[Date]

[Recipient]

Dear Madam/Sir,

**CHANGES TO FINANCIAL BENCHMARKS – TRANSITION OF OUTSTANDING CONTRACTS REFERENCING THE FIMMDA-NSE OVERNIGHT MIBID/MIBOR**

1. As announced by the Fixed Income Money Market and Derivatives Association of India (**FIMMDA**) on 22nd June 2015[[1]](#footnote-2), in order to enhance the robustness, transparency and efficiency of the benchmark contribution process in India, changes will be made to the financial benchmarks, including the following:

|  |  |  |  |
| --- | --- | --- | --- |
| **Benchmark Rates** | **Outcome** | **Last Day of Old Benchmark Publication** | **First Day of New Benchmark Publication** |
| MIBID/MIBOR | Transit to CCIL’s volume weighted average overnight traded rate called FBIL-OVERNIGHT-MIBOR | 21st July 2015 | 22nd July 2015 |
| Discontinue: Fixed Income Money Market and Derivatives Association (**FIMMDA**)-National Stock Exchange (**NSE**) overnight MIBID/MIBOR  |

1. To facilitate a smooth transition to the new rate benchmark, FIMMDA has published a Bilateral Amendment Agreement (**2015-BAA**) on 22nd June 2015. The 2015-BAA will assist parties to implement the recommendations of the Reserve Bank of India’s (**RBI**) Committee on Financial Benchmarks that parties mutually agree to amend their relevant contracts referencing the existing FIMMDA-NSE overnight MIBID/MIBOR.
2. The 2015-BAA will apply to OTC derivatives. In addition, the 2015-BAA will apply to the ISDA English or New York law governed Credit Support Documents. As between any two parties to the 2015-BAA, the relevant transactions or Credit Support Documents between them will be amended only if and to the extent that such transactions or Credit Support Documents have a fixing of the discontinued rate that is to take place (i) on or after the 2015-BAA effective date, i.e. 22nd July 2015 (**“Effective Date”**) and (ii) after the date of discontinuation of the discontinued rate, i.e. 21st July 2015for the FIMMDA-NSE MIBID and MIBOR benchmarks.
3. In brief, RBI’s recommendations are for FIMMDA-NSE MIBID/MIBOR to be replaced by the CCIL’s volume weighted average overnight traded rate, i.e. FIMMDA-NSE overnight MIBID/MIBOR rate will be replaced by the CCIL volume weighted overnight traded rate to be called FBIL-OVERNIGHT-MIBOR.
4. You can find the 2015-BAA at [*http://fimmda.org*](http://fimmda.org) We also enclose a copy of the 2015-BAA for your convenient reference and execution.
5. We would urge you to take action so that your outstanding affected transactions are transitioned smoothly. If you do not do so, the valuation and settlement of your outstanding affected transactions will be handled in accordance with the contractual fallback mechanisms. These fallback mechanisms may result in a delay in the valuation and settlement of your transactions.
6. In the meantime, if you have any questions, please contact [●].

Yours faithfully,

1. [↑](#footnote-ref-2)