

Vedanta Hedging

Demystifying Derivatives

Vedanta Hedging is an independent firm that is fully authorised by the Financial Conduct Authority (FCA) to provide end-to-end derivative advice and practical support to both retail and professional clients.

We help management teams to assess and manage financial risks, particularly interest rate risk and FX risk. In particular, we work on those aspects of the client-bank relationship that are often the most heavily weighted against the client; we do this from information, pricing and clarity perspectives.

Transparency

Our philosophy is to add transparency to the financial risk management and hedging process. Our hourly and fixed fee pricing structures are designed to reassure you that we are objective and on your side, unlike a bank, helping you choose the best available strategies for your specific situation.

The pricing of hedging instruments is not transparent. A key part of the service that we provide is to negotiate with the banks

in order to reduce the excessive 'hidden' margins charged on hedging instruments. As we use the same market data-driven pricing models as the banks, you can be assured that you have achieved a fair price for your hedge.

Impartial advice

At Vedanta Hedging, we have no financial interest in the support we provide for firms, and we have no link to, or commission gained from, any bank or broker. This ensures that clients always receive impartial advice, and that the hedging strategies undertaken with their banks are as transparent as possible. We are completely independent, which allows us to be transparent and unbiased. We aim to build long-term relationships with you so that together we can provide effective and value-added solutions.

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For the first time, we were able to hedge our debt in a cost-effective manner, which has given us great peace of mind. //

Paavan Popat

MD, TLC Group

Interest Rate Hedging

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The cost of debt is one of the primary concerns of any company with debt. Having debt at 'floating' rates can lead to increased costs, debt covenant breaches and additional volatility in the Income Statement /cash flow of the business.

Why hedge?

Firms often 'hedge' part of their debt as part of overall Risk Management, in order to protect themselves from rising interest rates. We can help to make Interest Rate Swaps, Caps, Collars and several other related products part of your hedging strategy, significantly reducing the cost of your debt.

The Hedging Process

The hedging process can appear daunting and complex if the management has not undertaken hedging previously. Vedanta Hedging can help you review and understand banks' hedging proposals. This is achieved through using our detailed working knowledge and experience of these instruments, as well as the same 'market-fed' pricing tools used by the banks.

Our role

Vedanta Hedging can assist at all stages of the process and can also advise you on other interest rate hedging strategies that may be more suitable for your specific situation.

Pricing Transparency

Crucially, we will help to ensure that the banks do not make excessive 'hidden' profits on the interest rate hedging instruments that are agreed, whether it is a new transaction or the restructure of an existing hedge. For the majority of our clients, our benchmarking service alone serves to save multiple times the investment they make in our services.

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I have no hesitation in recommending Vedanta Hedging to other hoteliers / property companies for any hedging related advice. //

Aly Kassam

MD, Crimson Hotels

Vedanta Hedging Limited, 35 New Broad Street, London EC2M 1NH

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Foreign Exchange Hedging

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Active foreign exchange risk management is often overlooked by importers and exporters, leaving them subject to the intense volatility of the foreign currency markets. Many companies underestimate this risk to their Income Statement and Balance Sheets.

Firms that trade with international partners need to view their overall FX risks from a holistic perspective, including commodity risks and supplier/payment options. Vedanta Hedging will help you to understand the true risks across all of your currency pairs. FX risk directly affects cash flows, stock levels and, of course, the Income Statement.

There are many derivative-based solutions that can help protect your FX risk, while also providing you with commercially attractive outcomes.

Why

The rationale for currency hedging is to increase the transparency and certainty of currency movements. In our experience, banks and brokers can sometimes advise clients to use more complex products than are suitable for them. This often means that transparency is lost, as most clients

won't be able to: 1) ascertain if the quoted price is competitive, 2) easily value and monitor position, 3) quantify the downside risk. Additionally, the shift from 'hedging' to 'speculation' is a dangerous one, and can materially impact the profitability of a business if the risks are not well understood.

Timing

Understanding and monitoring FX risk can be time-intensive. With our help, you can release more time to focus on your real, underlying business, while we bring our niche expertise to work for you.

Although a hedging strategy may be appropriate for you, this cannot be executed without considering the appropriate market timing and ensuring price transparency.

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Vedanta have provided a first class service in all respects. Never too busy to be approachable and never too technical to be misunderstood.
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Aaron Gershfield

MD, Transview

Debt Advisory

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Our experience in the interest rate advisory business provides us with a unique insight into the property finance market.

The real estate debt market has undergone significant change in recent years. Vedanta Hedging has the knowledge and experience to source and structure debt from a range of lenders, both traditional banks and new-to-market funds. We are able to advise you on their suitability for your project or requirements.

Bank debt has been the traditional source of financing within the UK for the majority of leveraged property transactions. Since 2007, there have been a number of changes in the banking market. With our up-to-date knowledge of the types of finance available, the active banks, and the relative pricing for different projects, we are able to provide you with quick and comprehensive advice whether you are looking to purchase or refinance a property.

We offer advice covering both investment and development finance for single properties or portfolios in both the commercial and residential sectors. In addition to advice on the loan facility, we also have a fully regulated team of advisors who can assist in relation to any associated interest rate hedging requirements, which can have a significant effect on cost and the workings of your overall strategy.

With access to our deep market knowledge, you will be confident that you are sourcing the most competitive lending terms in the market. Instead of being forced to accept the standard lending criteria of the banks, our standing within the marketplace will allow you access to an improved financial structure for your property investment.

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We are very thankful to Mayad and Abhishek for all their assistance and support throughout our £230m refinancing. //

**Camden Market
/ Market Tech
Holdings plc**

Dispute Resolution

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Most businesses will try to avoid derivatives disputes and litigation as they are time consuming, expensive, and may have other negative ramifications.

Without in-depth product knowledge and experience, it may be difficult to assess whether or not a business has a credible claim, and, if so, what the quantum of that claim should be and the technical strengths and weakness of a case. In addition, where a bank offers an alternative derivative, it is important that independent advice is sought before entering into a binding, and potentially very expensive, contract.

FX disputes are unfortunately on the rise as many businesses are only now seeing the financial fallout from exposure to complex leveraged structured FX derivatives. The risk profiles of these structures are often poorly explained by the bank / broker, leading to a misunderstanding as to what the true upside / downsides are.

It may be difficult to know whether a business should pursue a claim for mis-selling. A bank / broker has deep expertise in derivatives and a client needs to be fully, independently and impartially informed as to the implications of derivative-based disputes. Our consultants can advise on the suitability of the products and explain the process to initiating a legal dispute with a counterparty, highlighting the timeframe, associated costs and merits of a claim.

It is vitally important that an independent valuation is obtained from derivatives experts of the relevant assets or transactions on the issues under consideration from someone who has had first-hand experience of dealing with such assets, transactions and issues in an investment banking context.

Vedanta Hedging is the UK's leading expert witness in derivative disputes. Our professional analysis has successfully helped hundreds of clients to renegotiate their existing hedging facilities, where the banks have been found to have fallen short of the FCA's regulatory guidelines.

Our consultants are experienced in the procedural requirements of litigation and can act on an advisory or formal CPR 35 basis.

Vedanta Hedging is fully authorised by the FCA, and understands the sales processes and conventions, as well as the advice that banks should be providing in order to comply with FCA rules. Banks face a delicate balancing act between increasing the profits they generate from selling derivatives, and determining the appropriateness of derivatives for the client.

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No one knows more about derivatives or the derivative mis-selling situation. Vedanta Hedging have driven and continue to set the agenda at the highest levels. //

Rafi Saville

Partner, Fisher Forensic

Our Credentials

Demystifying Derivatives

Our Credentials:

- We are the UK's largest FCA regulated hedging advisors to SME's'.
- We have formally advised our own regulatory body, the FCA.
- We have advised many Government Ministers, and the Government has published our advice and recommendations on best practices on hedging for SMEs.
- We frequently provide analysis to Government Ministers and regularly appear in national media. We have also been interviewed by Sky News, ITV News, Bloomberg, The Times, Channel 4, The Telegraph, The Daily Mail, International Business Times, Reuters, and many more on multiple occasions regarding our expertise on hedging.

Key Benefits of using us:

- We are an independent firm providing impartial advice based on your best interests.
- We offer a bespoke advisory service that aims to fully understand your specific business needs rather than using a template for all clients.
- As we use the same pricing software as the banks, you can rest assured that you have achieved the lowest execution price for your hedge. This is also strengthened by over 85 years' combined experience of actually working within various global banks.
- We help to simplify unnecessarily complicated jargon so that you fully understand what you are entering into, as well as the benefits and limitations of each strategy.
- We will help you navigate new and complex regulatory requirements so that you can focus on your core hedging decisions.

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Abhishek is like the 'Masked Magician' revealing the tricks and behind the scenes practices of the banks. //

Mark Hawthorn

MD, Landmark Investment Group

Our Clients

Demystifying Derivatives



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What Our Clients Are Saying

Demystifying Derivatives



Andrew Bull
Camden Market

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We are very thankful to Mayad and Abhishek for all their assistance and support throughout our £230m refinancing. They have both been an absolute pleasure to deal with and it has been very comforting for us all to know throughout that we have been in the hands of two extremely capable individuals. //



Aly Kassam
Crimson Hotels

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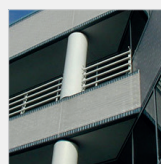
Vedanta Hedging have a deep understanding and knowledge of complex derivatives, and have been invaluable in advising us on hedging. I have no hesitation in recommending Abhishek and Vedanta Hedging to other hoteliers / property companies for any hedging related advice. //



Chuka Umunna
MP

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Abhishek & Patricia, Thank you so much for all your work to help Ruach – it will mean so much for the Church and it is hugely appreciated. Thanks again. //



Aaron Gershfield
Transview

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Abhishek has provided a first class service in all respects. Never too busy to be approachable and never too technical to be misunderstood. His integrity is matched by his ability and long may he continue and extend his crusades. //



Sharad Raja
MFG

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We have known Abhishek Sachdev at Vedanta both personally and professionally for a number of years and were aware of the services his Company provided. It was an easy decision to make to request his services as he was best qualified to help us achieve our goal. //



Rafi Saville
Partner (Forensic Accounting, Licensing
and Royalty Audits) at Fisher Forensic

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Quite simply, no one knows more about derivatives or the derivative mis-selling situation. Vedanta Hedging have driven and continues to set the agenda at the highest levels. While their knowledge in these matters is encyclopedic, they are all about commerciality and fairness and can always understand the complexities involved in dealing with redress and consequential loss for companies and individuals who may have been mis-sold. //

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Our Team

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Abhishek Sachdev

BA (Hons) Summa Cum Laude, Chartered MSCI

Abhishek founded Vedanta Hedging Limited in 2011 to provide transparency for corporates that used derivatives for hedging.

Having graduated with the highest First Class Honours in Economics from his whole year at Durham University, Abhishek spent some time working at Her Majesty's Treasury, before then being head-hunted to Lloyds TSB as a future executive leader. Since then, Abhishek has acted as an expert witness in several High Court cases involving derivatives and is regularly instructed by the leading QC's and solicitors in the UK.

Notably, Abhishek was the only derivatives expert that the British Government called to provide expert evidence to the Parliamentary Banking Commission on Banking Standards in September 2012. This was to a panel comprising members of the Government Treasury Select Committee of MPs and Lords. He has also provided advice to (then) FSA, HM Treasury and the Government Insolvency Service.

Abhishek has regularly commented on the derivatives topic on national television (including the BBC, Sky News, Channel 4), radio (Radio 4, Radio 5 Live) and newspapers (The Telegraph, The Times) and a wide variety of financial websites including Bloomberg and Reuters.



Martin Berkeley

BSc, BA (Hons), IMC, Chartered MCSI

Martin has over 25 years of professional experience spanning both financial and non-financial FTSE 100 companies including HSBC, Barclays and Logica.

He has wide experience of commercial banking, derivatives, FX and private banking, and has a particular interest in mis-sold investments and structured products.

Martin has acted as an expert in many mis-selling cases relating to investments, wealth management and derivatives advising some of the UK's leading QCs. Martin has provided advice to the Parliamentary Commission into banking standards, several Government departments and the Deputy Prime Minister.

Martin has degrees in philosophy, politics and psychology. He is also a guest lecturer at the University of Louisiana USA, on finance and ethics. He is a Chartered Member of Investment and Securities Institute and holds additional qualifications in derivatives and investment management.



Patricia Perlman-Dee

CFA, IMC, CEMS Masters, ABNLP

Patricia has a Master of Science in Finance and International Management. Patricia is also a Chartered Financial Analyst (CFA).

Patricia has extensive experience in the finance sector including derivatives and wealth management where she has worked for over 11 years in large financial corporations such as Citigroup, JP Morgan, Nomura and Barclays in both London and New York.

Patricia has worked with a wide range of financial markets products, including structured funds, structured products, OTC options, notes, swaps and warrants, and proprietary index derivatives.

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Our Team

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Mayad Rassam
CFA, MA (Hons) Cantab, IMC

Mayad has a detailed understanding of both structuring complex interest rate and inflation derivatives. Mayad has previously negotiated and structured debt on commercial and residential real estate transactions totalling in excess of £6bn.

Mayad has also previously worked at a hedge fund, FGS Capital where he created the start-up hedge fund's trading platform and the infrastructure for the firm's quantitative stock picking models. He has also acted as an industry Expert Witness in interest rate and inflation swap litigation cases. Mayad has been quoted on numerous occasions as a Derivatives Expert in Bloomberg, Reuters and Property Week. Mayad has also provided technical quantitative research to the Parliamentary Commission on Banking Standards. He received his CFA in 2006 and has an MA in Computer Science from Cambridge University.



Kinga Broel-Plater
MSc, BSc, CEMS Masters

Kinga is an experienced banker, business leader and executive coach.

Her wealth of experience in the banking sector ranges from front office risk management and trading roles in FX and commodities roles. These include some of the world's largest banks – Citigroup and JPMorgan both in London and New York. She was also a Managing Director and Head of a Capital Markets team for Europe, US and Asia at Landsbanki managing a team of 45. The product set spanned across a range of FX and interest rate derivatives, CFDs, equity derivatives and structured products. Kinga has worked with a range of clients such as insurance companies, pension funds, banks, large and small corporates and high-net worth individuals.



Darren Jordan
ACSI, DipIA (Derivatives)

Darren started his career at HSBC Investment Bank on a Multi Asset Derivative Sales desk. During the 11 years at HSBC, he advised a wide range of client types including Banks, Institutions, Asset Managers and High Net Worth individuals. Products covered included Bond, Interest Rate, FX, Equity and Commodity Derivatives. The product coverage was later expanded to include structured derivative solutions.

Following on from HSBC, Darren moved to ABN Amro Bank, where he advised clients on Equity Special Situation strategies within Europe. Concentrating on Index re-weighting's and Risk Arbitrage. The next 10 years Darren moved into Fund Management, where he co-managed, developed and traded a number of Statistical based hedge funds.