



Habib Bank AG Zurich

HABIB HOUSE 42 MOORGATE LONDON EC2R 6JJ

Date 23 December 2015

Our reference Habib UK Subsidiary

Dear Customer,

PROPOSED TRANSFER OF THE BUSINESS OF THE UK BRANCH OF HABIB BANK AG ZURICH TO HABIB AG ZURICH UK PLC ("PROPOSED TRANSFER")

We are writing to you because our records show that you are a customer of the UK branch of Habib Bank AG Zurich ("**HBZ**"). This letter contains important information regarding our proposed plans to transfer the banking business of HBZ's UK branch to Habib AG Zurich UK plc ("**HBUK**"), a subsidiary company of HBZ. The Proposed Transfer is subject to UK court approval, as explained further below.

What is happening?

The Proposed Transfer will be carried out under Part VII of the Financial Services and Markets Act 2000, and will be submitted to the High Court for approval. The court hearing to consider, and if thought fit, approve the Proposed Transfer is currently scheduled for 24 February 2016. If approved by the High Court, the Proposed Transfer will take effect on 1 April 2016 at which time the customer agreements with the UK branch of HBZ, including your agreement, will transfer to HBUK.

Effect of the Proposed Transfer

The Proposed Transfer will have no impact on the terms, conditions, rights and obligations under any of the agreements that you may currently have in place with the UK branch of HBZ. However, following the transfer, your rights and obligations under such agreements will be exercisable against or owed to HBUK instead of HBZ.

How are you protected?

In order to complete the Proposed Transfer, we are required to follow a strict procedure as laid down by Part VII of FSMA. This is designed to protect customers' interests and involves liaising with the Financial Conduct Authority ("**FCA**") and Prudential Regulation Authority ("**PRA**") and obtaining approval from the High Court of Justice (the "**Court**") to the transfer.

The High Court has a wide discretion as to whether to approve the Proposed Transfer. The High Court will take into account the opinions of the PRA, FCA, and any representations made by customers or other interested parties who are concerned that they would be adversely affected by the Proposed Transfer. In addition, the High Court must be satisfied that (i) the PRA has given a certificate certifying that HBUK has adequate financial resources, (ii) HBUK has the authorisation required to enable the business of HBZ to be carried on by HBUK (or will have it before the Scheme takes effect), and (iii) in all the circumstances of the case, it is appropriate to sanction the Scheme.

What should you do next?

You will find enclosed a communication pack containing further information about the Proposed Transfer, which we encourage you to read carefully. The communication pack contains:

- a summary of the Proposed Transfer;
- a set of frequently asked questions and answers; and
- notice of the application in respect of the Proposed Transfer and further information on the court hearing.

Unless you have any concerns about this proposal, or wish to object to the Proposed Transfer, you do not need to take any further action.

If you believe that the Proposed Transfer could adversely affect you, you are entitled to either make written representations or be heard (either in person or by a legal representative) at the court hearing on 24 February 2016. If you wish to do so, please give notice of your intention as soon as possible and preferably by 9 February 2016, setting out the grounds of your objection or why you consider you may be adversely affected, by writing to us at Habib Bank AG Zurich, Habib House, 42 Moorgate, London, United Kingdom, EC2R 6JJ.

Please note that if you have more than one account with the UK branch of HBZ, you may receive more than one letter and information pack. We apologise for any inconvenience this may cause.

Further information

If you have any questions or concerns about the Proposed Transfer, you can find more information on our website at <http://www.habibbank.com/>

You can request free copies of any of the relevant documents or ask any further questions you may have by calling us at 020 7452 0205 / 020 7452 0320. Phone lines are open from 9.30am to 4.30pm and we would be pleased to help. Alternatively, you can write to us at Transfer Team, Habib Bank AG Zurich, Habib House, 42 Moorgate, London, United Kingdom, EC2R 6JJ or by email at habibuk.subsidiary@habibbank.com.

If the Proposed Transfer is approved by the High Court, it will take place on 1 April 2016, and we will update our website to confirm this. If the court hearing dates change we will update our website to confirm this, so you may wish to check for updates from time to time.

If you would like this information in large print, in Braille or on a CD please call us on 020 7452 0205.

Yours sincerely,



Deputy General Manager
Habib Bank AG Zurich



Director
Habib AG Zurich UK Plc