

GUIDE TO DERIVATIVE (INCLUDING FORWARDS) TRANSACTIONS

This Document is for information purposes only. You are required to read it carefully and ensure that you understand this document.

1. Please read all documents related to derivative transactions (“transaction”) before executing the same. Note that records maintained with us (“the **Bank**”) shall be considered as conclusive evidence.
2. Please note that the bank is not acting as your financial advisor, agent or in any way on your behalf in these transaction(s)
3. In accordance with the regulatory requirements, the basis of derivative transactions shall be:
 - i) **Transactions on underlying basis** –It is your responsibility to ensure upfront submission of documentary evidence to hedge your underlying exposure while executing derivative transactions. (refer to note)
 - ii) **Transactions on Past Performance basis** – Please monitor your past performance limits (both booking and cancellation) across all banks.
4. You (“the **Counterparty**”) are required to understand the transaction, consider its implications, clarify/raise any queries if any and make an independent assessment of the appropriateness of the transaction, including the possible risks and benefits arising from any transaction. You are requested to consult your own independent financial, legal and tax advisers as you may deem fit in order to assess the risks in relation to such transaction(s).
5. You are expected to contact the dealer (as may be specified by us), who is our employee authorized to enter into treasury transactions in case You wish to execute or cancel any transaction(s).
6. All transactions would be closed and confirmed to You over a voice recording machine (VRM) by our authorized representative or via secured website as determined by us. You would be required to execute the final confirmation acknowledging the transaction entered therein. (refer to note)
7. Please note that orders/ quotes are obtained from the market for You on a “best effort” basis. Accordingly we may not always be able to execute the trade at the quoted price and in the event of any such failure on our part to execute, it will not make us liable to indemnify you. Unless specifically confirmed that the transaction is executed by us, the transaction will not be live. Similarly, unless specifically confirmed that the transaction is cancelled/terminated by us, the transaction will be deemed to be alive.
8. You are required to keep us informed about **changes in authorized signatory(s), addresses**, from time-to-time along with the relevant documents evidencing such change.
9. **Settlement of transactions** – Please note that settlement would be based on terms and conditions mentioned in the final confirmation sent to You. You should keep a track of the deal-wise maturities and settlement dates of the transactions entered and make requisite arrangements to fulfill its obligations in accordance with the terms of

the transactions. We shall not be obliged to get in touch with You on the settlement date(s).

10. **Margin policy:** In the event of margining being applicable, You would be required to deposit margin or create security of a value equal to a particular percentage (as stipulated by us from time to time in accordance with its internal practice and policy). If the mark-to-market losses exceed a particular threshold of the sanctioned limits, You would be required to bring in additional cash/FD to bring it within the acceptable level of the Bank. We reserve the right to modify the said policy at regular intervals. Any change in the said policy would be communicated to You from time-to-time.
11. You must track marked to market (“MTM”) positions of your outstanding transactions. In the event that You request for MTM positions, we shall endeavor to provide the same.
12. Please visit our website www.icicibank.com for any change/modification in the Document.

Note: All relevant documents/notices have to be submitted to the following address unless otherwise specified:

ICICI Bank Limited
Treasury Middle Office Group
Empire Building, 2nd Floor
414 Senapati Bapat Marg, Lower Parel,
Mumbai - 400013