



BANK OF BARODA

Resolution Plan

Section 1: Public Section

December 31, 2016

✓

TABLE OF CONTENTS

Section 1: Public Section

Introduction

Overview of the Bank

- I. Summary of the Resolution Plan
 - A. Overview of the Resolution Plan
 - B. Names of Material Entities
 - C. Description of Core Business Lines
 - D. Summary of Financial Information Regarding Assets, Liabilities, Capital and Major Funding Sources
 - E. Description of Derivative and Hedging Activities
 - F. Memberships in Material Payment, Clearing, and Settlement systems
 - G. Description of Non-U.S. Operations
 - H. Material Supervisory Authorities
 - I. Principal Officers
 - J. Resolution Planning Corporate Governance Structure and Processes
 - K. Material Management Information Systems
 - L. High-Level Description of Resolution Strategy

Section 1: Public Section

Introduction

Bank of Baroda (the "Bank") is a foreign banking organization duly organized and existing under the laws of India. In the United States, the Bank maintains a state-licensed branch (herein, the "New York Branch" or the "Branch") located at One Park Avenue, New York, NY 10016.

The Bank has developed a U.S. resolution plan ("U.S. Resolution Plan") as required by Section 165(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") and its implementing regulations (the "Regulation").¹ Section 165(d) and the Regulation specify that any foreign bank or company that is, or is treated as, a bank holding company under section 8(a) of the International Banking Act of 1978 (the "IBA") and that has \$50 billion or more in total, global consolidated assets must submit annually to the Board of Governors of the Federal Reserve System ("FRB") and the Federal Deposit Insurance Corporation (the "FDIC") a plan for the rapid and orderly resolution of the Bank's U.S. operations in the event of material financial distress or failure. The resolution plan must provide a strategic analysis of how the Bank's U.S. operations can be resolved under the U.S. Bankruptcy Code² or other applicable insolvency regime within a reasonable period of time and in a manner that would mitigate the risk of serious adverse effects to U.S. financial stability.

The Bank is a foreign-based "covered company" subject to the Regulation. In lieu of a standard resolution plan, the Bank is submitting a "tailored" resolution plan which is available for foreign-based covered companies that have less than \$100 Billion in total U.S. nonbank assets and whose U.S. depository institution operations, branches, and agencies comprise 85% or more of the company's U.S. total consolidated assets. The "tailored" plan allows the Bank to limit certain information to the Bank's U.S. nonbanking material entities and operations. The Bank submitted written notification to the FRB and FDIC of its intent and eligibility to submit a tailored resolution plan on March 28, 2016 and received a written communication from the FRB and FDIC, dated June 10, 2016, indicating that the Bank may file a tailored plan notice. The letter also confirmed the eligibility of the Bank to file a "reduced content" tailored resolution plan subject to the conditions for Reduced Plans referenced in the letter for the next resolution plans. The Bank has determined that it meets the conditions for Reduced Plans and is filing the Reduced Plan.

The U.S. Resolution Plan includes information on the Bank's U.S. operations that are domiciled in the U.S. or conducted in whole or in material part in the United States and on the interconnections and interdependencies among the Bank's U.S. and non-

¹ 12 C.F.R. 243.

² 11 U.S.C. §101 *et seq.*

U.S. operations. This Public Section of the U.S. Resolution Plan provides an executive summary of the Bank's overall resolution strategy.

Overview of the Bank

The Bank is a leading commercial bank in India that offers a broad range of banking products and services to corporate and retail customers. The Head Office of the Bank is located in Baroda, India. The Corporate Office of the Bank is located in Mumbai and oversees a nationwide network of branches and outlets. As an international financial institution with a global reach, the Bank has branches in Mauritius, the Seychelles, South Africa, the Bahamas, the United States, Fiji, Hong Kong, Oman, the United Arab Emirates, Bahrain, the People's Republic of China, Singapore, Belgium, the United Kingdom and Australia. The Bank operates overseas subsidiaries in Uganda, Kenya, Guyana, Tanzania, Botswana, Trinidad & Tobago, Ghana, New Zealand and the United Kingdom. The Bank also has a representative office in Bangkok, Thailand. With its first overseas office established in Kenya in 1953, the Bank has a long history of successful international operations, including a focus on trade and project finance, remittances, syndication and correspondent banking services.

The Bank provides a full range of corporate financial services and commercial banking products and services to corporate customers that include retail, mid-sized and small business and government entities as well as large commercial enterprises. The Bank's products include various deposits, term loans and secured and unsecured financing for acquisitions, construction projects and asset-based financing. The Bank also provides working capital finance, short-term corporate loans, project finance loans, cash management and remittance services. This wide range of products and services allows the Bank to develop personalized banking solutions for individual business customers. The Bank is one of the largest retail banks in India and has a wide network of branches across India as well as abroad. The Bank provides a range of electronic banking and credit card products services to its retail customers, including ATMs, mobile banking, internet banking and debit and credit cards.

The Bank's domestic treasury operations, which include funding, investments, foreign exchange and derivatives, are integrated through a Specialized Integrated Treasury Branch (SITB). SITB enables the Bank to leverage arbitrage opportunities and facilitates strong risk management and compliance. In addition to its domestic operations, the Bank has treasury operations in several global financial centres.

The Bank also focuses on addressing the needs of priority sector customers and offers specialized products and services to these sectors. With the objective of developing the rural economy, the Bank aims to support a self-reliant rural India through promotion of agriculture, trade, commerce, and industry and extension of credit facilities particularly to small and marginal farmers, agricultural laborers and small entrepreneurs. The Bank contributes significantly to the accelerated pace of rural development by providing farmers with agriculture loans and other products such as the Baroda Kisan Credit Card (BKCC), financing for tractors and heavy agricultural machinery, employment for technical personnel through agro service centers and structures, and

horticulture and land development. The Bank also provides for beneficiaries to directly receive government benefits to their accounts electronically.

The Bank was established by His Highness Maharaja Sir Sayajirao Gaekwad III of Baroda on July 20, 1908 under the Baroda Companies Act, 1897. When India attained independence, the Bank had 48 branches and was still essentially a regional bank. Between 1953 and 1958, the Bank opened 30 new offices. Between 1958 and 1965, the Bank extended its network to over 234 branches by engaging in certain strategic mergers. After nationalization in 1969, the Bank became a wholly-owned government bank (now majority owned) and was given its current full name, "Bank of Baroda." Currently, the Bank has a network of more than 5450 branches.

I. Summary of the Resolution Plan

A. Overview of the Resolution Plan

The Bank conducts limited operations in the United States. The Bank's U.S. Resolution Plan is intended to provide the FRB and FDIC with a plan for the rapid and orderly resolution of Bank of Baroda's U.S. operations in the event of the material financial distress or failure of the Bank's operations in the United States. The U.S. Resolution Plan includes the information required for a tailored plan, including a description of the Bank's banking operations and its critical operations and core business lines, if any, that are conducted in whole or in part in the United States.

The U.S. Resolution Plan is also intended to serve as the U.S. portion of any resolution plan or recovery plan that the Bank might be required to submit to the Reserve Bank of India. To date, the Reserve Bank of India has not required any major banks in India to prepare such resolution plans.

B. Names of Material Entities

Under the Regulation, a "material entity" is a subsidiary or foreign office of the covered company that is significant to the activities of a critical operation or core business line. "Critical operations" are those operations, including associated services, functions and support the failure or discontinuance of which, in the view of the covered company or as jointly directed by the FRB and the FDIC, would pose a threat to the financial stability of the United States. "Core business lines" are those business lines, including associated operations, services, functions and support that, in the covered company's view, upon failure would result in a material loss of revenue, profit, or franchise value. The core business lines of the Bank are described below.

The Bank has determined that it does not have any critical U.S. operations that, upon their failure or discontinuance, would pose a threat to the stability of the U.S. financial system. In addition, the FRB and FDIC have not designated any operations of the Bank's New York Branch as a critical operation for purposes of the U.S. Resolution Plan. The Bank does not operate or own or control any nonbank entities in the United States.

The Bank has also carefully considered whether its New York Branch, more fully described below, should be viewed as a "material entity" that is significant to the activities of a critical operation or core business line of the Bank. As explained below, the Bank has determined that the New York Branch is not a material entity. The Bank has identified accepting deposits, and making retail and commercial loans in India as its core business lines. Based on the criteria of the Rule and as described more fully below, none of the activities of the New York Branch is a core business line and the activities of the New York Branch also are not material to any of the core business lines of the Bank.

The New York Branch commenced operations in February of 1979, is licensed by the New York State Department of Financial Services (the "NYDFS") and is located at One Park Avenue, New York, NY 10016. Its deposits are insured by the FDIC and it primarily engages in the following activities:

(a) Acceptance of deposits, including issuance of interest-bearing certificates of deposit to individual and corporate customers; offering demand deposit and business checking accounts to U.S. customers; and accepting brokered deposits;

(b) Borrowing funds from other banks and from the Bank's branches in support of its lending and other activities;

(c) Making loans to business customers based primarily in the New York, New Jersey and Connecticut geographic area for general business or trade finance activities; making loans to corporations with existing or potential India-related business; making loans to companies in the United States introduced by branches and offices of the Bank outside the United States.

(d) Providing various finance services, including financing overdrafts against receivables/inventory; issuing letters of credit (including standby letters of credit) and bankers' acceptances; discounting bills purchased under letters of credit; providing revolving credit loans and term loans to businesses for premises and equipment;

(e) Providing specialized lending services, including making U.S. Small Business Administration loans, making commercial real estate loans, participating in corporate loan syndications, and making loans to banks;

(f) Engaging in trade finance activities, including advising and confirming letters of credit; negotiating drafts under letters of credit advised by the Bank or others; discounting drafts under letters of credit; opening letters of credit and standby letters of credit; providing credit to buyers and suppliers; and providing documentary collection services;

(g) Providing funds transfer services, including providing remittance services through Bank branches in India and other countries;

(h) Providing correspondent banking services to non-U.S. -branches subsidiaries and joint ventures of the Bank.

At present, the Treasury operations of the New York Branch are limited to raising deposits, placing surplus funds parked by the Bank's branches with other banks within the exposure limits set by the Head Office, need-based borrowing from other banks as and when required, and managing assets and liabilities and the liquidity position in an efficient manner.

C. Description of Core Business Lines

Core business lines means those business lines of the Bank, including associated operations, services, functions and support, that, in the view of the Bank, upon failure would result in a material loss of revenue, profit or franchise value. After careful consideration, the Bank and the New York Branch have concluded that none of the services and activities of the New York Branch constitutes a core business line or is material to a core business line of the Bank. There is no activity of the New York Branch that, upon its failure, would result in a material loss of revenue, profit or franchise value for the Bank. For this purpose, the Bank and New York Branch have decided to view as "material" any activity or service of the New York Branch that contributes five percent or more of the income attributed to a core business line of the Bank. As noted above, such core business lines include accepting retail deposits and making retail and commercial loans.

If all of the activities of the New York Branch were terminated suddenly and immediately (because of severely adverse economic conditions affecting the Bank and its U.S. operations), the effect of such a sudden loss of Branch revenues on the Bank would be de minimis. With the exception of U.S. dollar remittances, the Bank could readily replace services or activities now provided by or through the New York Branch through its other international branches and/or subsidiaries. U.S. dollar remittances and funding could be provided by other banks located in the United States; while the cost of such alternative services would be somewhat higher than is the case for services provided through the Branch such higher costs would be inconsequential when considered in the context of the overall income and balance sheet of the Bank. Further, under a scenario where both the Bank and the New York Branch became insolvent due to severely adverse economic conditions, the loss of Bank services to U.S. customers could readily be replaced by other banks and the effects on U.S. customers would be de minimis. For these reasons, a determination has been made that the New York Branch is not a "material entity." In effect, this means that the Bank does not have any material entities located in the United States.

D. Summary of Financial Information Regarding Assets, Liabilities, Capital and Major Funding Sources

1. Financial Information

The following table sets forth the balance sheet of the Bank as at March 31, 2016.

	(USD Mn.)	(INR Cr.)
CAPITAL & LIABILITIES		
Capital	69.74	462.09
Reserves and Surplus	5,997.57	39,736.89
Deposits	86,640.69	574,037.87
Borrowings	5,051.95	33,471.70
Other Liabilities and Provisions	3,572.25	23,667.92
TOTAL	101,332.20	671,376.47
ASSETS		
Cash and Balances with Reserve Bank of India	3,271.06	21,672.41
Balances with Banks and Money at Call and Short Notice Investments	16,938.79	112,227.93
Advances	57,923.20	383,770.18
Fixed Assets	943.90	6,253.78
Other Assets	4,075.41	27,001.65
TOTAL	101,332.20	671,376.47
Contingent Liabilities	34,559.98	228,977.16
Bills for Collection	4,881.71	32,343.74

Note: Conversion rate @ INR 66.2550

Remarks: Fiscal year of the Bank of Baroda and its New York Branch is April 01 to March 31, hence data reported as at March 31, 2016.

As set out on Schedule RAL of the New York Branch's March 31, 2016 Call Report Filed on Form FFIEC 002 (Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks), the New York Branch's total assets as of March 31, 2016 were \$10,332.106 Million, the majority of which was comprised of loans (\$8,752.847 Million) and cash and balance due from depository institutions (\$ 1,517.661 Million). The New York Branch's total liabilities as of March 31, 2016 were \$10,332.106 Million, the majority of which were comprised of deposits (\$6,985.399 Million) and net due to Head Office (\$ 3,059.555 Million).

The New York Branch does not hold standalone capital and is not subject to minimum regulatory capital requirements. However, the FDIC requires the Bank to maintain an asset pledge deposit³, typically equal to a percentage of the third party liabilities of the New York Branch (at present 2% of average of the New York Branch's third party liabilities for the last 30 days of the most recent calendar quarter), with another depository institution in New York to ensure that the New York Branch maintains a minimum amount of unencumbered assets in the United States that is available in the event of liquidation.

Because its deposits are insured by the FDIC, the New York Branch is also subject to FDIC regulation set forth at 12 C.F.R. 347.210, which requires the New York Branch to maintain on a daily basis eligible assets in an amount not less than 106 percent of the preceding quarter's average book value of the branch's liabilities, exclusive of liabilities due to the Bank's head office, other branches, offices, or wholly owned subsidiaries. To remain "Well Capitalized" for purposes of FDIC regulations, the New York Branch maintains the eligible assets prescribed under 12 C.F.R. 346.20 at 108 percent or more of the preceding quarter's average book value of the New York Branch's liabilities, exclusive of liabilities due to the Bank's head office, other branches, offices, or wholly owned subsidiaries.

The Federal Reserve Act and the International Banking Act of 1978 impose reserve requirements on all depository institutions and Edge and agreement corporations that have transaction accounts, nonpersonal time deposits, or Eurocurrency liabilities. U.S. branches and agencies of foreign banks that have such deposits or liabilities are also subject to reserve requirements if they are part of or affiliated with a foreign bank with total, worldwide consolidated assets in excess of \$ 1 billion. The New York Branch maintains balances in an account with Federal Reserve Bank of New York that is monitored on a daily basis in accordance with Regulation D.

As on March 31, 2016 the RBI required that commercial banks must maintain three types of minimum capital adequacy ratios. The minimum Capital requirement of RBI and Bank's CRAR as on March 31, 2016 was as under:

Type of Capital Ratio	RBI minimum capital requirement	Bank's CRAR
Common Equity Tier 1 Capital Ratio	5.0%	10.29%
Tier 1 Capital Ratio	6.5%	10.79%
Total Capital Ratio	9.0%	13.17%

³ N.Y. Banking Law §202-b.

The above mentioned ratios have been computed as per Basel III rules of RBI. Please refer to the Bank's annual report for the year ending March 31, 2016 for financial information, including regulatory capital ratios.⁴

2. Major Funding Sources

The major funding resources of the Bank consist of (1) deposits, (2) capital, reserves and surplus and (3) borrowings comprised of "market borrowings" and "Tier I and Tier II Bonds."

The major funding sources of the New York Branch are interest-free funds from Head Office, interbranch funding consisting of deposits from other Bank branches, customer demand deposits, certificates of deposit and brokered deposits. The Bank provides liquidity support to the New York Branch, as and when required. The New York Branch carefully monitors and manages liquidity risk to ensure that changes in funding requirements can be met without a material adverse impact on the financial condition and operations of the New York Branch or the Bank, as the case may be.

The New York Branch generally has access to internal and external sources of liquidity. Internal sources of liquidity include short-term, high-quality assets that are readily convertible to cash at a reasonable cost. External sources of liquidity include borrowings from the Bank's branches and related offices, other financial institutions and overnight or short-term deposits. It is the policy of the New York Branch to have adequate liquidity at all times to cover normal cyclical swings in deposit and loan demand and to allow the New York Branch to meet abnormal and unexpected funding requirements. Whenever possible, liquidity needs will be met through normal Branch operations, avoiding unplanned sales of assets or emergency borrowing of funds.

In sum, liquidity risk management is a top priority of the Bank and the New York Branch. The Bank defines liquidity risk as the risk of financial losses incurred from a difficulty in securing funds required for activities of the Bank, or from being forced to procure funds at significantly higher funding costs than normal as a result of a maturity mismatch between investment and funds procurement, or as a result of an unforeseen fund outflow from the Bank (cash flow risk). The Bank and the New York Branch carefully manage liquidity risk based on this definition. The New York Branch assets liability management committee is responsible for oversight of liquidity risk management at the Branch and regularly reports to the Head Office –ALM Cell.

The Bank and the Branch regularly consider alternative sources of funding that could be used if normal sources are no longer available. In addition to maintaining business relationships with a diverse group of well-capitalized bank and financial institution funding sources for its certificate of deposit and deposit activities, the Bank and the Branch could seek additional credit financing from other banks or from the Reserve Bank of India if necessary.

⁴ The Bank's Annual Report for the fiscal year ended March 31, 2016 is available at: www.bankofbaroda.com.

In addition, the New York Branch has adopted a specific liquidity risk contingency plan. In the event of a liquidity crisis, the Branch would take steps to implement a "three lines of defense" policy as follows: (1) First Line of Defense: In the event of an unforeseen demand for funds, the New York Branch would draw on its available unconfirmed and unutilized lines of credit from other banks; (2) Second Line of Defense: If no unconfirmed or unutilized lines of credit are available, the New York Branch would borrow from other overseas offices of the Bank and from other banks; at this point, it is also contemplated that a meeting of the (Assets and Liabilities Committee ("ALCO")) would be convened immediately at the New York Branch and a detailed note on the nature of the immediate crisis would be prepared and forwarded to the International Division for the attention of the General Manager (International Operations); all further actions would be initiated in co-ordination with the International Division; (3) Third Line of Defense: If the crisis persists, investments would be liquidated as promptly as possible and prudent under the circumstances; at this point, the New York Branch would also seek the intervention of the Head Office as appropriate. In case of extreme stress situations, the branch shall seek liquidity support from the Corporate Office.

It should also be noted that the Bank has adopted a rigorous program of stress testing for the Bank as a whole, using an assessment process based on the Basel Committee's International Capital Measurement and Capital Standards: a Revised Framework of Basel II (Pillar II).

E. Description of Derivative and Hedging Activities

The New York Branch has limited derivatives activities. Occasionally the New York Branch enters into swap deal for the purpose of hedging. As of March 31, 2016, the branch has outstanding interest swaps of \$198.370 Mn & forward exchange contract of \$0.025 Mn.

At present, the Bank is not required to register as a "Swap Dealer" or "Major Swap Participant," because the aggregate notional amount of swap transactions with U.S. persons is well below the threshold of US\$ 8 billion.

F. Memberships in Material Payment, Clearing, and Settlement systems

The New York Branch is a member of certain payment, clearing and settlement systems that enable it to access systems necessary to service its customers and clients. The following is the list of memberships in material payment, clearing and settlement systems:

Entity Holding Membership	System
Bank of Baroda, New York Branch	Fedwire Funds Service (Fedwire) & Fed ACH
	Society for Worldwide Interbank Financial Telecommunication (SWIFT)

In addition to the above memberships, the New York Branch utilizes the clearing services of the Bank of New York Mellon.

G. Description of Non-U.S. Operations

As described elsewhere herein, the Bank is a global banking organization that provides services to individual and corporate clients through its domestic and overseas operations. Please see the section captioned "Overview of the Bank" above. Further information on the Bank's business is set forth in the Bank's Annual Report for the fiscal year ended March 31, 2016.

As demonstrated by the table below, most of the Bank's revenues come from its operations in India and in other countries in the Asia and Pacific region.

Revenues by Geographic Area (for the year ended March 31, 2016)

Geographic Area	INR (in Crores)	USD (in Mn.)	% to Global Income
India	42970.47	6365.53	87.59
Other Asia and Pacific	2492.87	369.29	5.08
United Kingdom and Europe	2559.14	379.10	5.22
United States	771.00	114.21	1.57
Others	266.66	39.50	0.54
Total	49060.14	7267.63	100.00

Note: Conversion on quarterly average rate during the financial year@ INR 67.5050

H. Material Supervisory Authorities

The Bank, including its subsidiaries and overseas offices, is subject to supervision and regulation under various laws and regulations in the countries in which it operates.

In India, the Bank's primary regulator is the Reserve Bank of India ("RBI"). The RBI is the central banking and monetary authority in India. RBI manages the country's money supply and foreign exchange and also serves as a central bank for the Government of India and for the country's commercial banks. The RBI performs traditional central banking responsibilities such as supervising the issuance of currency notes, and performing clearing and banking services for India's commercial banks and the Government of India. Its also supervises exchange rates and manages credit controls, as necessary.

In addition to these traditional central banking roles, the RBI undertakes certain developmental, promotional and supervisory activities. The RBI issues guidelines, notices and circulars on various matters, including exposure standards, income recognition, asset classification, provisioning for non-performing assets, investment valuation and capital adequacy standards for commercial banks. The RBI requires commercial banks such as the Bank to furnish information relating to their business activities on a regular basis.

As supervisor, the RBI has the authority to issue charters and licenses to new banking entities, to determine minimum reserves, to conduct periodic inspections and audits of banks in India and abroad, and to supervise all aspects of the banking business in India. The RBI exercises its authority for supervision of the financial sector primarily through examination and inspection. The examination process focuses on safety and soundness of bank operations, with an emphasis on risk management Internal controls, credit management, overseas branch operations, profitability, compliance with prudential regulations, prudent expansion of banking services, proper valuation of the bank's investment portfolio, and the bank's role in social lending programs are typical areas covered by RBI inspections and examinations.

Upon the insolvency of the Bank, guidance of Central Bank (RBI) would be sought for its resolution. Since the Government of India (GOI) is the Bank's major shareholder, it is anticipated that support from the government of India would result in the Bank's continuing operation pursuant to a recovery plan.

In the United States, the Bank is deemed to be a bank holding company under section 8(a) of the International Banking Act of 1978 (the "IBA") as a result of maintaining the New York Branch. The Bank is subject to supervision by the FRB under various federal laws including, among others, the Bank Holding Company Act of 1956, as amended (the "BHC Act"), the IBA, the Foreign Bank Supervision Enhancement Act of 1991, the Dodd-Frank Act, the Bank Secrecy Act and the USA PATRIOT Act of 2001. The BHC Act generally limits the activities of bank holding companies to banking or managing or controlling banks, and activities that are closely related to banking.⁵

As noted above, the New York Branch is an FDIC-insured branch licensed by the NYDFS. It is subject to ongoing supervision, examination and regulation by the NYDFS and the FDIC. The regulation of the New York Branch includes restrictions on the activities that may be conducted by the New York Branch as well as prudential limits such as lending limits and limits on transactions with affiliates. In the event of its insolvency, the New York Branch would be resolved in accordance with applicable provisions of the New York Banking Law and the Federal Deposit Insurance Act.

⁵ 12 U.S.C. §1843(a)(2).

I. Principal Officers

The table below lists the principal officers for the New York Branch.

Name	Title
Mr. Neelam Damodharan	Chief Executive, U.S. Operations
Mr. D Prajith Kumar	Assistant General Manager (Risk Management)
Mr. Samuel P. Abraham	Chief Compliance Officer

J. Resolution Planning Corporate Governance Structure and Processes

The Bank has integrated resolution planning into its corporate governance structure and processes to ensure that the U.S. Resolution Plan receives appropriate oversight from designated senior management officials, committees and the Board of Directors.

The Board of Directors is ultimately responsible for approving the U.S. Resolution Plan and the "Risk Management Committee- Dodd Frank Act" comprising the senior officers from International Operations, Risk Management Department, Compliance Department and Strategic Planning Department at Corporate Office level has been designated to oversee the Bank's resolution planning process.

The General Manager, International Operations and the Chief Executive, New York Branch are primarily responsible for overseeing the development, implementation and filing of the U.S. Resolution Plan and for ensuring that the plan complies with requirements of the Federal Reserve Board's Resolution Plan Regulation. The U.S. Resolution Plan has been developed with assistance from Compliance Department and Risk Management Department personnel at the New York Branch. Such personnel have consulted with the officers in charge of the various business lines of the New York Branch, as appropriate.

In preparing the U.S. Resolution Plan, the Compliance Department and Risk Management Department of the New York Branch were assigned primary responsibility for reviewing the Federal Reserve Board's Resolution Plan Regulation, understanding the requirements set forth therein for a tailored resolution plan, preparing the notice of intent to file a tailored plan, and working with the external consultant/s to identify the business information needed to prepare the plan.

Once the basic plan was prepared, it was reviewed by the Chief Executive and approved by New York Performance Monitoring Committee at New York branch and forwarded to The General Manager, International Operations for further comment and review of Risk Management Committee- Dodd Frank Act.

The Risk Management Committee-Dodd Frank Act reviewed the plan to determine whether it is consistent with the Bank's corporate governance and risk management guidelines and, after careful consideration, decided to recommend to the Board of Directors to approve the U.S. Resolution Plan.

The Board approved the U.S. Resolution Plan on-----, a resolution approving the Plan was adopted and a certified copy of such resolution was provided for attachment as an exhibit to the U.S. Resolution Plan submitted to the Federal Reserve Board and FDIC for approval.

K. Material Management Information Systems

The Bank utilizes management information systems ("MIS") and applications to ensure timely access to accurate and comprehensive data, including those for risk management, accounting, and financial and regulatory reporting in connection with the conduct of its business. In preparing the U.S. Resolution Plan, the Bank has identified the key MIS and applications that are relied on by its U.S. operations, namely the New York Branch.

The MIS are primarily used to collect, retain and report information internally, as well as to perform functions necessary to support important business lines. Multiple reports are generated on a periodic basis for use by senior management to assess the financial health, risks and operations of such businesses. Examples of such reports include: general ledger, profit and loss, interest rate mismatch, cash flow, balance sheet analysis, and asset pledge deposits.

Procedures are also in place to allow appropriate regulators access to the systems and applications. The Confidential Section of the U.S. Resolution Plan provides details on the capabilities of MIS to collect, maintain and report information in a timely manner to management and to regulators.

The Bank maintains a business continuity plan for its U.S. operations, systems and applications to minimize the interruption of business and facilitate recovery in an expeditious manner in the event there is a significant disruption. Periodic testing of contingency MIS requirements is conducted to ensure the availability of timely reports for quick decision-making.

The Bank's Board of Directors recently completed a review of the Bank's business continuity program ("BCP") with the objective of ensuring that the Bank can continue to conduct its significant product and service activities on a global basis despite potential disruptions to its business. The focus of the Bank's BCP is to mitigate the impact of business interruptions and to facilitate a rapid operational recovery and return to full, normal operations. The BCP is intended to meet regulatory standards in India as well as in each foreign jurisdiction, including the United States, in which the Bank has operations. As described below, the Bank's Management Information Systems constitute an integral part of its BCP and resolution plan strategy.

The Bank has a separate department named "Data Warehouse" with a dedicated team at the Corporate Office. Data Warehouse is responsible for designing, developing and monitoring the Bank's MIS on a daily basis, and providing various MIS reports. At present, approximately 75% of the Bank's MIS is designed by internal Bank staff and the rest is provided by outside vendors in consultation with the Bank's internal staff.

The New York Branch uses the Finacle Core Banking Solution as its primary banking application system. The Bank maintains a Data Centre in India for its domestic (Indian) and international operations, including the New York operations, which provides separate servers for domestic and international operations. The Bank also maintains a separate Disaster Recovery site in India. In the event of any kind of disaster that affects the Data Centre and IT systems are not accessible, the New York Branch operations will be made accessed through the Disaster Recovery site as per defined RTO/RPO. In the event of disruption at the New York Branch, the operations can be continued from an alternate site located in Flushing New York. The alternate site is a mini replica of the branch with all key applications accessible on a real time basis.

L. High-Level Description of Resolution Strategy

As more fully discussed in the Confidential Section, the U.S. Resolution Plan takes into consideration possible strategies for the orderly resolution of the Bank's U.S. operations under applicable resolution regimes in the event of material financial distress or failure. The strategies are designed to be executed within a reasonable period of time and in a manner that avoids or substantially mitigates systemic impact on U.S. financial stability. As noted in the June 10, 2016 letter addressed to the Bank, the FRB and the FDIC have determined that the resolution plan submitted by the Bank in 2016 should assume that the material financial distress or failure of the Bank occurs under the severely adverse economic conditions provided to the Bank by the FRB pursuant to 12 U.S.C. § 5365(i)(1)(B). Accordingly, the Bank has made this assumption in developing its 2016 resolution plan.

The U.S. Resolution Plan has been developed under the assumption that U.S. operations of the New York Branch would experience a 30-day period of financial distress prior to resolution and focuses on an orderly wind-up that minimizes market disruptions. This strategy also addresses how the U.S. operations of the Bank may undergo an orderly resolution without recourse to any assistance from U.S. taxpayers. The U.S. Resolution Plan assumes that the New York Branch would be seized by the Superintendent who would then directly commence or appoint the FDIC as receiver to commence the resolution process.

Because the Bank maintains a New York state-licensed branch, the U.S. Resolution Plan contemplates that the Bank would be subject to New York bank insolvency law rather than the U.S. Bankruptcy Code, in the event of the insolvency of the Branch. The law generally includes a ring-fencing insolvency regime that effectively draws a fence around the New York Branch and treats it as a separate entity from the Bank. Assets of the Bank located within the State of New York may be seized and liquidated by the receiver to pay off the claims of creditors of the New York Branch. The

Bank contemplates the orderly winding down of Branch operations in the event of insolvency. Options would be evaluated with a view to maintaining core business operations of the Bank and important New York Branch activities during the resolution process while various strategies are being assessed and implemented.

In the event that the Bank is in distress because of severely adverse economic conditions affecting the Bank generally, including but not limited to its U.S. operations, it is likely that the RBI would supervise the operations of the Bank in accordance with Indian laws. In the United States, the Bank would expect the NYDFS to follow relevant provisions of the New York Banking Law (Section 606), which permit the Superintendent to take possession of the business and property of the Bank, if it appears that the Bank is in an unsafe or unsound condition to transact business. The Bank would then seek permission, pursuant to Section 605(11) of the New York Banking Law, to voluntarily liquidate its property and business in New York.