reconcile the collateral and will ensure that collateral account is funded back from the settlement account for the amount utilized during the day to clear pending payments.
9. Once the RTGS system gets the track of the collateral account, it tries to reverse back the ILF amount by performing the below accounting.
  - Debit Participant Collateral account
  - Credit Central Bank Collateral account
10. After the successful accounting, the BD-RTGS system will provide the notification back to security system of Bangladesh Bank to notify that the ILF amount has been reversed back. On receiving the notification, the security system will perform reverse repo or pledge back the securities with the participant bank.

The ILF is available strictly for Intraday only and any ILF advances must be reversed before the end of the RTGS operating hours as per the Daily Timetable. If a Participant fails to do so, the ILF will be converted to an overnight Repo with BB at a higher interest rate along with other non-financial penalties like suspension of operation (As per the Guidelines: Annex 5 & 6



## 7. BUSINESS DAY AND OPERATING HOURS

### 7.1 Business Day

BD-RTGS System will operate each day Sunday to Thursday except for public holidays according to the annual calendar maintained by BB. Any deviations from this planned schedule will be announced in advance in writing (i.e. via letter/e-mail). In exceptional circumstances this announcement may be made during the Business Day and may have the effect of shortening or lengthening that particular Business Day.

### 7.2 Daily Operation Timetable

#### Start of Day (SOD)

This is the first event that triggers basic functions of the system viz., advancing of system's business date; loading the updated code files; accepting payment instructions from the internal systems of the Bank. Payments sent by the participants are not accepted for settlement at the time of SOD. If submitted, the payments are kept in the queues, waiting for the next event to be executed. On execution of the event, the RTGS system will allow the entry of payments by initiating the messaging queues. The Amount (Configurable) of funds will be moved from the Core banking system to RTGS system as a SOD balance between SOD to OFB.

#### Open for Business (OFB)

This event marks the moment when all the functionality of the RTGS system is fully available to the participants. The system starts processing all types of messages and payments such as Customer payments, inter-bank payments, and Gross Settlement instructions.

#### The pre-requisite for the OFB:

If the SOD balance file is not received by RTGS system for any one of the participants for a specific currency from core banking system, RTGS system will not execute the OFB timetable event for those participants of the currency.

If the SOD balance file is not received by RTGS system from the Core banking system for the business day for a specific currency, then BD-RTGS system generates an alert as SOD balance alert and sends it to specific participant and executes an OFB event.

#### Initial Cut-off (IC)

This event triggers restriction of submission of a certain type of transaction viz. customer transactions. After the Initial Cut-off time, participants cannot submit the customer transactions for settlement.

With the execution of the Initial Cut-off, the Initial Cut-off report will be generated. Pending customer to customer payments will be in queue till it receives the sufficient fund for settlement or the Final cut-off timetable event is executed.

However, the Special payments and the inter-bank payment between financial institutions will be accepted for settlement after this cut-off.

#### Special Payment Cut-off

This event execution triggers the restriction of submission of special payments i.e. configured TTC code payments. After the Special Payment cut-off, participants cannot submit the Pacs.008 payments with the special configured TTC code i.e. Customs and other Govt. payments. Pending special TTC payments will be parked in a queue till it receives the sufficient fund for settlement or the final cut-off timetable event is executed. For example, once this cut-off has been executed Pacs.008 with TTC

code 040 and 041 for local currency will not be processed and will be rejected by the RTGS system. With respect to foreign currency timetable event the configured TTC pacs.008 payment will not be processed further. Note that special payment cut-off is exclusive for BDT currency only.

**Final Cut-off (FC)**

This cut-off represents the end of all the normal operations conducted by a participant for the business day. With the execution of the Cut-off for Interbank Payments, all payment transactions in INCOMING or PENDING status will be rejected except for BB transactions such as Participant Transfer, Participant Credit and Participant Debit. The funds of the Reserve Accounts that have been configured for the release with the cut-off will be returned to the Settlement Account. Finally, the intraday loans will be returned, that is, a transaction will be created to move the amount defined in the ILF Account from the Settlement Account to the Collateral Account. All the transactions parked in the pending queue will be cancelled by the RTGS system.

**End of Day (EOD)**

This is the last event of every business day. With the execution of the End of Day, account statements will be generated for all participants with an accounting summary of the day. Collateral and ILF accounts will reset to zero. The daily billing (Whenever applicable) will execute. Finally, all messaging queues will be stopped. The system will be available 24/7 for queries or historical data reporting, maintenance, and management activities.

**Operating hours**

The RTGS operating hours are defined in Annex 3 to these Rules and may be modified from time to time by BB in consultation with Participants.

## 8. FEES, CHARGES AND PENALTY

Bangladesh Bank will not charge any fees to participating banks for BD-RTGS operation. BB, however, reserves the right to set transaction fees and other charges which shall be notified to Participants before coming into effect. Participating Banks, on the other hand, may choose to charge fees (which may be not more than Tk.100 per transaction including VAT) only from the Originator of the transaction, however, no charge will be applicable if the beneficiary of the transaction is govt.entity (VAT, Customs, Govt. Collections and such others).

Fees fixed by the Central Bank for the participants would usually follow the criteria as under:

1. An annual membership fee ;
2. Per transaction fees, which may vary based on amount slab and time slab of the transaction; and
3. Penalties for infringement of Rules or any other penalties and/or interest charges relating to RTGS operation as fixed by BB.

Charging will be calculated and posted to participants' settlement account on daily/weekly/monthly basis and would be charged at the end of the month. However, the membership fees are usually yearly and would be charged at the beginning of the year. The Participant authorises BB to apply debits to its account for fees/charges and any other penalties that come as a result of RTGS operation by the Participant. Participants will be notified about the details of all charges and penalties as soon as executed.

### Penalties:

Descriptions	Fee (BDT)
Failure to comply with Participant Agreement, System Rules, Operating Procedures and any other Directives and Guidelines issued by BB.	500,000
Failure to fund Net Settlement Instruction <ul style="list-style-type: none"> <li>• If default sum is &lt;10 Crore</li> <li>• If default sum is &gt;10 Crore</li> </ul>	50,000 100,000
Failure to credit a beneficiary customer within 30 minutes of receipt of a settled RTGS transfer	10,000 per transaction
Failure to initiate a RTGS transaction within 30 minutes of customer request receipt	10,000 per transaction
Failure to return a misdirected transaction within the same day after transaction has been settled	50,000 per transaction
Failure to settle intraday liquidity facilities before system cut-off time <ul style="list-style-type: none"> <li>• If default sum is &lt;10 Crore</li> <li>• If default sum is &gt;10 Crore</li> </ul>	50,000 100,000
Failure to meet direct debit commitments	5,000
Request for cut-off time extension fee, which is granted	50,000 per Half hour

Besides, Bangladesh Bank can suspend, inactive and debit/credit locks the participant for violating any Section of the BD-RTGS system rules or other related issues without giving any prior notice for the sake of customer interest.

## **9. CONTINGENCY AND BUSINESS CONTINUITY**

### **9.1 General Obligations**

A Contingency Event is an event which disrupts normal processing of RTGS payments to the extent that contingency procedures are brought into effect. Contingency events may arise to both BB and the participants. In case the event affects the central processing system, BB shall have the right in its sole discretion to determine and warn Participants that a Contingency Event has occurred. This may or may not include transfer of operations to the DR site and/or to implement other available alternatives. In case of a technical failure of a Participant compromising the generation or the reception of payment messages through RTGS for more than one hour during the day, the Participant shall immediately inform BB. If the situation continues, the Participant may request BB to suspend its account. Account suspension requires confirmation in writing at least from the DMD of that particular bank. Lifting of such a suspension also requires confirmation in writing from the same authority.

In case a Contingency Event may occur to the central system, BB shall have the right, in its sole discretion, to switch the operation from DC to DR site and inform the participants accordingly. In this case any payment that is queued to the system may need to be deleted or ignored. Thus, participant(s) system may need to cope with such contingencies while their system may also face contingency event(s) and must be prepared for such situation(s).

### **9.2 Failure of Communication Links**

In case the connection of a Participant's RTGS link to the VPN or to the SWIFT network breaks down or an inability of participant(s) to access the central system effectively which prevents the exchange of payment instructions, the participant(s) should inform immediately to BB. In case of communication link being failed, the Participant should also try to switch to the redundant connection. If the Participant is still unable to send messages to the System, it may:

1. Contact BB in Writing, requesting to assist in executing its most important payments on its behalf via some web interface or other available means; and
2. Use facilities of other Participant (in the case participants agreed among themselves to provide such services to each other).

In such a situation BB may decide to amend/extend the Daily Operating Timetable for the current day in order to provide sufficient time for the Participants to complete their work for that day, and will notify all Participants accordingly.

### **9.3 Force Majeure**

There shall be no liability for non-compliance with these Rules to the extent that, and for so long as, there is an inability to perform the Obligations under these Rules or these Obligations are subject to suspension or delay, due to the occurrence of an event arising from any reason or cause beyond participant's reasonable control, including, but not limited to, equipment failure or malfunction, natural disasters, strikes and acts of war.

The foregoing shall not prejudice the responsibility of all parties to carry out the error handling procedures and other technical operational measures such as those described in section 8.1 (Contingency Event) in accordance with these Rules, so far as possible, despite the Force Majeure Event, and to use all reasonable efforts to mitigate the effects of any such event whilst it is continuing.

#### **9.4 Conservation and Archiving**

All BD-RTGS Participants must comply with the laws and regulations applicable in Bangladesh concerning the conservation and archiving of documents as regards the support and the duration of the conservation.

For this purpose, all transactions and accounting data must be stored for a period of twelve years from the date it gets settled. All current transactions and data for the previous ten years should be accessible.

#### **9.5 Audit Trail**

BD-RTGS provides comprehensive audit trails, which can be made available to Participants on request at BB's discretion. BB system administrators are able to examine all the activities carried out on the System, including transaction and static data amendments. However, all participating bank's system should have similar types of audit trail functionality in their system. An audit trail functionality includes but not limited to:

- a) at application level, showing the path of transactions through the System, the source of all changes to data in the system files and on the databases and providing proof that all transactions received from other system(s) have been processed. The data entry users and approvers for all payment instructions are recorded and are visible on the relevant screens;
- b) at Participant level, showing details of all transactions relating to a particular Participant;
- c) at User level, giving a record of all accesses to the System and the actions of Users, keeping a record of actions by User and showing which Users have taken action on any particular transaction. These elements form part of the technical audit trail known as the system log;
- d) at technical level, providing a secure record of the technical functioning of the System, recording access to system modules and technical events in detail. This audit trail is referred to as the system log.

The main audit tools, apart from standard reports, are as follows:

- a) facility to list all transactions for RTGS from on-line history files within the System for at least the previous Two years from postings ;
- b) facility to request from User defined reports for audit purposes based on statistical and other tables in the database.

For Participants, BB audit trail data may be supplied, if required, only against a written request signed by the Chief Executive Officer or Managing Director of the bank.

## 10. ESTABLISHMENT AND MAINTENANCE OF USERS

### 10.1 General

Access to BD-RTGS System shall be permitted only to authorized and uniquely identified personnel. Each person named in the user registration form shall be an Authorized Personnel of the designee thereof duly authorized to receive, transmit and/or confirm data and instructions within the limits (if any). As long as BB acts in compliance with the communication and data security methods as set forth in these Rules as these may be amended from time to time in accordance with the Procedures in these Rules, it shall have no further duty to verify the identity or authority of the person giving or confirming, or the contents of, any instruction. Notwithstanding any other provision hereof, BB shall have the right, in its sole discretion, to refuse to execute any instruction, provided BB, acting in good faith, doubts the authenticity or authorization thereof. BB shall provide prompt notice, which may be by telephone, to an Authorized Person of any such rejected instruction.

BB shall be entitled to rely on the authorisations and User lists as set forth on a User application form. In normal circumstances BB should receive at least two Business Days prior to the effective date thereof, of a written request for revocation or modification of such User application form, dated and signed by an Authorised Person. In urgent cases such request for revocation or modification may be made by e-mail or Authenticated Fax and will be taken action by BB immediately on receipt.

A User application form may be revised only by a written request signed by an Authorised Person and each such proposed revision is subject to BB's consent in accordance with the procedure. This section supersedes all prior agreements or practices in respect of instructions and the Procedures may not be changed by an oral agreement or by course of dealing or custom.

Each Participant will inform BB as soon as practicable if any person authorised to utilise the Services on behalf of a Participant ceases to be employed by that Participant or ceases otherwise to work for that Participant or to be under its control.

### 10.2 Request to Create a User

Each Participant requesting the authorisation of a User shall, at least five Business Days prior to the effective date thereof, complete and provide BB in writing with:

- a) a User application form dated and signed by two Authorised Persons ;
- b) a User protocol as provided as part of the User application form in Annex 4 to these rules, dated and signed by the relevant User ; and
- c) in the case of the creation of an Authorising Officer, a RTGS User profile request, dated and signed by two other Authorised Persons.

Only BB shall have the right, in its sole discretion, to authorise new Participant Security Administrators and assign a User profile to such Users.

BB also has the sole right to:

- I. allocate e-tokens; and
- II. issue digital certificates to User (on the e-tokens).

Participants through their Security Administrators are responsible for the creation and maintenance of their other Users in RTGS, allocation of User names, User profiles and initial passwords.

BB will provide one e-token with PIN to each registered User. Each e-token is exclusive to the user to whom it is issued, and in no circumstances is it to be shared with or used by another. When received by the registered User, the token's default password should immediately be changed.

### **10.3 Request to Modify a User**

Only Participant Security Administrators can assign and amend User profiles according to User responsibilities, required by Participants or by BB. Such assignments and amendments will take place under dual control.

### **10.4 Request to Suspend or Delete a User**

A Participant that requires one or more of its Users to be suspended or deleted can carry out the deletion on-line, but must report to BB in Writing that a User has been suspended or deleted. In case of emergencies, BB Administrators can also suspend or remove Users from RTGS.

### **10.5 Maintaining User Profile**

BB RTGS Administrators allocate initial User profiles to Participants and may, in the name and for the account of BB, set up and amend information about a User, including the User profile, according to the information provided by Participant administrators.

### **10.6 Training**

Before a User can be registered, he/she must complete RTGS User training appropriate to the functions to be performed and must be able to demonstrate by passing a practical and/or theoretical test to prove he/she has the necessary knowledge to use BD-RTGS System. In order to ensure user knowledge and compliance to System Rules, each participant financial institutions are required to arrange at least one training program each year for the benefit of its RTGS related officials (both Head Office and branch level) which will cover theoretical and practical aspects of participating in BD-RTGS system. Participant should preserve the training information both head office and branch office. Bangladesh Bank will verify the training information during on-site inspection.

## **11. DISPUTE RESOLUTION**

### **11.1 Dispute Resolution Procedures**

In case of a dispute between Participants, the respective rights and obligations in relation to Payment Instructions processed through BD-RTGS, and all other matters referred to in these Rules, shall be determined according to the Payment and Settlement System Act, 2024 and other applicable laws of Bangladesh. In case of operational error, questions or differences what so ever at any time, the Participants concerned shall sit together in order to find an amicable settlement and take all necessary measure to that effect. If Participants do not agree to find such an amicable settlement, each Participant concerned shall request BB in writing 10 calendar days at the latest after the occurrence of the error or dispute, to start a conciliation procedure in order to find a solution concerning the error or the dispute, its consequences and damages. The Participants concerned shall communicate to BB all necessary information and documentation to this effect.

### **11.2 Conciliation and Arbitration Procedures**

Participants or aggrieved to submit any dispute concerning the interpretation the implementation of these Rules on which the parties have not been able to find an amicable settlement within 10 calendar days of the original transaction took place to an arbitration process as follows. Both the parties, and any one party, may choose to go for conciliation and arbitration under Bangladesh Bank's management. Arbitration Panel of Payment Systems Department of Bangladesh Bank is responsible to make the conciliation or arbitration. The process in brief is as follows:

- BB will appoint a team for conciliation and arbitration or send to Arbitration Panel based on the merit of the case.
- BB will instruct the parties to submit documents related to the disputed transaction;
- BB will fix a date and hear from the parties and will give its verdict.

The aggrieved party, if any, with the decision would be able to appeal to the Executive director in charge of Payment Systems Department, BB against the decision within 7 (seven) calendar day. Separate team may be assigned to deal with the case or final verdict may be given by the Executive director in charge of Payment Systems Department. The decision verdict would have an immediate effect and if the convicted party fails to pay the penalty (if any) in time, BB may choose to deduct its settlement account and replenish the affected party.



## 12. AMENDMENT OF RULES

BB is responsible for the amendment of these Rules from time to time or the Annexes hereto, or any additional documents containing, *inter alia*, technical provisions and specifications for BD-RTGS. At any time Participants may suggest amendments to BB which will consider them and may, in consultation with other Participants, apply them as an amendment. Such amendments and additional documents shall become effective as an integral part of these Rules and be effective as per the date specified by BB. BB will give notice to each Participant of any modification/amendment 30 calendar days before its entry into force.

**ANNEX 1: PARTICIPANTS BIC CODES**

SL. No.	BIC	Bank Name	Code
1	ABBLBDDH	AB Bank PLC	020
2	AGBKBDH	Agrani Bank PLC	010
3	ALARBDDH	Al-Arafah Islami Bank PLC	015
4	ALFHBDDH	Bank Alfalah Ltd	065
5	AVFLBDDH	Aviva Finance Ltd	521
6	BALBBDDH	Bank Asia PLC	070
7	BBSHBDDH	ICB Islamic Bank	230
8	BCBLBDDH	Bangladesh Commerce Bank Ltd	030
9	BCOLBDDH	Bengal Commercial Bank Ltd	315
10	BDDBBDDH	Bangladesh Development Bank PLC	047
11	BFINBDDH	Bangladesh Finance Ltd	501
12	BKBABDDH	Bangladesh Krishi Bank	035
13	BKSIBDDH	Basic Bank Limited	055
14	BLILBDDH	Bay Leasing & Investment Ltd	502
15	BRAKBDDH	Brac Bank PLC	060
16	BSONBDDH	Sonali Bank PLC	200
17	CCEYBDDH	Commercial Bank of Ceylon PLC	080
18	CIBLBDDH	City Bank PLC	225
19	CITIBDDX	Citi NA	075
20	CIZSBDDH	Citizens Bank PLC	320
21	COYMBDDD	Community Bank Bangladesh PLC	310
22	CVCFBDDH	CVC Finance Ltd	503
23	DBBLBDDH	Dutch Bangla Bank PLC	090
24	DBHLBDDH	DBH Finance PLC	504
25	DHBLBDDH	Dhaka Bank PLC	085
26	EBLDBDDH	Eastern Bank PLC	095
27	EXBKBDH	Exim Bank Bangladesh Ltd	100
28	FFINBDDH	First Finance Ltd	505
29	FRMSBDDH	Padma Bank PLC	280
30	FSEBBDDH	First Security Islami Bank PLC	105

31	HABBBDDH	Habib Bank Ltd	110
32	HSBCBDDH	HSBC	115
33	HVBKBDDH	Woori Bank	255
34	IBBLBDDH	Islami Bank Bangladesh PLC	125
35	IDCOBDDH	IDCOL	506
36	IDLCBDDH	IDLC Finance PLC	507
37	IFICBDDH	IFIC Bank PLC	120
38	IIDFBDDH	IIDFC PLC	508
39	IPDCBDDH	IPDC Finance PLC	509
40	JAMUBDDH	Jamuna Bank PLC	130
41	JANBBDDH	Janata Bank PLC	135
42	LAFLBDDH	Allience Finance PLC	519
43	LBFLBDDH	Lanka Bangla Finance PLC	510
44	MBLBDDH	Mercantile Bank PLC	140
45	MDBLBDDH	Midland Bank PLC	285
46	MFILBDDH	Meridian Finance & Investment PLC	511
47	MFLDBDDH	Midas Financing Ltd	512
48	MGBLBDDH	Meghna Bank PLC	275
49	MODHBDDH	Modhumoti Bank PLC	295
50	MTBLBDDH	Mutual Trust Bank PLC	145
51	NBLBBDDH	National Bank Ltd	150
52	NBPABDDH	National Bank of Pakistan	155
53	NCCLBDDH	NCC Bank PLC	160
54	NGBLBDDH	Global Islami Bank PLC	300
55	NHFIBDDH	National Housing Finance PLC	514
56	NRBBBDDH	NRB Commercial Bank PLC	260
57	NRBDBDDH	NRB Bank Ltd	290
58	ONEBBDDH	One Bank PLC	165
59	PFINBDDH	Phoenix Finance and Investments Limited	515
60	PRBLBDDH	Prime Bank PLC	170
61	PRMRBDDH	The Premier Bank PLC	235
62	PUBABDDH	Pubali Bank PLC	175

63	RKUBBDDH	Rajshahi Krishi Unnayan Bank	180
64	RUPBDDH	Rupali Bank PLC	185
65	SBACBDDH	SBAC Bank PLC	270
66	SBINBDDH	State Bank of India	220
67	SCBLBDDX	Standard Chartered Bank	215
68	SDBLBDDH	Standard Bank PLC	210
69	SEDBBDDH	South East Bank PLC	205
70	SFILBDDH	Strategic Finance Investment Ltd	516
71	SHMTBDDD	Shimanto Bank PLC	020
72	SJBLBDDH	Shahjalal Islami Bank PLC	190
73	SOIVBDDH	Social Islami Bank PLC	195
74	TTBLBDDH	Trust Bank Ltd	240
75	UBLDBDDH	Union Bank PLC	265
76	UCBLBDDH	United Commercial Bank PLC	245
77	UCLRBDDH	Union Capital Ltd	518
78	UFINBDDH	United Finance Ltd	517
79	UTBLBDDH	Uttara Bank PLC	250
80	BBHOBDDH	Bangladesh Bank	-

## ANNEX 2: PARTICIPATION AGREEMENT

(On Taka 300 Non-Judicial Stamp)

### **Bangladesh Real Time Gross Settlement System Participation Agreement**

In consideration of the undersigned being admitted as a participating Banking Company/Finance Company in the Bangladesh Real Time Gross Settlement (BD-RTGS) System, as a facility to operate an interbank electronic real time funds settlement services within the country for both local and designated foreign currencies, and of the mutual indemnification of the understanding by each other of BD-RTGS System: the undersigned, which intends to act as a participating banking company of RTGS, hereby agrees with the Bangladesh Bank, and with other participating banking company :

1. to comply with and be subject to the BD-RTGS System Rules (collectively referred to as the ‘BD-RTGS Rules’) including descriptive requirements to be applicable from time to time ;
2. to make all payments required by the BD-RTGS Rules including fees and charges set by BB time to time ;
3. not to effect adversely the operation of the System by compromising the integrity of payment instructions sent to the BD-RTGS System ;
4. to indemnify and hold harmless the Bangladesh Bank and other participants from any and all costs, charges, claims, demands, expenses (including costs of investigation and attorneys’ fees and expenses of litigation), losses, liabilities, damages, judgements, fines, penalties, interest and amount paid in settlement arising from any failure on the part of the undersigned to exercise ordinary care or to comply with any of the provisions of the BD-RTGS Rules.

This agreement shall be governed by and construed in accordance with the laws of the People’s Republic of Bangladesh. The undersigned and the Bangladesh Bank submit to the exclusive jurisdiction of the court of the People’s Republic of Bangladesh.

This agreement shall inure to the benefit of the Bangladesh Bank and shall be binding on the undersigned and its successors and assigns, except no Participating Banking Company/Finance Company may transfer or assign its rights or Obligations hereunder except as expressly provided in the BD-RTGS Rules.

Date:

\_\_\_\_\_  
(Participating Financial Institution)

Accepted this .....day of  
...../.....Bangladesh Bank

\_\_\_\_\_  
(Signature of the Chief Executive)

Authorized Signatory

\_\_\_\_\_  
(Name)

### ANNEX 3: DAILY OPERATING TIMETABLE

1. Normal Business Day (BDT and FC)

Period Name	BDT Period Start Time	FC Period Start Time
<b>Start of Day(SOD)</b>	09:00	09:00
<b>Open for Business (OFB)</b>	10:00	10:00
<b>Initial Cut-off</b>	16:00	16:00
<b>Special Cut-off</b>	17:00	-
<b>Final Cut-off</b>	17:15	16:30
<b>End of Day (EOD)</b>	17:30	17:00

2. Ramadan Business Day (BDT and FC)

Period Name	BDT Period Start Time	FC Period Start Time
<b>Start of Day(SOD)</b>	09:00	09:00
<b>Open for Business (OFB)</b>	10:00	10:00
<b>Initial Cut-off</b>	14:30	14:30
<b>Special Cut-off</b>	15:30	-
<b>Final Cut-off</b>	15:45	15:30
<b>End of Day (EOD)</b>	16:00	15:45

3. **Note:** Contingent on specific instruction provided by PSD Circular relating to RTGS operational hour and it may change time to time.

**ANNEX 4: TRANSACTION TYPE CODES**

<b>TTC Code</b>	<b>Code Description</b>	<b>Priority Range (Minimum)</b>	<b>Priority Range (Default)</b>	<b>Priority Range (Maximum)</b>
1	Ordinary transfers.	11	20	98
2	Cash withdrawal operations	11	20	98
3	Cash deposit operations	11	20	98
4	Outgoing foreign transfer	11	20	98
5	Incoming foreign transfer	11	20	98
6	DvP operations.	2	5	98
7	ILF operations.	2	4	98
8	Securities Trading Operations.	2	5	98
9	Decreasing Reserve.	2	5	98
10	Increasing Reserve	2	5	98
11	Clearing transaction from clearing system (i.e BACH, NPSB, IDTP etc.).	2	3	98
13	General Ledger transaction (SOD & Top-up).	2	10	98
14	Return transaction.	11	20	98
15	ILF redemption.	2	4	98
16	Collection of fees.	5	10	98
17	Collection of penalties.	5	10	98
18	Interbank REPO.	2	5	98
19	Interbank REPO PayBack.	2	5	98
20	ILF return on behalf of other participant.	2	4	98
30	Direct Debit	2	5	98
31	Government Payment	2	9	98
40	Excise and Govt. Transaction	11	20	98
41	Customs Transaction	11	20	98
42	Reserve for Govt. Transaction	11	20	98
50	EDS Money Transaction	11	20	98
55	NBFI Transaction	11	20	98
60	Reserve for BB	11	10	98

## ANNEX 5: GUIDELINES OF INTRADAY LIQUIDITY FACILITY

To facilitate the expeditious settlement of payment transactions in the Real Time Gross Settlement (RTGS) system Bangladesh Bank (BB) is planning to allow participant banks in the RTGS system to avail Intraday Liquidity Facility (ILF) for a very short maturity during the operational hours of RTGS.

The operating instructions of ILF are given below:

1. BB will provide Intraday Liquidity Facility (ILF) to participant banks in the RTGS system for their temporary liquidity needs to settle payment transactions in the RTGS system. Banks will avail ILF only on intraday basis and will have to repay the full amount of ILF on the same day on or before the time specified by the BB.
2. Banks shall enter into an ILF agreement with BB in the prescribed form to avail ILF. Banks shall comply with the terms and conditions and operating instructions of ILF that are issued by BB from time to time.
3. ILF will be provided in the form of intra-day REPO transaction mechanism against Bangladesh Government Treasury Bonds (BGTB), Treasury Bills and Bangladesh Bank Bills. BB, at its sole discretion may change the types of eligible securities accepted for ILF.
4. The value of eligible securities applied for ILF shall be determined in terms of the market value of the security less the haircut as set out below:

Eligible Securities	Applicable haircut	Amount
BGTB	5%	Market value of BGTB x(1- 5% of Market value of BGTB)
Treasury Bill	10%	Market value of TB x(1- 10% of Market value)
Bangladesh Bank Bill	10%	Market value of BB Bill x(1- 10% of Market value)

BB may change the valuation methodology and the applicable haircuts from time to time at its sole discretion.

5. BB shall provide ILF only to the extent of the value as determined according to clause 4 above. At the time of reversal participant banks shall repay the ILF amount in full.
6. BB will not charge any fee/commission or interest for ILF. BB however reserves the right to levy charges on participant of RTGS for using ILF.
7. Banks will not be permitted to replace the securities against which ILF is provided; but banks may repurchase the whole or part of those securities by refunding the funds borrowed under ILF fully or partially.
8. The ILF shall be available only on the business days and during the operating hours



- of RTGS.
9. Banks shall transfer sufficient amount of eligible securities from their own respective portfolios to their designated ILF securities account in the MI Module within the stipulated time (before the operating hours start) against which they are willing to avail ILF. When they will not have enough funds for settlement of any transactions in RTGS system the ILF will be generated automatically against the securities held in their ILF securities account in the MI Module.
  10. Whenever the balances of securities of a particular participant bank have been exhausted in the ILF designated securities account, the MI system will notify the participant bank of the same. The participant bank should immediately transfer sufficient amount of securities from their respective securities account to the ILF designated securities account on a Priority basis, in order to settle pending payment transactions in the queue after availing ILF from BB.
  11. ILF reversal should be treated as most important event by the bank. Outstanding balance of ILF should be settled by the banks within the specified time for ILF reversal session. Banks should ensure the availability of sufficient funds in their settlement account in the RTGS system within the specified time. If the bank fails to pay off in full or in part of the outstanding amount of ILF at the end of the day, the bank shall be deemed as defaulter for the full amount of outstanding and the ILF will be converted to overnight Repo with BB. In such case, the Bank will pay the interest twice the prevailing Repo rate to BB.
  12. On the next business day, the bank shall repurchase the securities by paying the value stated in column-4 plus interest within two hours of opening/starting RTGS operating hours. The bank shall not be permitted by BB to avail ILF until the repurchase is completed. If such instance of default is repeated within 6 months BB may suspend the bank from availing ILF.
  13. When a bank fails to repurchase the securities within the specified time on the next day, the securities against which ILF has been availed shall be transferred to the holdings of BB. Further, BB shall have the right to debit or credit the current account of the bank if any deficit or excess amount arises after payment of interest, penalties and from change of market value of the securities concerned.
  14. In such cases of default BB may impose additional penalties or suspend the bank from participating in the RTGS System and also take other measures as appropriate.
  15. Banks shall inform BB about their failure to repay the ILF amount within the ILF reversal session.
  16. BB reserves the right to immediately suspend or terminate the facility.
  17. BB also reserves the right to amend this regulation by deleting, substituting or adding any of the clauses from time to time or at any time.

## **ANNEX 6: GUIDELINES OF INTRADAY LIQUIDITY FACILITY FOR ISLAMIC SHARIAH BASED BANKS**

Bangladesh Bank is planning provide Intraday Liquidity Facility (ILF) to participant Islamic banks in the Real Time Gross Settlement (RTGS) system for their temporary liquidity needs to settle payment transactions in the RTGS system.

The operating instructions of ILF are given below:

1. BB will provide ILF to the participant Islamic banks in the RTGS system against Bangladesh Government Islami Investment Bond (BGIIB) or other bonds issued by the Government and BB based on Islamic Shariah principles.
2. Islamic banks shall enter into an ILF agreement with BB in the prescribed form to avail ILF. Banks shall comply with the terms and conditions and operating instructions of ILF that are issued by BB from time to time.
3. Islamic banks will avail ILF only on intraday basis and will have to repay the full amount of ILF on the same day on or before the time specified by the BB.
4. The value of eligible securities applied for ILF of Islamic banks will be determined in accordance with the face value of eligible securities less the haircut equal to 15% of face value. On reversal Islamic banks will return the exact amount borrowed under ILF.
5. The ILF shall be available only on the business days and during the operating hours of RTGS.
6. Islamic banks shall transfer sufficient amount of eligible securities from their own respective portfolios to their designated ILF securities account in the IBS within the stipulated time (before the operating hours start) against which they are willing to avail ILF. When they will not have enough funds for settlement of any transactions in RTGS system the ILF will be generated automatically against the securities held in their ILF securities account in the IBS.
7. Whenever the balances of securities of a particular participant bank have been exhausted in the ILF designated securities account, the IBS system will notify the participant bank of the same. The participant bank should immediately transfer sufficient amount of securities from their respective securities account to the ILF designated securities account on a Priority basis, in order for the pending payment transactions in the queue to be settled after availing ILF from BB.
8. Outstanding balance of ILF should be settled by the banks within the specified time for ILF reversal session. Banks should ensure the availability of sufficient funds in their settlement account in the RTGS system within the specified time. If the bank fails to pay off in full of the outstanding amount of ILF at the end of the day, the bank shall be deemed as defaulter and the full outstanding amount of ILF shall be extended for

overnight and BB shall charge a penalty of 40 taka for outstanding amount less than or equal to taka one lac and multiples thereof.

9. On the next business day, the Islamic bank shall release the securities by paying the full amount borrowed under ILF plus penalty within two hours of RTGS operating hours begin. The bank shall not be permitted by BB to avail ILF until this transaction is completed. If such instance of default repeated within 6 months BB may suspend the bank from availing ILF.
10. When a bank fails to repay the borrowed amount within the specified time on the next business day, BB will buy the securities against which ILF has been availed. Further, BB shall have the right to debit or credit the current account of the bank if any deficit or excess amount arises for buying securities or payment of penalties.
11. In such cases of default BB may impose additional penalties or suspend the bank from participating in the RTGS System and also take other measures as appropriate.
12. Banks shall inform BB about their failure to repay the ILF amount within the ILF reversal session.
13. BB reserves the right to immediately suspend or terminate the facility.
14. BB also reserves the right to amend this regulation by deleting, substituting or adding any of the clauses from time to time or at any time.

## **ANNEX 7: GUIDELINES OF FC CLEARING THROUGH BD-RTGS SYSTEM**

Bangladesh Bank has been providing clearing and settlement services for local currency as well as approved foreign currencies within the country since long time. Forex Reserve and Treasury Management Department of Bangladesh Bank execute clearing and settlement through maintaining FC accounts in approved currencies of schedule Banks. However, the whole FC Clearing and settlement process was until very recently manual and paper instrument based which require physical movement of instruments and officials resulting in higher transaction cost and inconvenience. To overcome this problem Bangladesh Bank has decided to introduce FC clearing and settlement through the RTGS system.

To facilitate safe, secure and efficient interbank payment system, Bangladesh Bank launched Real Time Gross Settlement (BD-RTGS) system on 29th October 2015 as part of its inclusive digitization initiative. BD-RTGS opened a new horizon in the payment ecosystem, accommodating instant settlement of large value and time critical payments in the country. RTGS system is capable of operating both in local currency and foreign currency. Now Bangladesh Bank is introducing clearing and settlement in 6(six) foreign currency [US Dollar (USD), Great Britain Pound(GBP), Euro (EUR), Canadian Dollar (CAD), Japanese Yen (JPY)] and Chinese Yuan (CNY) transactions inside the country. RTGS is a credit transfer system and operation of the FC in RTGS system is similar to that of local currency (BDT) settlement system. At the beginning of each business day, Banks' specific FC account is debited and the related RTGS settlement account is credited as per Standing Instruction of the participants. Then, as per instruction of participants, a transaction is settled instantly and fund is transferred to the beneficiary's account. The transaction is settled only when the RTGS settlement account of a specific currency has sufficient balance. At the end of the business day, balance of settlement account of RTGS system is transferred to Banks' specific FC account. Thus FC clearing through RTGS system will eliminate settlement risk as well as credit risk for the participants.

The features and prerequisites for inland FC clearing through the RTGS system are as follows: -

1. BD-RTGS is a stand-alone system; no other payment platform should be connected to this system.
2. Banks have to maintain FC Accounts with Bangladesh Bank to originate and receive FC transactions in RTGS system.
3. RTGS system allows only currency-wise transaction; cross-currency transaction is not allowed.
4. Any amount of FC transaction can be settled through RTGS system.
5. AD branches and Head office clearing unit of banks can originate and receive FC transactions in RTGS system. However, each bank must designate a single routing number which will be exclusively used for Foreign Exchange transactions.

6. SOD (Start of Day) Fund transfer, Top-Up and EOD (End of Day) reconciliation will be executed by Forex Reserve & Treasury Management Department (FRTMD) of Bangladesh Bank.
7. To execute customer transaction, Originating Financial Institution has to mention the originator account type as well as beneficiary account type (such as ERQ, SFCAMS, RFCD, NFCD, PFCD, NRB FCY, Airlines, Shipping FCY, Intra-EPZ, Inter-EPZ etc) in the account information field of the instruction.
8. To execute FI to FI transaction, Originating Financial Institution has to mention Bill Number, LC Number, Party Name, Branch ID and Other information in the account information field of the instruction.
9. Originating Financial Institution has to mention the purpose of the transaction properly; this field will be treated as mandatory in case of FC settlement. Bank can also provide additional information in the others field of the message.
10. Bank can charge maximum BDT 100 (Including VAT) or equivalent FC for each transaction from the originator.
11. Intraday Liquidity Facility (ILF) will not be available for FC transactions in RTGS system.
12. Each Bank will prepare their BCP, operation procedure & guidelines and maintain separate reconciliation team for FC settlement.
13. Banks shall follow the Guidelines of Foreign Exchange Transactions (GFET) while originating and posting a transaction as and when applicable.
14. For FC transaction through RTGS system, section 4.2 of BD-RTGS System Rules will be relaxed but transaction shall be posted to the beneficiary account within 2 (Two) hours of the settlement instruction from BD-RTGS, otherwise to be returned.
15. All other rules and procedures of local currency settlement as well as BD-RTGS system Rules will be applicable to FC settlement through the RTGS system.

## GLOSSARY OF TERMS

Short Name	Full Name	Explanation/Definition
	Administrator	Authorised BB official(s) involved in the administration of RTGS and its component modules.
	Audit Trail	A sequential record of events having occurred in the BD-RTGS containing detailed information to assist subsequent incident analysis. Participants can view the audit trail of their own transactions. Only BB can view the full audit report.
	Authentication	The methods used to verify the origin of a message or to verify the identity of a Participant connected to the system. See also Digital Certificate & Digital Signature.
	Authorised Person	Person duly authorised by all necessary action to access data and to provide payment instructions and/or person designated to access such data and to provide instructions, on behalf of the Participant in connection with the Services and the limitations, if any, upon such authority.
	Available Balance Or Available Funds	The balance of the Settlement Account
	Back-up	The process of keeping off-site mirrored copies of essential system files, including the RTGS database, to ensure that the System can be recovered within the timeframes specified in the event of the main production system failing or other disaster occurring. Also used to refer to the copy files.
BACPS	Bangladesh Automated Cheque Processing System	A Clearing House which carries out cheque truncation and electronic cheque presentment for all cheques in Bangladesh.
BB	Bangladesh Bank	The central bank of Bangladesh and operator of RTGS.
	Bangladesh Bank Bills	Bangladesh Bank Bill Short-term securities issued by BB.
BEFTN	Bangladesh Electronic Funds Transfer Network	A Clearing House which carries out the distribution and settlement of electronic credit and debit instructions among all participating banks.

<b>Short Name</b>	<b>Full Name</b>	<b>Explanation/Definition</b>
BGIIB	Bangladesh Government Islami Investment Bonds	Shariah-compliant investment bonds issued by the Government of Bangladesh.
BGTB	Bangladesh Government Treasury Bonds	Long-term securities issued by the Government of Bangladesh.
BDT	Bangladesh Taka	The legal currency of Bangladesh.
BIC	Bank Identifier Code	A unique address that identifies precisely the financial institutions involved in international financial transactions using the SWIFT network. BICs are used in RTGS for identification of bank. A BIC consists of eight characters comprising the following components: Bank Code (4), Country (2) Code and Location Code (2). BICs are allocated and managed by SWIFT.
	Beneficiary	The recipient of a payment (The Receiver).
	Block	A BB-only action taken via a RTGS menu function which prevents a specific Bank/Bank Branch from sending and/ or receiving payment messages to/from the System.
	Business Continuity	An arrangement that aims to ensure that the system is able to operate normally even if one or more components of the System fail or if it is affected by an abnormal external event. Include both preventative measures and arrangements to deal with contingencies.
	Business Day	A day on which BD-RTGS is operating to process payments.
CBS	Core Banking Solution	The computer system that handles all banking activities of a bank centrally in real-time basis.
CRR	Cash Reserve Requirement	The amount of reserve funds that a Participant is required to deposit with BB against its deposit holdings.

Short Name	Full Name	Explanation/Definition
	Clearing House	<p>A service or system for the clearing, netting and settlement of files of 'retail payments' each of which is ideally required to provide their net settlement files (DNS Files) to RTGS for settlement. Current Clearing Houses operating in Bangladesh are:</p> <ul style="list-style-type: none"> <li>- the Bangladesh Electronic Funds Transfer Network (BEFTN);</li> <li>- the Bangladesh Automated Cheque Processing System (BACPS);</li> <li>- the National Payment Switch Bangladesh (NPSB).</li> </ul> <p>Other Clearing Houses may be established in future and will be required to effect DNS through RTGS in the same way as the established Clearing Houses.</p>
	Collateral	Is a borrower's pledge of specific property to a lender, to secure repayment of a loan. The collateral serves as protection for the lender against a borrower's default.
	Constraining Event	<p>Processing, communications or other failure of a technical nature;</p> <p>Inaccessibility (total or partial) to facilities by means of which payments are sent and received; or</p> <p>Manifestation of industrial action, which affects, or may affect, the ability of any Participant to participate to the normal and usual extent in sending and receiving payments.</p>
	Contingency Event	Any Constraining Event or any other event or circumstance specified by BB.
	Cut-off	A designated time beyond which certain functions cannot be performed.
DNS	Deferred Net Settlement System	A bilateral or multilateral net settlement system where settlement takes place on a net basis, after a pre-fixed cutoff time and usually with multiple transactions.
DNS File	Deferred Net Settlement File	A file containing the net positions (credit or debit) of all participants in a Clearing system, which is produced following a DNS session in a Clearing system. The credits and debits in each DNS File must net out to zero.



<b>Short Name</b>	<b>Full Name</b>	<b>Explanation/Definition</b>
	Digital Certificate	An encrypted text, which enables devices such as electronic tokens to be authenticated by the System and system components to authenticate each other, using PKI methods.
	Digital Signature	A string of data generated by a cryptographic method that is attached to a message to ensure its authenticity as well as to protect the recipient against repudiation by the sender.
EOD	End of Day	End of the Business Day for RTGS.
EUR	Euro	Common currency for the single European payments area
	Fallback	Documented contingency arrangements to be initiated in the event of a failure or disruption of service.
FCO	Final Cut-off	Time at which RTGS cuts off processing of transactions and cancels any queued Payment transactions for the value of the day.
	Force Majeure	A term frequently used in contracts to describe a situation in which a party is unable to carry out its contractual obligations due to circumstances outside its control.
FX	Foreign Exchange	Any currency other than BDT.
GL	General Ledger	BB's General ledger in which BB's accounts, including those it holds for the banks, are held, usually its Core Banking Solution.
	Government Securities	Securities issued by the Government of Bangladesh.
	Gridlock	A situation that can arise in a funds transfer system in which the failure of some transfer instructions to be executed (due to insufficient funds) prevents fulfilment of a substantial number of instructions given by other Participants.
	Gridlock Resolution	Act of resolving Gridlock within the Payment Queues without overdrawing the accounts involved.
	Gross Settlement	The Settlement of funds, which is effected individually on an order-by-order basis, i.e. without netting debit against credit payment transfers.

Short Name	Full Name	Explanation/Definition
	In Writing	(iii) On paper, signed by an authorised officer of the sender; or (ii) by e-mail from authenticated source ; or (iii) by Authenticated Faxes or by SWIFT message typecamt.998.
IT	Information Technology	Computer and communication infrastructure used for RTGS operation.
	Insolvency Event	Any collective measure provided for in the law of Bangladesh, either to wind up the Participant or to reorganise it, when such measure involves the suspension of, or the imposition of limitations on, transfers or payments, such as an adjudication order, a request for composition, extension or suspension of payment, moratorium, liquidation and other similar judicial procedures.
	Interface	The common boundary between two functional elements, logical or between two physical devices that is defined by its functional characteristics, common physical characteristics of the link between them, signal or other characteristics.
ISO	International Organisation for Standardisation	A worldwide federation of national standards bodies from some 140 countries. The mission of ISO is to promote the development of standardisation in order to facilitate the international exchange of goods and services.
ILF	Intraday Liquidity Facility	Credit extended by BB to a Participant for a period of time that is less than one Business Day for the purpose of providing liquidity to the Participant.
	ILF Account	An account in RTGS which is used to hold the status of a Participant's usage of ILF. Each Participant has one ILF Account in BDT only, which is tied to its BDT Settlement Account.
IBS	Islami Bond System	An electronic system which manages the issuing, custody and redemption of Bangladesh Government Islami Investment Bonds (BGIIB).
	Liquidity	The measure of a Participant's ability to meet its current Obligations in respect of funds transfer. In the context of RTGS, this comprises four components: available funds (balance) on the Settlement Account transferred from the reserve account, queued payment transfers from other Participants to its account, credits extended by the central bank via the ILF and funds from interbank money market transactions.

<b>Short Name</b>	<b>Full Name</b>	<b>Explanation/Definition</b>
LAN	Local Area Network	A computer network that spans a relatively small area, generally confined to a single building or group of buildings.
MI	Market Infrastructure module	An electronic system which manages the issuing, custody and payments for Bangladesh Government Treasury Bonds (BGTB), Treasury Bills and Bangladesh Bank Bills.
	Materials	These Rules and each related Annex and attachment thereto and hereto, supplemented by User Manuals, data, processes and other documentation provided by BB.
MOF	Ministry of Finance	Manager of the Government's accounts and payments.
NBR	National Board of Revenue	The national taxation authority.
NPSB	National Payment Switch Bangladesh	A Clearing House operated by BB which facilitates interbank electronic payments originating from different channels including Automated Teller Machines (ATM), Point of Sale (POS) terminals, Internet banking, mobile devices etc.
	Netting	An agreed offsetting of obligations between two or more parties or Participants in which a greater number of obligations is reduced to a smaller number of obligations.
	Operational hours	The system day of RTGS, which is defined through a number of operating 'windows'.
OFI	Originating Financial Institution	Bank which sends payment instructions to BD-RTGS
	Originator	Person or organisation initiating a Payment Instruction to the System through an OFI
	Participant	A member of the RTGS system, including its operator (BB).
	Participant Credit	A credit transaction against a Participant's Settlement Account which is made by BB rather than initiated by another Participant. A Participant Credit always debits BB.

Short Name	Full Name	Explanation/Definition
	Participant Debit	A debit transaction against a Participant's Settlement Account which is made by BB (e.g. for repayment of an overnight or other loan or debiting RTGS usage fees). A Participant Debit always credits BB.
	Participant Transfer	A transfer of funds which is made by BB on behalf of one Participant's Settlement Account to another's (e.g. in the event that the sending Participant loses connectivity to RTGS).
	Payment	A payer's transfer to a payee within RTGS against the payee's monetary claim.
	Payment Instruction	An order or message requesting the transfer of funds.
	Payment Message	A set of data transferred via an electronic mechanism which specifies the payer and payee of the transaction, the amount to transfer and the value date, and which enables the settlement of the transaction between Participants in a Payment System.
	Primary Site	The RTGS principal operating site (Data Centre – DC).
	Priority or Priority Code	A numeric value between 1 and 99 which RTGS uses as a factor in determining the sequence in which it executes Payment Instructions. Priorities 1 to 6 inclusive are reserved for use by RTGS and BB.
	Procedures	The activities and the methods designated in these Rules.
PKI	Public Key Infrastructure	A method for securing access and information transfer based on the use of Public and Private keys. Allows for data encryption, server authentication, message integrity, and client authentication for connections between the user's browser and the application server. Can be used to achieve non-repudiation of transactions.
PO	Payment Originator	Payment Originator for manually entering the payment.
	Queue	A queue in which RTGS Payment Instructions, which are not settled due to a lack of funds, are held for settlement until either sufficient funds are put into the OFI's Settlement Account. There is one Queue per Participant for each currency.

<b>Short Name</b>	<b>Full Name</b>	<b>Explanation/Definition</b>
RTGS	Real-Time Gross Settlement	The process whereby Payment Instructions are settled by debiting and crediting the involved Settlement Accounts immediately (in real time) and individually (gross) with finality and irrevocability.
	Receiver	Person or organisation receiving a Payment Instruction from the System.
RFI	Receiving Financial Institution	Bank where receiver maintains account with
Repo	Repurchase of Securities	An agreement in which money is advanced against securities with a change in beneficial ownership of the securities, on the basis that they will be bought back at an agreed later time. This process may be automated.
	Security Administrator	An authorised person at BB or a Participant who has access to RTGS for the purpose of maintaining User details and the Profiles of User in RTGS. A Security Administrator cannot have access to RTGS payment entry, management and enquiry functions.
SLA	Service Level Agreement	A contractual document signed between the user of the system and with the vendor/developer/service provider, defining the operational service levels.
	Services	Means all functions provided or to be provided by BB to Participants pursuant to these rules.
	Settlement	The process of debiting and crediting Participants' Accounts with the central bank, such that the payment is final and irrevocable after the Accounts of the relevant Participants have been credited and debited.
	Settlement Account	The account held by each Participant with BD-RTGS System for the settlement of transactions between Participants. Each Participant has one Settlement Account per currency.
	Settlement System	The system in which the settlement operation takes place.

<b>Short Name</b>	<b>Full Name</b>	<b>Explanation/Definition</b>
STP	Straight Through Processing	The connection of one computer system to another to enable automatic exchange of information.
	System, or the System	The RTGS system which is the subject of these Rules.
	System Administrator	The person appointed by BB to supervise the operation of RTGS.
	System Operator	Bangladesh Bank as the operator of BD-RTGS System.
	Technical Acceptance	The point at which RTGS has validated the format of an incoming message.
	Technical Operator	Bangladesh Bank as the operator of BD-RTGS System.
TTC	Transaction Type Code	A Code to identify certain types of payment instructions and how they should be processed. TTCs are listed in Annex 4.
	Treasury Bills	Short-term securities issued by the Government of Bangladesh.
USD	United States Dollar	The legal currency of the United States of America.
	User	An Authorised Person who has access to BD-RTGS System.
	User Manual/ Guides	Documentation defining how to use RTGS.
	User Profile	The collection of attributes which define a User.
	Value Date/Value Day	The Business Day on which the amount of a successful Payment Instruction will be at the disposal of the receiving Participant (payee) or its client.
VPN	Virtual Private Network	A dedicated telecommunications network connecting Participants to BD-RTGS System.