

Hedging Agreement for Foreign Exchange

Date: [Insert Date]

To:

[Recipient Name]
[Recipient Title]
[Company Name]
[Company Address]

Dear [Recipient Name],

We are writing to confirm the terms of our agreement regarding the foreign exchange hedging arrangement between [Your Company Name] and [Recipient's Company Name]. This agreement is intended to mitigate the risks associated with fluctuations in foreign exchange rates related to [specify transactions or currency pairs, e.g., USD/EUR].

Terms of the Agreement:

- **Hedging Type:** [Specify type, e.g., forward contract, option]
- **Amount:** [Specify amount in currency]
- **Exchange Rate:** [Specify agreed rate]
- **Maturity Date:** [Specify maturity date]
- **Settlement Terms:** [Specify settlement terms]

This agreement is effective as of the date first written above and will remain in effect until the terms are fulfilled.

Please sign below to indicate your acceptance of this hedging agreement.

Sincerely,

[Your Name]
[Your Title]
[Your Company Name]
[Your Company Address]

Accepted by:

[Recipient Name]
[Recipient Title]
[Company Name]
Signature: _____
Date: _____