THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

KSE/N-847 ***N O T I C E*** ***February 22, 2010***

Reproduced hereunder Order under Section 48 of the Banking Companies Ordinance, 1962 for amalgamation of Askari Leasing Limited within into Askari Bank Limited received from State Bank of Pakistan vide letter No. BPRD(R&P-02)625-99/2010/1256 dated February 18, 2010 for information of all concerned.

(Copy of the same is also available on our Website www.kse.com.pk).

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STATE BANK OF PAKISTAN
BANKING POLICY & REGULATIONS DEPARTMENT
KARACHI

No. BPRD (R&P-02)/625-99/2010/1256 February 18, 2010

1. The President/CEO
Askari Bank Limited
Rawalpindi.

2. The Chief Executive
Askari Leasing Limited
Rawalpindi.

Dear Sirs,

Amalgamation of Askari Leasing Limited with and into Askari Bank Limited

Please refer to Askari Bank Limited's letter No. Secti/AKBL/09/656 dated December 23, 2009, Askari Leasing Limited's letter No. nil dated December 23, 2009 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 Askari Leasing Limited with and into Askari Bank Limited, under Section 48 of Banking Companies Ordinance 1962. A copy of the Governor's orders ("the Order") dated February 18, 2010, passed in this regard is enclosed for 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. Askari Bank Limited shall meet shortfall in Minimum Capital Requirement (MCR) if any as a consequence of merger/amalgamation, from its own resources. The amalgamating entity shall at all times meet the MCR and Capital Adequacy Ratio;
ii. Depositors' funds will not at any time be used on account of this transaction;
iii. The shares issued to M/s. Army Welfare Trust as a consequence of effectiveness of the Scheme, should be deposited in their blocked account maintained with Central Depository Company of Pakistan Ltd.;
iv. Responsibilities to settle all the liabilities under the Scheme, once approved, will have statutory force;
v. Consolidated audited accounts of Askari Leasing Limited and Askari Bank Limited shall be submitted as of the date of amalgamation indicating, *inter alia*, therein separate accounts for Askaari Leasing Limited and Askari Bank Limited within 60 days after the Effective Date of the amalgamation;

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