

**From:** OSIBODU Funke  
**Sent:** 04 October 2011 15:38  
**To:** ALLUBNSTAFF  
**Subject:** RECAPITALISATION OF UNION BANK

**Dear All,**

History was made on the 30<sup>th</sup> of September 2011 when the shareholders of our bank, Union Bank of Nigeria Plc, **Big, Strong and Reliable**, at the court ordered Extra-Ordinary General Meeting (EGM) held in Abuja, voted overwhelmingly for the recapitalization of the bank through the 'core-investor' option.

The shareholders were unanimous in their choice, and with almost one voice endorsed the recapitalization process as presented by the directors, thereby enabling the bank to meet the timeline set by the Central Bank of Nigeria for the recapitalization of the intervened banks.

By this shareholders' approval, the following were endorsed:

- Asset Management Corporation of Nigeria (AMCON) can be a shareholder in the bank in exchange for the provision of financial accommodation
- Union Global Partners Ltd can become the core investor in Union Bank
- Existing shareholders can invest in the bank through a Rights Issue

In meeting the CBN deadline, the Board approved and shareholders were informed of a standby investment arrangement to be provided by Asset Management Corporation of Nigeria ("AMCON") to cover any shortfall in the equity investment amount of US\$500million by Union Global Partners Ltd; and where the shortfall is not remedied by Union Global Partners Ltd within 90 days period AMCON will take up this interest of Union Global Partners Ltd.

It is important to note that the 42<sup>nd</sup> Annual General Meeting was held immediately after the EGM and the Annual Reports and Accounts for the year ended 31<sup>st</sup> December 2010 and other resolutions including the Rights Issuance of One Billion, Four Hundred and Seven Million, Two Hundred and Ninety-One Thousand, Six Hundred and Sixty-Seven) Ordinary Shares to its existing shareholders were approved by the Shareholders.

The Completion Board meeting to sign all documents on the Rights Issue also took place on same day, 30<sup>th</sup> September, 2010.

The bank will now move quickly to give effect to the Scheme of Arrangement between the Shareholders, AMCON and Union Global Partners Limited and commence the Rights Issue to Existing Shareholders, after the final SEC approval.

I wish to thank you all immensely for your steadfast support and understanding throughout this process.

Most importantly, I saw the Union Bank team spirit at work during the last one month as we all worked tirelessly to educate shareholders on the scheme and solicit their support of the proposal. The result of the effort was manifested in the successful and overwhelming endorsement from the shareholders at the two meetings.

As we prepare to commence the marketing of our rights issue to existing shareholders, I look forward to your full involvement in ensuring that the process is equally successful.

We have indeed shown Nigerians that we intend to remain as **Big, Strong and Reliable**.

God Bless.

**Funke Osibodu**

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