

NOTIFICATION

**This has been superseded by Notification No. CCIL/FX/USD-
INR/16/43 dated 08-Sept-2016 on Changes to Forex Settlement
Regulations**

Date: 13th November 2015

Notification No.: CCIL/FX/USD-INR/15/61

**All Members
Forex Settlement Segment**

Dear Sir/Madam,

Changes to the Forex Settlement Regulations

Members are hereby advised that Forex Settlement Regulations have been modified to include clause pertaining to the "Default of Clearing Corporation" in Chapter VI of the Regulations.

We append the changes to the Regulations of the Forex Settlement Segment as **Annexure**. The updated Regulations are available on our website (www.ccilindia.com) under Membership section.

We advise that the changes to the Forex Settlement Regulations shall come into effect from 14th December 2015.

Yours faithfully,
For The Clearing Corporation of India Ltd.,

Sd/-

Managing Director

Annexure to Notification No.CCIL/FX/USD-INR/15/61

**THE CLEARING CORPORATION OF INDIA
LIMITED**

**CHANGES TO REGULATIONS
*(FOREX SETTLEMENT SEGMENT)***

CHAPTER VI: SETTLEMENT SHORTAGE AND DEFAULTS

H) DEFAULT OF CLEARING CORPORATION

1. In the event Clearing Corporation fails to fulfill any settlement related obligation to any non defaulting counterparty, even after the expiry of 30 (thirty) business days from the date of the payment / delivery falling due and an intimation being sent by the counterparty in this regard to Clearing Corporation or in the event RBI cancels CCIL's Payment System license or issues a notice for such cancellation thereto, a non defaulting counterparty may, by notice in writing to the Clearing Corporation not later than 07 (seven) business days from such event, seek the termination and close-out of its Outstanding Trades in this segment.

2. Clearing Corporation shall, not later than 02 (two) business days from the date of receipt of such notice and after due notification to all members of this segment: (a) effect close-out of Outstanding Trades of such member or (b) close out all Outstanding Trades in the segment.

Such close out shall be at a pre-determined price as may be notified by the Clearing Corporation from time to time and post such close out, Clearing Corporation shall determine the member-wise net mark-to-market loss or gain (as the case may be) in respect of the trades. The net mark to market loss or gain so arrived at shall constitute the termination amount for each member. The termination amount shall be settled by payment to the member, in case of member's gain, or by receipt from the member, in case of member's loss.

3. The termination amount shall be settled by the close of business on the business day following the day of termination or as soon as possible thereafter.

4. Before paying out any amount under this clause, Clearing Corporation shall have the right to recover there from any amount payable by the member to Clearing Corporation.

5. The close-out transactions shall be final and binding upon the members.