

### III. SUMMARY TERM SHEET FOR THE ISSUE

1.	Security Name	9.55%-CANARA BANK – Additional Tier- I Bond 2014-15.
2.	Issuer	Canara Bank (“CB”/ the “Bank”/ the “Issuer”).
3.	Issue Size	Rs. 1,500 Crore.
4.	Objects of the Issue / Details of Utilization of Proceeds	<p>Augmenting Additional Tier I Capital and over all capital of the Bank for strengthening its capital adequacy and for enhancing its long-term resources as per BASEL III requirements.</p> <p>The funds being raised by the Bank through the present Issue are not meant for financing any particular project. The Bank shall utilize the proceeds of the Issue for its regular business activities.</p> <p>The Bank undertakes that proceeds of the Issue shall not be used for any purpose which may be in contravention of the regulations/ guidelines/ norms issued by the RBI/ SEBI/ stock exchange.</p>
5.	Type of Instrument	Unsecured, Fully Paid-up, Non-Convertible, Perpetual, Additional Tier 1 Basel-III Compliant Bonds in the nature of Debentures.
6.	Nature of Instrument	Unsecured Additional Tier I Bonds.
7.	Status of Bonds / Seniority of Claims	<p>Claims of the investors in this instrument shall be:</p> <ol style="list-style-type: none"> <li>1. Superior to the claims of investors in equity shares and perpetual non-cumulative preference shares;</li> <li>2. Subordinate to the claims of depositors, general creditors &amp; subordinated debt of the bank;</li> <li>3. Is neither secured nor covered by a guarantee of the Issuer nor related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis bank creditors.</li> </ol>
8.	Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	Proposed on the Wholesale Debt Market (“WDM”) segment of the National Stock Exchange of India Limited (“NSE”).
9.	Tenor	Perpetual
10.	Redemption Date	Not Applicable as the bonds are perpetual in nature.
11.	Redemption Amount	Not Applicable
12.	Redemption Premium / Discount	Nil
13.	Convertibility	Non-Convertible

14.	Face Value	Rs. 10,00,000/- (Rupees Ten Lakh) per Bond
15.	Credit Rating	1. [ICRA] AA(hyb) by ICRA Ltd 2. 'IND AA' by India Ratings & Research Private Limited.
16.	Mode of Issue	Private Placement
17.	Security	Unsecured
18.	Coupon Rate	9.55% per annum
19.	Coupon Reset	Not Applicable
20.	Step Up / Step Down Coupon Rate	None
21.	Coupon Type	Fixed
22.	Coupon Payment Frequency	Annual, subject to Conditions (27) (Coupon Discretion) and Condition (45) (Loss Absorption).
23.	Coupon Payment Dates	On the Anniversary of Deemed Date of Allotment
24.	Interest on Application Money	<p>This shall be paid at the coupon rate (subject to deduction of Income Tax as per the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the Application Money for the Bonds for the period starting from and including the date of realization of application money in Bank's Account upto one day prior to the Deemed Date of Allotment.</p> <p>The interest on Application Money will be computed as per Actual/ Actual day count convention. Such interest would be paid on all valid applications, including the refunds. Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refund orders. Where an applicant is allotted lesser number of Bonds than applied for, the excess amount paid on application will be refunded to the applicant along with the interest on refunded money.</p> <p>Tax Deducted at Source ("TDS") will be deducted at the applicable rate on interest on Application Money.</p>
25.	Record Date	Reference date for payment of coupon / repayment of principal which shall be the date falling 15 days prior to the relevant Coupon Payment Date, Issuer Call Date, Tax Call Date or Regulatory Call Date (each as defined later) on which interest / principal is due and payable. In the event the Record Date falls on a day which is not a business day, the next business day will be considered as the Record Date.
26.	Computation of Interest	Actual/ Actual
27.	Coupon Discretion	<ul style="list-style-type: none"> <li>The Bank has Full Discretion at all times to cancel coupon distributions / payments. On cancellation of distributions / payments, these payments will be extinguished and Bank shall have no obligation to make distributions / payments</li> </ul>

		<p>in kind as well.</p> <ul style="list-style-type: none"> <li>• Cancellation of discretionary payments shall not be an Event of Default.</li> <li>• Bank shall have full access to cancelled payments to meet obligations as they fall due.</li> <li>• Cancellation of distributions / payments will not impose restrictions on the Bank except in relation to distributions to common shareholders.</li> <li>• Coupons shall be paid out of distributable items. In this context, coupon may be paid out of current year profits. However, if current year profits are not sufficient i.e. payment of coupon is likely to result in losses during the current year, the balance amount of coupon may be paid out of revenue reserves (i.e. revenue reserves which are not created for specific purposes by a bank) and / or credit balance in profit and loss account, if any. However, payment of coupons on Perpetual Debt Instruments (PDIs) from the revenue reserves is subject to the issuing bank meeting minimum regulatory requirements of CET1, Tier 1 and Total Capital ratios at all times and subject to the requirements of capital buffer frameworks (i.e. capital conservation buffer, countercyclical capital buffer and Domestic Systemically Important Banks) set out in Basel III Guidelines.</li> <li>• The interest shall not be cumulative. This means that interest missed in a year will not be paid in future years, even if adequate profit is available and the level of CRAR conforms to the regulatory minimum. If coupon is paid at a rate lesser than the prescribed rate, the unpaid amount will not be paid in future years, even if adequate profit is available and the level of CRAR conforms to the regulatory minimum. Non payment of coupon will not constitute an Event of Default in respect of the Bonds.</li> </ul>
28.	Dividend Stopper	<p>Dividend Stopper Clause will not be applicable to these instruments.</p> <p>In the event the holders of AT1 Instruments are not paid dividend / coupon, they shall not impede the full discretion that Bank has at all times to cancel distributions / payments on these instruments, nor will they impede / hinder :</p> <ol style="list-style-type: none"> <li>1) the re-capitalization of the Bank;</li> <li>2) the bank's right to make payments on other instruments where the payments on this other instrument were not also fully discretionary;</li> <li>3) the Bank's right to make distributions to shareholders for a period that extends beyond the point in time that coupon / dividends on these instruments are resumed;</li> <li>4) the normal operations of the bank or any restructuring</li> </ol>

			activities (including acquisitions / disposals).
29.	Put Option		Not Applicable
30.	Put Notification Time		Not Applicable
31.	Call Option	i) Issuer Call	<p>The Issuer may at its sole discretion, having notified the Trustee not less than 21 calendar days prior to the date of exercise of such Issuer Call (which notice shall specify the date fixed for exercise of the Issuer Call (the “<b>Issuer Call Date</b>”), may exercise a call on the outstanding Bonds.</p> <p>The Issuer Call, which is discretionary, may or may not be exercised on the tenth anniversary from the Deemed Date of Allotment i.e. the tenth Coupon Payment Date or on any Coupon Payment Date thereafter.</p> <p>Prior approval of Reserve Bank of India will be required.</p> <p>The instrument should be replaced with capital of the same or better quality and the replacement of this capital is done at conditions which are sustainable for the income capacity of the Issuer. Here, replacement of the capital can be concurrent with but not after the instrument is called.</p> <p>OR</p> <p>I. The Issuer demonstrates that its capital position is well above the minimum capital requirements after the call option is exercised.</p> <p>II. Here, minimum refers to Common Equity Tier 1 of 8% of RWAs (including capital conservation buffer of 2.5% of RWAs) and Total Capital of 11.5% of RWAs including any additional capital requirement identified under Pillar 2.</p>
		ii) Tax Call or Variation	<p>If a Tax Event (as described below) has occurred and continuing, then the Issuer may subject to the conditions for call and repurchase having been satisfied and having notified the Trustee not less than 21 calendar days prior to the date of exercise of such Tax Call or Variation (which notice shall specify the date fixed for exercise of the Tax Call or Variation “<b>Tax Call Date</b>”), may exercise a call on the Bonds or substitute the Bonds or vary the terms of the Bonds so that the Bonds have better classification.</p> <p>A Tax Event has occurred if, as a result of any change in, or amendment to, the laws affecting taxation (or regulations or rulings promulgated thereunder) of India or any change in the official application of such laws, regulations or rulings the Issuer will no longer be entitled to claim a deduction in respect of computing its taxation liabilities with respect to coupon on the Bonds.</p> <p>The exercise of Tax Call by the Issuer is subject to requirements set out in the Applicable RBI Guidelines (as defined below). RBI will permit the Issuer to exercise the Tax Call only if the RBI is convinced that the Issuer was not in a position to anticipate the Tax Event at the time of issuance of</p>

			the Bonds.
		iii) Regulatory Call or Variation	<p>If a Regulatory Event (as described below) has occurred and continuing, then the Issuer may subject to the conditions for call and repurchase having been satisfied and having notified the Trustee not less than 21 calendar days prior to the date of exercise of such Regulatory Call or Variation (which notice shall specify the date fixed for exercise of the Regulatory Call or Variation (the “<b>Regulatory Call Date</b>”), may exercise a call on the Bonds or substitute the Bonds or vary the terms of the Bonds so that the Bonds have better classification.</p> <p>A Regulatory Event is deemed to have occurred if there is a downgrade of the Bonds in regulatory classification i.e. Bonds is excluded from the consolidated Tier I Capital of the Issuer.</p> <p>The exercise of Regulatory Call by the Issuer is subject to requirements set out in the Applicable RBI Guidelines. RBI will permit the Issuer to exercise the Regulatory Call only if the RBI is convinced that the Issuer was not in a position to anticipate the Regulatory Event at the time of issuance of the Bonds.</p>
32.	Call Option Price		Rs. 10,00,000/- (Rupees Ten Lakhs) per bond
33.	Call Notification Time		14 calendar days prior to the date of exercise of call
34.	Repurchase / Redemption / Buy-Back		<p>a. Principal of the instruments may be repaid (e.g. through repurchase or redemption) only with prior approval of Reserve Bank of India.</p> <p>b. Banks may repurchase /buy-back /redeem only when:</p> <ol style="list-style-type: none"> <li>1) They replace the such instrument with capital of the same or better quality and the replacement of this capital is done at conditions which are suitable for the income capacity of the Bank; or</li> <li>2) The bank demonstrates that its capital position is well above the minimum capital requirements after the repurchase / buy-back /redemption.</li> </ol>
35.	Depository		National Securities Depository Ltd (“ <b>NSDL</b> ”) & Central Depository Services (India) Ltd (“ <b>CDSL</b> ”)
36.	Cross Default		Not Applicable
37.	Issuance Mode		Only in dematerialized form
38.	Trading Mode		Only in dematerialized form
39.	Issue Schedule :		
	1. Opening Date		February 16, 2015
	2. Closing Date		March 5, 2015
40.	Pay-In-Date		February 16, 2015 to March 5, 2015

41.	Deemed Date of Allotment	March 5, 2015
42.	Minimum Application	Five Bonds and in multiples of 1 Bond thereafter
43.	Settlement	Payment of interest and repayment of principal shall be made by way of credit through direct credit/ NECS/ RTGS/ NEFT mechanism.
44.	Temporary principal write-down	<p>Where a temporary write-down of the Bonds pursuant to Condition 45(ii) (Temporary principal write-down on CET1 Trigger Event) has occurred, the holders of these instruments will have no claim on the proceeds of liquidation.</p> <p>For the avoidance of doubt:</p> <p>(i) If the issuer goes into liquidation before any written-down under Condition 45 (Loss Absorption) the Bonds will absorb losses in accordance with Condition (7) (Seniority);</p> <p>(ii) If the Issuer goes into liquidation when the Bonds have been written-down temporarily in accordance with Condition 45(ii) (Temporary principal write-down on CET1 Trigger Event) but yet to be written-up, the holders of these instruments will have no claim on the proceeds of liquidation in accordance with this Condition 44 (Temporary principal write-down).</p>
45.	Loss Absorption i) Permanent principal write-down on PONV Trigger Event	<p>If a PONV Trigger Event (as described below) occurs, the Bank shall:</p> <ol style="list-style-type: none"> <li>1. notify the Trustee;</li> <li>2. cancel any coupon which is accrued and unpaid on the Bonds as on the write-down date and</li> <li>3. Without the need for the consent of Bondholders or the Trustee, write down the outstanding principal of the Bonds by such amount as may be prescribed by RBI ("PONV Write Down Amount") and subject as is otherwise required by the RBI at the relevant time. The Issuer will affect a write-down within thirty days of the PONV Write-Down Amount being determined and agreed with the RBI.</li> </ol> <p>A write-down may occur on more than one occasion.</p> <p>Once the principal of the Bonds have been written down pursuant to PONV Trigger Event, the PONV Write-Down Amount will not be restored in any circumstances, including where the PONV Trigger Event has ceased to continue.</p> <p>If the Bank is amalgamated with any other bank pursuant to Section 44 A of the Banking Regulation Act, 1949 (the BR Act) before the Bonds have been written down, the Bonds will become part of the Additional Tier 1 capital of the new bank emerging after the merger. If the Bank is amalgamated with any other bank after the Bonds have been written down pursuant to a PONV Trigger Event, these cannot be reinstated by the amalgamated bank. If the RBI or other relevant authority decides to reconstitute the Bank or amalgamate the Bank with</p>

			<p>any other bank, pursuant to Section 45 of the BR Act, the Bank will be deemed as non-viable or approaching non-viability and the PONV Trigger Event will be activated. Accordingly, the Bonds will be permanently written-down in full prior to any reconstitution or amalgamation.</p> <p>PONV Trigger Event, in respect of the Bank, means the earlier of:</p> <ol style="list-style-type: none"> <li>a decision that a write-down, without which the bank would become non-viable, is necessary, as determined by the Reserve Bank of India; and</li> <li>the decision to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the relevant authority.</li> </ol> <p>However, any capital infusion by Government of India into the bank as the promoter of the bank in the normal course of business may not be construed as a PONV trigger.</p> <p>A write-down due to a PONV Trigger Event shall occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted.</p> <p>The Basel III Guidelines state that, for this purpose, a non-viable bank will be a bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the RBI unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by a bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 Capital of the bank should be considered as the most appropriate way to prevent the bank from turning non-viable. Such measures would include a permanent write-off in combination with or without other measures as considered appropriate by the RBI.</p> <p>A bank facing financial difficulties and approaching a point of non-viability shall be deemed to achieve viability if within a reasonable time in the opinion of the RBI, it will be able to come out of the present difficulties if appropriate measures are taken to revive it. The measures including a permanent write-off or public sector injection of funds are likely to:</p> <ol style="list-style-type: none"> <li>restore confidence of the depositors/ investors;</li> <li>improve rating/ creditworthiness of the bank and thereby improving its borrowing capacity and liquidity and reduce cost of funds; and</li> <li>augment the resource base to fund balance sheet growth in the case of fresh injection of funds.</li> </ol>	
		ii) Temporary principal write-down on CET1 Trigger Event	ii-a) Temporary write down	If a CET1 Trigger Event (as described below) occurs, the Bank shall:

				<ol style="list-style-type: none"> <li>1. notify the Trustee;</li> <li>2. cancel any coupon which is accrued and unpaid to as on the write-down date; and</li> <li>3. without the need for the consent of Bondholders or the Trustee, write down the outstanding principal of the Bonds by such amount as the Bank may in its absolute discretion decide and in no case such amount shall be less than the amount required to immediately return the Bank's Common Equity Tier 1 Ratio (as defined below) to above the CET1 Trigger Event Threshold (as defined below) (the "CET1 Write Down Amount").</li> </ol> <p>Notwithstanding the above, if the RBI has agreed with the Bank prior to the occurrence of the relevant CET1 Trigger Event that a write-down shall not occur because it is satisfied that actions, circumstances or events have had, or imminently will have, the effect of restoring the Common Equity Tier 1 Ratio to a level above the CET1 Trigger Event Threshold that the RBI and the Bank deem, in their absolute discretion, to be adequate at such time, no CET1 Trigger Event in relation thereto shall be deemed to have occurred.</p> <p>A Write-Down may occur on more than one occasion and (if applicable) the Bonds may be written down following one or more Reinstatements. Once the principal of a Bond has been written down pursuant to this Condition 45(ii)(a) (Temporary write down), it may be restored in accordance with Condition laid out by RBI.</p> <p>If the Bank is amalgamated with any other bank before the Bonds have been written down, the Bonds will become part of the Additional Tier 1 capital of the new bank emerging after the merger. If the Bank is amalgamated with any other bank after the Bonds have been written down pursuant to a CET1 Trigger Event, the amalgamated bank can reinstate these instruments according to its discretion. Further, if the Bank is amalgamated or acquired by another bank after being written down pursuant to a CET1 Trigger Event and the holders of equity shares get positive compensation on such amalgamation or acquisition, the holders of Bonds which have been written down pursuant to a CET1 Trigger Event will have to be appropriately compensated.</p> <p><i>CET1 Trigger Event</i> means that the Bank's</p>
--	--	--	--	---

			<p>Common Equity Tier 1 Ratio is</p> <ol style="list-style-type: none"> <li>1. if calculated at any time prior to March 31, 2019, at or below 5.5%; or</li> <li>2. if calculated at any time from and including March 31, 2019, at or below 6.125%,</li> </ol> <p>(the “CET1 Trigger Event Threshold”);</p> <p>Common Equity Tier 1 Ratio means the Common Equity Tier 1 Capital (as defined and calculated in accordance with the Basel III Guidelines) of the Bank expressed as a percentage of the total risk weighted assets (as defined and calculated in accordance with the Basel III Guidelines) of the Bank;</p> <p>The purpose of a write-down on occurrence of the CET1 Trigger Event shall be to shore up the capital level of the Bank. If the Bank breaches the CET1 Trigger Event Threshold and equity is replenished through write-down of the Bonds, such replenished amount of equity will be excluded from the total equity of the Bank for the purpose of determining the proportion of earnings to be paid out as dividend in terms of rules laid down for maintaining the capital conservation buffer (as described in the Basel III Guidelines). However, once the Bank has attained a total Common Equity Tier 1 Ratio of 8% without counting the replenished equity capital, from that point onwards, the Bank may include the replenished equity capital for all purposes.</p>
		ii-b) Reinstatement	<p>Following a write-down pursuant to above Condition 45(ii)(a) (Temporary write down), the outstanding principal amount of the Bonds may be increased in accordance with RBI guidelines. Bonds may be subject to more than one Reinstatement.</p>
46.	Amount of Write down upon breach of Trigger Level.	<p>The aggregate amount to be written down for all AT1 instruments on breaching the trigger level must be at least the amount needed to immediately return the Bank’s CET1 ratio to the trigger level or, if this is not possible, the full principal value of the instruments.</p> <p>Further, the Bank will have full discretion to determine the amount of AT1 instruments to be written down subject to the amount of write down not exceeding the amount which would be required to bring the total common equity ratio to 8 % of RWAs (minimum CET 1 of 5.50 % + capital conversion buffer of 2.5 % )</p>	
47.	Order of claim of AT 1 instruments at the event of	<p>The order of claim of various types of regulatory capital instruments issued by the Bank and that may be issued in future shall be in accordance with the order of seniority and as per</p>	

	gone concern situation	<p>usual legal provisions governing priority of charges. The Claims of Bondholders shall be as under:</p> <ol style="list-style-type: none"> <li>1) Additional Tier I debt instruments will be superior to the claims of investors in common/ equity shares and perpetual non-cumulative preference shares and other regulatory capital instruments eligible for inclusion in tier 1 capital of the Bank;</li> <li>2) subordinate to the claims of (i) depositors, (ii) general creditors; (iii) subordinated debt other than subordinated debt qualifying as Additional Tier 1 capital; (iv) subordinated debt eligible for inclusion in hybrid tier 1 capital under the then prevailing Basel regulations; (v) debt capital instruments eligible for inclusion in tier 2 capital issued and to be issued in future by the Bank; (vi) perpetual cumulative preference shares; (vii) redeemable non-cumulative preference shares; (viii) redeemable cumulative preference shares eligible for inclusion in tier 2 capital issued and to be issued in the future by the Bank;</li> <li>3) neither secured nor covered by a guarantee of the Bank or its related entity or any other arrangement that legally or economically enhances the seniority of the claims of Bondholders vis-à-vis creditors of the Bank;</li> <li>4) pari passu with the claims of investors in instruments eligible for inclusion in Additional Tier 1 capital issued and to be issued including but not limited to (i) perpetual non-cumulative preference shares eligible for inclusion in Additional Tier 1 capital; and (ii) perpetual debt instruments eligible for inclusion in Additional Tier 1 capital of the Bank; and</li> <li>5) claims of holders of perpetual non-cumulative preference shares shall be superior to the claims of holders of equity/ common shares.</li> </ol>
48.	Treatment in Insolvency	The instrument cannot contribute to liabilities exceeding assets if such a balance sheet test forms part of a requirement to prove insolvency under any law or otherwise.
49.	Treatment in case of Winding up	<ol style="list-style-type: none"> <li>I. If the bank goes into liquidation before the AT1 Instruments have been written-down, these instruments will absorb losses in accordance with the order of seniority indicated in the offer document and as per usual legal provisions governing priority of charges.</li> <li>II. If a bank goes into liquidation after the AT1 instruments have been written down, the holders of these instruments will have no claim on the proceeds of liquidation.</li> </ol>
50.	Transaction Documents	<p>The Bank has executed / shall execute the documents including but not limited to the following in connection with the issue:</p> <ol style="list-style-type: none"> <li>1. Letter appointing Trustees to the Bond Holders;</li> <li>2. Bond Trusteeship agreement;</li> </ol>

		<ol style="list-style-type: none"> <li>3. Rating agreement with Rating Agencies;</li> <li>4. Letter appointing Registrar and agreement entered into between the Issuer and the Registrar;</li> <li>5. Tripartite agreement between the Issuer, Registrar and NSDL for issue of Bonds in dematerialized form;</li> <li>6. Tripartite agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form;</li> <li>7. Letter appointing Arranger(s) to the issue;</li> <li>8. Application made to NSE for seeking its in-principle approval for listing of bonds; and</li> <li>9. Listing Agreement with NSE.</li> </ol>
51.	Conditions precedent to subscription of Bonds	<p>The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following:</p> <ol style="list-style-type: none"> <li>1. Rating letter(s) from the aforesaid rating agencies not being more than one month old from the issue opening date;</li> <li>2. Letter from the Trustees conveying their consent to act as Trustees for the Bondholder(s); and</li> <li>3. Letter to NSE for seeking its In-principle approval for listing and trading of Bonds.</li> </ol>
52.	Conditions subsequent to subscription of Bonds	<p>The Bank shall ensure that the following documents are executed / activities are completed as per time frame mentioned elsewhere in this Disclosure Document:</p> <ol style="list-style-type: none"> <li>1. Credit of demat account(s) of the allottee(s) by number of Bonds allotted within 2 working days from the Deemed Date of Allotment,</li> <li>2. Making listing application to NSE within 15 days from the Deemed Date of Allotment of Bonds and seeking listing permission within 20 days from the Deemed Date of Allotment of Bonds in pursuance of SEBI Debt Regulations; and</li> <li>3. Besides, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in this Disclosure Document.</li> </ol>
53.	Reporting of non-payment of Coupons	The Issuer shall notify all instances of non-payment of coupon to the chief general managers-in-charge of the Department of Banking Operations and Development and Department of Banking Supervision of the RBI.
54.	Default Interest Rate	In case of delay/ default in payment of interest/ coupon on the due dates (other than in the event of cancellation or non-payment of any interest/ coupon pursuant to "Coupon Discretion" clause or any other provision under RBI Basel III Guidelines), the Bank shall pay additional interest/ coupon at

		the rate of 2.00% p.a. over the Coupon Rate for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and up to but excluding the date on which such amount is actually paid.
<b>OTHER GENERAL TERMS</b>		
1.	Eligible Investors	<p>a) Mutual Funds;</p> <p>b) Public Financial Institutions as defined under the Companies Act;</p> <p>c) Scheduled Commercial Banks;</p> <p>d) Insurance Companies;</p> <p>e) Provident Funds, Gratuity Funds, Superannuation Funds and Pension Funds;</p> <p>f) Co-operative Banks;</p> <p>g) Regional Rural Banks authorized to invest in bonds / debentures;</p> <p>h) Companies and Bodies Corporate authorized to invest in bonds / debentures;</p> <p>i) Trusts authorized to invest in bonds / debentures and</p> <p>j) Statutory Corporations / Undertakings established by Central / State legislature authorized to invest in bonds / debentures etc.</p> <p>This Issue is restricted only to the above investors. Prospective subscribers must make their own independent evaluation and judgment regarding their eligibility to invest in the issue.</p>
2.	Governing Law and Jurisdiction	The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of District Courts of Bengaluru, Karnataka.
3.	Applicable RBI Guidelines	<p>The present issue of Bonds is being made in pursuance of Master Circular on Basel III capital regulations issued vide circular DBOD.No. BP.BC. 6/21.06.201/ 2014-15 dated July 1, 2014 and DBOD.No. BP.BC. 38/21.06.201/ 2014-15 dated September 1, 2014 by the Reserve Bank of India covering criteria for inclusion of debt capital instruments as Additional Tier-I capital (Annex 4) and minimum requirements to ensure loss absorbency of additional Tier 1 instruments at pre-specified trigger and of all non-equity regulatory capital instruments at the PONV (Annex 16) as amended or replaced from time to time.</p> <p>The issue of Bonds and the terms and conditions of the Bonds will be subject to the applicable guidelines issued by the Reserve Bank of India and the Securities and Exchange Board of India (SEBI) from time to time.</p>

4.	Prohibition on Purchase/ Funding of Bonds	Neither the Bank nor a related party over which the Bank exercises control or significant influence (as defined under relevant Accounting Standards) shall purchase the Bonds, nor shall the Bank directly or Indirectly fund the purchase of the Bonds. The Bank shall also not grant advances against the security of the Bonds issued by it.
5.	Events of Default	As specified in the Bond trust deed.
6.	Trustee	SBICAP Trustee Company Limited.
7.	Registrar	Canbank Computer Services Limited.
8.	Compliance Officer	Company Secretary of the Bank.
9.	Roles and Responsibilities of Trustee	<p>The Trustee shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustees by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustees. The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange Board of India (Debentures Trustees) Regulation, 1993, the Debenture Trusteeship Agreement, Disclosure Document and all other related transaction documents, with du care, diligence and loyalty.</p> <p>The Trustee shall be vested with the requisite powers for protecting the interest of holder(s) of the Bonds including but not limited to the right to appoint a nominee director on the Board of the Issuer in consultation with institutional holders of such Bonds. The Trustee shall ensure disclosure of all material events on an ongoing basis.</p> <p>The Issuer shall, till the redemption of Bonds, submit its latest audited/ limited review half yearly consolidated (wherever available) and standalone financial information such as Statement of Profit &amp; Loss, Balance Sheet and Cash Flow Statement and auditor qualifications, if any, to the Trustees within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended. Besides, the Issuer shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Trustee and the Trustees shall be obliged to share the details so submitted with all “Qualified Institutional Buyers” (QIBs) within two working days of their specific request.</p>
10.	Business Day Convention & Effect of Holiday	Should any of the dates, other than the Coupon Payment Date, including the Deemed Date of Allotment, Issuer Call Date, Tax Call Date or Regulatory Call Date as defined in this Information Memorandum, fall on day which is not a business day, the immediately preceding business day shall be considered as the effective date. Should the Coupon Payment Date, as defined in this Disclosure Document, fall on day which is not a business day, the immediately next business day

		shall be considered as the effective date.												
11.	Additional Covenants	<p>Delay in Listing: The Issuer shall complete all formalities and seek listing permission within 15 days from the Deemed Date of Allotment. In the event of delay in listing of Bonds beyond 20 days from the Deemed Date of Allotment, the Issuer shall pay penal interest of 1.00% per annum over the Coupon Rate from the expiry of 30 days from the Deemed Date of Allotment till the listing of Bonds to the Bondholder(s).</p> <p>Refusal of Listing: If listing permission is refused before the expiry of the 20 days from the Deemed Date of Allotment, the Issuer shall forthwith repay all monies received from the applicants in pursuance of the Disclosure Document along with penal interest of 1.00% per annum over the Coupon Rate from the expiry of 20 days from the Deemed Date of Allotment. If such monies are not repaid within 8 days after the Issuer becomes liable to repay it (i.e. from the date of refusal or 20 days from the Deemed Date of Allotment, whichever is earlier), then the Issuer and every director of the Issuer who is an officer in default shall, on and from the expiry of 8 days, will be jointly and severally liable to repay the money with interest at the rate of 15 per cent per annum on application money, as prescribed under relevant section of the Companies Act.</p>												
12.	Payment Mode	<p>The remittance of application money should be made by electronic transfer of funds through RTGS mechanism for credit to an Account as furnished below:</p> <table><tr><td>Name of the Banker</td><td>CANARA BANK</td></tr><tr><td>Account Name</td><td>Canara Bank A/c Additional Tier I (AT1) 2014-15</td></tr><tr><td>Credit into Current A/c No.</td><td>2422201000573</td></tr><tr><td>IFSC Code</td><td>CNRB0002422</td></tr><tr><td>Address of the Branch</td><td>Canara Bank Capital Market Service Branch 407, 4<sup>th</sup> Floor, Himalaya House Ambedkar Marg, Mumbai – 400 001</td></tr><tr><td>Narration</td><td>Application money for the Bond issue</td></tr></table>	Name of the Banker	CANARA BANK	Account Name	Canara Bank A/c Additional Tier I (AT1) 2014-15	Credit into Current A/c No.	2422201000573	IFSC Code	CNRB0002422	Address of the Branch	Canara Bank Capital Market Service Branch 407, 4 <sup>th</sup> Floor, Himalaya House Ambedkar Marg, Mumbai – 400 001	Narration	Application money for the Bond issue
Name of the Banker	CANARA BANK													
Account Name	Canara Bank A/c Additional Tier I (AT1) 2014-15													
Credit into Current A/c No.	2422201000573													
IFSC Code	CNRB0002422													
Address of the Branch	Canara Bank Capital Market Service Branch 407, 4 <sup>th</sup> Floor, Himalaya House Ambedkar Marg, Mumbai – 400 001													
Narration	Application money for the Bond issue													
13.	Arrangers	<p>In alphabetical order:</p> <p>A.K. Capital Services Limited 30 &amp; 39, 3<sup>rd</sup> Floor Free Press House 215, Nariman Point Mumbai – 400 021 Tel. No.: 022 6610 0411 Fax No.: 022 6610 0594 Contact person: Pallavi Ghosh Nag</p> <p>Axis Bank Limited Axis House, 8<sup>th</sup> Floor Bombay Dyeing Mills Compound Worli Mumbai – 400 025</p>												

	<p>Tel. No.: 022 6604 3594 Fax No.: 022 2425 3800 Contact person: Prateek Goyal</p> <p>Darashaw &amp; Co. (P) Limited 1205-06, Regent Chambers 208, Nariman Point Mumbai – 400 021 Tel. No.: 022 6620 6612 Fax No.: 022 4302 2222 Contact person: Dhruv Andani</p> <p>ICICI Bank Limited ICICI Bank Tower Bandra Kurla Complex Bandra (East) Mumbai – 400 051 Tel. No.: 022 2653 6728 Fax No.: 022 2653 1063 Contact person: Snehal Gupte</p> <p>ICICI Securities Primary Dealership Limited ICICI Centre 163, Backbay Reclamation H.T. Parekh Marg Churchgate Mumbai – 400 020 Tel. No.: 022 6637 7184 Fax No.: 022 2283 7045 Contact person: Vikram Ramani</p> <p>Trust Investment Advisors Private Limited 109/110, 1<sup>st</sup> Floor, Balrama Bandra Kurla Complex Bandra (East) Mumbai – 400 051 Tel. No.: 022 4224 5120 Fax No.: 022 4084 5066 Contact person: Kamlesh Biyani</p>
--	--

**\*\* The Issuer reserves its sole and absolute right to modify (pre-pone/post-pone) the above issue schedule without giving any reasons or prior notice. In such a case, applicants shall be intimated about the revised time schedule by the Issuer. The Issuer also reserves the right to keep multiple Date(s) of Allotment at its sole and absolute discretion without any notice. In case if the Issue Closing Date/Pay in Dates is/are changed (pre-poned/post-poned), the Deemed Date of Allotment may also be changed (pre-poned/post-poned) by the Issuer at its sole and absolute discretion. Consequent to change in Deemed Date of Allotment, the Coupon Payment Dates and/or Redemption Date may also be changed at the sole and absolute discretion of the Issuer.**