



PAKISTAN STOCK EXCHANGE LIMITED

PSX/N- 3823

NOTICE

June 15, 2017

Reproduced hereunder letter No. BPRD(R&P-02)/2017/14329 dated June 13, 2017 received from **STATE BANK OF PAKISTAN, BANKING POLICY & REGULATIONS DEPARTMENT**, regarding **Amalgamation of NIB Bank Limited (NIB) with and into MCB Bank Limited (MCB)**, for information of all concerned.



**STATE BANK OF PAKISTAN
BANKING POLICY & REGULATIONS DEPARTMENT
KARACHI**

No. BPRD (R&P-02)/2017/14329

June 13, 2017

1. The President MCB Bank Limited Lahore	2. The President NIB Bank Limited Karachi
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Dear Sirs,

Amalgamation of NIB Bank Limited (NIB) with and into MCB Bank Limited (MCB)

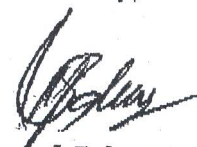
Please refer to NIB Bank Limited (NIB)'s letter dated May 12, 2017 and MCB Bank Limited (MCB)'s letter dated May 12, 2017 and other relevant correspondence on the captioned subject.

2. In this connection, State Bank of Pakistan (SBP) is pleased to sanction the Scheme of Amalgamation of NIB Bank Limited with and into MCB Bank Limited, under Section 48 of the Banking Companies Ordinance, 1962. The copy of the Governor's order ("the Order") dated June 13, 2017 passed in this regard is enclosed for your information and further necessary action. You are advised to ensure compliance with the conditions stated in the Order as well as the following, while implementing the Scheme of Amalgamation:-

- i. MCB Bank Limited from its own resources shall, at all times, meet the regulatory capital adequacy requirements as prescribed by SBP from time to time;
- ii. Depositors' funds will not, at any time, be used on account of this transaction;
- iii. Responsibilities to settle all the liabilities under the Scheme, once approved, will have statutory force;
- iv. As a result of the scheme of amalgamation, sponsors' shares of MCB Bank issued to any shareholder of NIB Bank who achieve 5% or more shareholding in MCB Bank shall be immediately deposited with Central Depository Company (CDC) as per SBP's instructions issued vide BPRD Circular No.4 of 2008.
- v. Consolidated accounts (audited) of MCB Bank Limited and NIB Bank Limited shall be submitted to SBP as of the date of amalgamation indicating, *inter alia*, therein separate accounts (audited) of MCB Bank Limited and NIB Bank Limited within 60 days after the Effective Date of the amalgamation. Further,

- MCB shall duly incorporate and make required disclosure about the acquisition in its ensuing annual accounts as per the applicable laws, rules and accounting standards;
- vi. The banking license of NIB Bank Limited will be considered as cancelled from the effective date of the Scheme on account of its merger with MCB Bank Limited. The original Banking license issued to NIB Bank Limited shall be surrendered to SBP;
 - vii. Exchange Policy Department, SBP should be approached separately for any foreign exchange related approvals under applicable laws, rules and regulations.
 - viii. MCB, with effect from the effective date, notwithstanding that the NIB Bank branches would continue to carry on banking business, will approach SBP, in terms of Branch Licensing Policy, for issuance of new branch licenses in lieu of the branch license issued to NIB Bank Limited;
 - ix. MCB Bank Limited and NIB Bank Limited will ensure confidentiality and integrity of the data/customer(s) information and records in the acquisition/merger and relocation/migration/integration of the said data/customer(s) information according to the applicable laws, rules and regulations. Further, provision of banking services as usual to the client(s)/customer(s) should be ensured;
 - x. MCB Bank Limited, post amalgamation, will intimate State Bank of Pakistan in writing, any regulatory breach noticed by them, and/or compliance of all the applicable regulatory and legal requirements;
 - xi. Ensure compliance with all conditions mentioned in the banking license issued to MCB Bank Limited.

Yours sincerely,


(Muhammad Saleem)
Additional Director

Encl: Sanction Order dated June 13, 2017

Copy forwarded for information and necessary action to:

- The MD, SBP-BSC, Karachi
- The Director, Exchange Policy Department, SBP, Karachi
- The Directors, Banking Inspection (On-site) Department (I & II), SBP, Karachi
- The Director, Off-Site Supervision & Enforcement Department, SBP, Karachi
- The Chairman, Securities and Exchange Commission of Pakistan, Islamabad
- The Chairman, Pakistan Stock Exchange Limited, Karachi.