PRODUCT DISCLOSURE DOCUMENT

PURPOSE

This document provides you with key information about this product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

PRODUCT

Name	Par Forward Contract
Identifier	Generic PDS – Par Forward contract
Manufacturer	Crédit Agricole CIB (Party A)
Contacting the manufacturer	ind-fxsales@ca-cib.com Call +91 22 6635 1804 for more information

YOU ARE ABOUT TO PURCHASE A PRODUCT THAT IS NOT SIMPLE AND MAY BE DIFFICULT TO UNDERSTAND

WHAT IS THIS PRODUCT?

A Par Forward contract is a FX forward contract where the client/ Party B can enter into a forward with the bank to buy or sell one currency against the other on multiple dates in the future for a fixed rate across tenors as determined on initiation of the trade. A Par Forward is made up of a series of forward contracts with different maturity dates and each of the legs have the same notional amount and a constant exchange rate.

Type	An "over the counter" (OTC) derivative contract on foreign exchange rate.
Objectives	To express a view on the future behaviour of the underlying foreign exchange rate.

How the return is determined:

- **Payoff:** The payoff under a Par Forward contract works exact like that for a normal FX forward contract. The main advantage to Party B is the visibility of exact cash flows into the future by entering into this par forward. A illustration of the exchange is given further below. The Par forward rate is calculated as weighted average present value of the future cash flows. The Forward rate is adjusted so that the structure has zero NPV at the initiation of the trade.
- **Term:** This product is scheduled to terminate on Scheduled Termination Date (Maturity Date). It may terminate early (i) following certain defined events principally in relation to the underlying, or either you or Manufacturer (including default), provided that Manufacturer may, in certain cases, elect to adjust terms instead to account for the relevant event or (ii) at your request based on a valuation provided by Manufacturer. The amount owed on termination depends on market and liquidity conditions as well as the credit quality of the involved parties. This could have a material adverse effect on the return on the product compared to if it had continued to its full term.

Key dates and values (*)

All determinations are made by Calculation Agent. All dates may be subject to adjustment for non-business days and market disruption events, if applicable.

- **Calculation Agent:** Manufacturer
- **Party A:** Manufacturer

- **Party B:** Client
- **Base Currency Notional Amount (Per Month):** USD 1,000,000
- **Par Forward FX Rate:** INR 84.1570 / USD
- **Final Exchange Date:** 10 July 2025
- **Interim Exchange Dates:** Every month ends until termination

The below table is an illustration of the multiple legs of the Par Forward contract in which Party B has entered with the bank to sell the below notional amounts, on the respective dates, at the Par Forward Rate of 84.1570

Date	Amount	Rate
9-Aug-24	1,000,000	84.1570
10-Sep-24	1,000,000	84.1570
10-Oct-24	1,000,000	84.1570
8-Nov-24	1,000,000	84.1570
10-Dec-24	1,000,000	84.1570
10-Jan-25	1,000,000	84.1570
10-Feb-25	1,000,000	84.1570
10-Mar-25	1,000,000	84.1570
10-Apr-25	1,000,000	84.1570
9-May-25	1,000,000	84.1570
10-Jun-25	1,000,000	84.1570
10-Jul-25	1,000,000	84.1570

(*) Items above are indicative and may change. You should check the final value of such items prior to investing.

Intended Client This product is intended for clients who:

- have significant knowledge and experience in products such as the one described in this document are willing and able to bear an unlimited loss.
- have a risk tolerance consistent with the summary risk indicator in this document
- are expressing a view on the underlying consistent with the conditions for a positive outcome (as stated in the product description)
- have a horizon consistent with the term of this product as determined independently or on the basis of professional advice.

WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

Risks	Benefits
• Party B cannot take advantage of a favorable move in the market exchange rate.	• Gives clear visibility of future cash-flows
• The product is complex as it involves Currency and Interest Rates priced into the end product	• Hedge accounting compliant.
• Hedge accounting benefits should be checked with your auditor/ accountant.	

Performance Scenarios

Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.

The below table indicated the various scenarios as on the first maturity date – 09Aug24

Notional	Par Rate	Spot at Expiry	Payoff/ MtM in INR
1,000,000	84.1570	83.4500	707,000
1,000,000	84.1570	83.5500	607,000
1,000,000	84.1570	83.6500	507,000
1,000,000	84.1570	83.7500	407,000
1,000,000	84.1570	84.1570	0.00
1,000,000	84.1570	84.5000	-343,000
1,000,000	84.1570	84.6000	-443,000
1,000,000	84.1570	84.7000	-543,000
1,000,000	84.1570	84.8000	-643,000

Negative indicates a loss to Party B

TERMINATION

Similar to any OTC derivative transaction in case Party B wishes to terminate this Transaction, either in part of in full, prior to the scheduled termination date on any business day, Party B can request Party A to provide an early termination quote, which shall take into account the mid mark to market value of this Transaction from Party A’s perspective minus applicable costs which include without limitation, unwind cost, hedging cost, cost of funding, and/or other expenses. Early termination quote will take into account, among other factors, prevailing market rates, liquidity, price factors, Party A’s hedging obligations and such other factors deemed relevant by Calculation Agent in its sole and absolute discretion. Party B shall communicate to Party A whether they would like to proceed with the early termination/unwind and that early termination quote is accepted by Party B

COSTS AND FEES

The type of costs shown here are the cumulative costs of the product itself, for the recommended holding period.

Costs over time:

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Composition of costs:

- Transaction Costs: Financial instruments may involve transaction costs, which are incurred as a result of accessing the wider market to initiate, terminate, increase or decrease a position in the instrument. The transaction costs depend on the below factors:
  - Market Risk
  - Credit Risk
  - Capital Required
  - Financial Instrument
  - Liquidity/ Standardization of the Financial Instrument in the market
  - Transaction size and tenor
  - Effort, Cost and Risk to the market maker.
- One-Off Costs: These are one-off charges/ costs paid, typically, at the beginning or at the end of the financial instrument's life cycle.
- Other Ongoing Costs: The impact of the costs that we take for managing your financial instruments.

VARIOUS RISKS ASSOCIATED IN THE TRANSACTION

The Counterparty acknowledges that before entering into derivative transactions, it understands the underlying risk of the above mentioned transaction. The Counterparty acknowledges that derivative transactions are in general exposed to various types of risk, including but not restricted to the following:

1) **Credit risk:** the risk of loss due to Counterparty's failure to perform on an obligation to the institution. Credit risk in derivative products comes in two forms:

   Pre-settlement risk: the risk of loss due to a Counterparty defaulting on a contract during the life of a transaction. The level of exposure varies throughout the life of the contract and the extent of losses will only be known at the time of default.

   Settlement risk: the risk of loss due to the Counterparty's failure to perform on its obligation after an institution has performed on its obligation under a transaction on the settlement date. Settlement risk frequently arises in international transactions because of time zone differences. This risk is only present in transactions that do not involve delivery versus payment and generally exists for a very short time (less than 24 hours).

2) **Market risk:** the risk of loss due to adverse changes in the market value (the price) of an instrument or portfolio of instruments. Such exposure occurs with respect to derivative instruments when changes occur in market factors such as underlying interest rates, exchange rates, equity prices, and commodity prices or in the volatility of these factors.

   Liquidity risk: the risk of loss due to failure of an institution to meet its funding requirements or to execute a transaction at a reasonable price. Institutions involved in derivatives activity face two types of liquidity risk: market liquidity risk and funding liquidity risk.

   Market liquidity risk: the risk that an institution may not be able to exit or offset positions quickly, and in sufficient quantities, at a reasonable price. This inability may be due to inadequate market depth in certain product (e.g. exotic derivatives, long-dated option), market disruption, or inability of the bank to access the market (e.g. credit down- grading of the institution or of a major counterparty).

3) **Funding liquidity risk:** the potential inability of the institution to meet funding requirements, because of cash flow mismatches, at a reasonable cost. Such funding requirements may arise from cash flow mismatches in swap books, exercise of options, and the implementation of dynamic hedging strategies

4) **Operational risk:** the risk of loss occurring as a result of inadequate systems and control, deficiencies in information systems, human error, or management failure. Derivatives activities can pose challenging operational risk issue because of the complexity of certain products and their continual evolution.

5) **Legal risk:** the risk of loss arising from contracts which are not legally enforceable (e.g. the counterparty does not have the power or authority to enter into a particular type of derivatives transaction) or documented correctly.

6) **Regulatory risk:** Regulatory risk is the risk of loss arising from failure to comply with regulatory or legal requirements.

7) **Non- Transferability and Non-Marketability:** An OTC Derivative generally cannot be assigned or transferred without the consent of the other party. The Bank or its affiliate, as applicable, may, but is not obligated to, repurchase any OTC Derivative from you. It therefore may be impossible for you to liquidate any OTC Derivatives purchased by you prior to maturity. Because OTC Derivatives are not standardized, engaging in an OTC Derivative with another dealer to offset an OTC Derivative you have entered into with the Bank will not automatically close out those positions (as would be true in the case of equivalent exchange traded options) and will not necessarily function as a perfect hedge.

8) **Economic Terms:** Because the prices and characteristics of OTC Derivatives are individually negotiated and there is no central source for obtaining option prices from competing dealers, there are inefficiencies in OTC Derivatives pricing. The Bank and/or its affiliates consequently do not warrant that its prices will always be the best prices available to you. The Bank and/or its affiliates may make a profit from an OTC Derivative with you no matter what result the transaction has from your point of view.

9) **Relationship Between Parties:** Each party will be deemed to represent to the other party on the date on which it enters into a Transaction that (absent a written agreement between the parties that expressly imposes affirmative obligations to the contrary for that Transaction) it is acting for its own account, and it has made its own independent decisions to enter that Transaction and as to whether that Transaction is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into that Transaction. It being understood that information and explanations related to the terms and conditions of a Transaction shall not be considered investment advice or a recommendation to enter into that Transaction. No communication (written or oral) received from the other party shall be deemed to be an assurance or guarantee as to the expected results of that Transaction.