



Risk Management Department

This has been Superseded by Notification No. RMD/FX-FF/21/29 dated 01-Sept-2021 on FxFwd - Default Fund

No. RMD/ FX-FF/10/28

6th Nov'10

FOR INFORMATION OF ALL MEMBERS

**Forex Forwards Segment
Contribution to Default Fund**

In terms of the provisions of Chapter VII of the Regulations of the Forex Forwards Segment, a dedicated Default Fund in respect of the Forex Forwards Segment has come into effect from 1st October'2010.

2. As all existing members have contributed to the Default fund, it has now been decided to reduce the holding period for VaR computation relating to Initial Margin liabilities of members to 1.5 days instead of 2 days, as mentioned in para 2 (f) of our Notification No. RMD/FX-FF/09/20 dated 5th Nov'09. This will come into effect from the end of the day of 8th November'10.

3. Any new member joining this segment will henceforth be required to contribute to the default fund at the time of joining this segment.

***** *****