



RISK MANAGEMENT DEPARTMENT

No. RMD/ CBLO/16/41

25th Aug'16

FOR INFORMATION OF ALL MEMBERS

CBLO Segment – Default Fund

Limitation of liability towards replenishment of the Default Fund as per Chapter XIV, Clause J(5)

In terms of Clause 5(A)(iii)(b) of Chapter III, “Membership” of the Regulations for the CBLO Segment, a member shall have the right to submit resignation from the membership of the CBLO Segment if it has taken a loss through replenishment of its contribution to the Default Fund for the segment and a loss threshold as notified have been reached.

2. In terms of Clause J(5) of Chapter XIV, “Default Fund” of these Regulations, the maximum contribution of a member towards replenishment of its contribution to the Default Fund in the 7 days period immediately after the afore-mentioned loss threshold having been reached shall not exceed 5 times of its contribution to the Default Fund based on the last re-computation of the Default Fund for this segment or Rs.6,250 Crores whichever is lower.

This notification shall be effective from **03rd October'2016 onwards.**

Yours faithfully,

For The Clearing Corporation of India Ltd.,

Sd/-

Managing Director