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**24 October 2016**

**FIRST GULF BANK P.J.S.C. ANNOUNCES CONSENT SOLICITATIONS**

**to eligible holders of the outstanding securities issued under FGB's U.S.\$3,500,000,000 Trust Certificate Programme**



**FIRST GULF BANK P.J.S.C.**

*(Incorporated with limited liability in the Emirate of Abu Dhabi, the United Arab Emirates)*

**("FGB")**

<b>ISIN</b>	<b>Issuer</b>	<b>Aggregate nominal amount</b>	<b>Description</b>	<b>Maturity Date</b>
XS0731930797	FGB Sukuk Company Limited	USD 500,000,000	4.046% per annum	18 January 2017

**(the "Securities")**

FGB invites holders of the Securities to consent to certain modifications of the terms and conditions (the "**Conditions**") of the Securities in connection with the proposed merger of FGB with National Bank of Abu Dhabi P.J.S.C. ("**NBAD**") by approving and implementing an extraordinary resolution of the holders of the Securities (an "**Extraordinary Resolution**"), all as further described in the consent solicitation memorandum dated 24 October 2016 (the "**Consent Solicitation Memorandum**", such invitation in respect of the Securities, a "**Consent Solicitation**"). Capitalised terms used in this notice and not otherwise defined shall have the meanings given to them in the Consent Solicitation Memorandum.

**Background to the Consent Solicitations**

On 3 July 2016, the boards of directors of each of FGB and NBAD jointly announced that they had agreed the terms of a proposed merger between FGB and NBAD (the "**Merger**") and had jointly recommended the Merger to their respective shareholders (the "**Board Recommendation**"). The Merger is intended to be effected by way of a merger pursuant to Article 283(1) of UAE Federal Law No. 2 of 2015 concerning Commercial Companies (the "**Companies Law**"). A general meeting of the shareholders of FGB has also been convened for 7 December 2016 to consider and if thought fit, pass resolutions to approve the Merger. Following satisfaction of the conditions precedent to the Merger (one of which includes obtaining the approval of FGB's shareholders to the terms of the Merger and certain ancillary resolutions), the boards of directors of each of FGB and NBAD will apply to the UAE Minister of Economy for a resolution approving the Merger (and other related matters, including the dissolution of FGB) (the "**Ministerial Resolution**"). The Merger shall become effective upon the adoption of the Ministerial Resolution (the "**Effective Date**"). Upon the Effective Date, all of FGB's shares will be delisted from the Abu Dhabi Securities Exchange and pursuant to the provisions of Article 291 of the Companies Law, FGB will be dissolved.

The boards of directors of NBAD and FGB recognise the combined entity's fundamental role in supporting the UAE's economic ambitions and financing growth as part of the country's ongoing economic diversification strategy. The combined bank will be the largest bank in the Middle East and North Africa region by assets, making it one of the leading financial institutions in the United Arab

Emirates with a presence in 21 countries. The boards of NBAD and FGB believe that the combined bank will be well positioned to benefit from greater economies of scale, increased diversification and financial strength and well placed to capture high growth opportunities as a full-service financial institution. Furthermore, the boards of NBAD and FGB further believe that the Merger offers significant benefits to customers and investors resulting from the combination of NBAD and FGB's consumer and wholesale businesses.

In the Merger, all rights and obligations of FGB that are allocated to NBAD are by operation of UAE law automatically transferred to NBAD upon implementation of the Merger. FGB is undertaking the Consent Solicitation to receive confirmation from Securityholders that they support the Merger and thereby to remove any unforeseen legal uncertainties for existing stakeholders, including the Securityholders.

## **Key Terms and Conditions of the Consent Solicitations**

### *Rationale for Consent Solicitation*

The purpose of the Consent Solicitation is to modify the Conditions of the Securities (as annexed to the global Security and completed by the Final Terms for the Securities) and to provide that the Securityholders (i) acknowledge and approve (a) the Merger; and (b) that the Merger will constitute a Permitted Reorganisation for the purposes of the Conditions; and (ii) agree to release and waive all rights, claims or entitlements against FGB (whether arising under English or UAE Law) (the "**Proposed Amendments**") arising directly from the proposal or implementation of the Merger.

The deadline for receipt by the Tabulation Agent of Consent Instructions from Securityholders wishing to vote in respect of the Extraordinary Resolution is at 4.00 p.m. (London time) on 10 November 2016 (the "**Expiration Deadline**").

### *Early Participation Fee*

Each Eligible Securityholder from whom a valid Consent Instruction in favour of the Extraordinary Resolution is validly received by the Tabulation Agent by 4.00 p.m. (London Time) on 3 November 2016 (such time and date with respect to the Securities, as the same may be extended, the "**Early Instruction Deadline**") will be eligible to receive payment of an amount equal to 0.05 per cent. of the principal amount of the Securities that are the subject of such Consent Instruction (the "**Early Participation Fee**"). Only Eligible Securityholders may, subject to the conditions described in the Consent Solicitation Memorandum, be entitled to receive the Early Participation Fee.

Payment of the Early Participation Fee in respect of the Securities is conditional on the satisfaction of the Consent Conditions, and otherwise as set out in the Consent Solicitation Memorandum.

**Eligible Securityholders may continue to submit Consent Instructions after the Early Instruction Deadline and up to the Expiration Deadline but such Securityholders will not be eligible to receive the Early Participation Fee in respect of those Consent Instructions.**

### *Consent Conditions*

The implementation of the Consent Solicitation and the Extraordinary Resolution will be conditional on:

- (a) the passing of the Extraordinary Resolution; and
- (b) the quorum required for, and the requisite majority of votes cast at, the Meeting being satisfied by Eligible Securityholders (as defined herein), irrespective of any participation at the Meeting by Ineligible Securityholders (as defined herein) (including the satisfaction of such condition at an adjourned Meeting as described in "*Meeting*" below) (the "**Eligibility Condition**"),

(together, the "**Consent Conditions**").

FGB will announce (i) the result of the Meeting and (ii) if the Extraordinary Resolution is passed, the satisfaction (or otherwise) of the other Consent Conditions relating to the Extraordinary Resolution, as soon as reasonably practicable after the Meeting and following such satisfaction (or otherwise).

## **Meeting**

The notice convening the Meeting (the "**Notice**") to be held at the offices of Clifford Chance LLP, 10 Upper Bank Street, London E14 5JJ at 1.00 p.m. (London time) on 15 November 2016 (the "**Meeting Date**") has been given to Securityholders in accordance with the Conditions on the date of the Consent Solicitation Memorandum. The form of the Notice in respect of the Securities is set out in Annex I to the Consent Solicitation Memorandum.

## **General**

FGB may, at its option and in its sole discretion, extend, or waive any condition of, the Consent Solicitation at any time and may amend or terminate the Consent Solicitation at any time (subject in each case to applicable law and the Meeting Provisions and as provided in the Consent Solicitation Memorandum, and provided that no amendment may be made to the terms of the Extraordinary Resolution). Details of any such extension, waiver, amendment or termination will be announced as provided in the Consent Solicitation Memorandum as promptly as practicable after the decision is made.

Set out below is an indicative timetable showing one possible outcome for the timing of the Consent Solicitations, which will depend, among other things, on timely receipt (and non-revocation, in the limited circumstances in which revocation is permitted) of instructions, the rights of FGB (where applicable) to extend, waive any condition of, amend and/or terminate any Consent Solicitation (other than the terms of the Extraordinary Resolution) as described in the Consent Solicitation Memorandum and the passing of the Extraordinary Resolution at the initial Meeting for the Securities. Accordingly, the actual timetable may differ significantly from the timetable below.

## **Event**

### ***Announcement of Consent Solicitations***

Announcement of Consent Solicitations 24 October 2016

Notice delivered to the Clearing Systems for communication to Direct Participants

The Consent Solicitation Memorandum and documents referred to under "General" in the Notice available from the Tabulation Agent and from the specified office of the Delegate.

### ***Early Instruction Deadline***

Deadline for receipt by the Tabulation Agent of valid Consent Instructions from Eligible Securityholders for such Securityholders to be eligible to receive the Early Participation Fee. Such Consent Instructions must be in favour of the Extraordinary Resolution in order for the Securityholder to be so eligible for the Early Participation Fee 4.00 p.m. (London Time) on 3 November 2016

### ***Expiration Deadline***

Final deadline for receipt by the Tabulation Agent of valid Consent Instructions from Securityholders for such Securityholders to be represented at the Meeting 4.00 p.m. (London Time) on 10 November 2016

This will also be the deadline for making any other arrangements to attend or be represented or to vote at the Meeting

Securityholders making such other arrangements or submitting Consent Instructions after the Early Instruction Deadline will not be eligible to receive the Early Participation Fee

## ***Meeting***

Meeting to be held at the offices of Clifford Chance LLP at 10 Upper Bank 1.00 p.m. (London time) on

Street, London E14 5JJ.

15 November 2016

***Announcement of result of Meeting and satisfaction of Consent Conditions***

Announcement of the result of the Meeting and, if the Extraordinary Resolution is passed, satisfaction of all of the other Consent Conditions and confirmation of Payment Date

As soon as reasonably practicable after the Meeting

If the Extraordinary Resolution is passed at the initial Meeting and the other Consent Conditions satisfied, the modifications to the Conditions of the Securities described in the Consent Solicitation Memorandum will be implemented immediately

***Payment Date***

Payment of the Early Participation Fee

No later than the fifth Business Day following the applicable Meeting at which the Extraordinary Resolution is passed for the Securities

Securityholders are advised to check with any bank, securities broker or other intermediary through which they hold their Securities when such intermediary would need to receive instructions from a Securityholder in order for such Securityholder to participate in, or (in the limited circumstances in which revocation is permitted) to validly revoke their instruction to participate in, the Consent Solicitation and/or the Meeting by the deadlines specified above. The deadlines set by any such intermediary and the Clearing System for the submission and (where permitted) revocation of Consent Instructions will be earlier than the relevant deadlines above.

## **Further Information**

A complete description of the terms and conditions of the Consent Solicitation is set out in the Consent Solicitation Memorandum. A copy of the Consent Solicitation Memorandum is available to eligible persons upon request from the Tabulation Agent.

**Before making a decision with respect to the Consent Solicitation, Securityholders should carefully consider all of the information in the Consent Solicitation Memorandum and, in particular, the considerations described in the section entitled "*Certain Considerations relating to the Consent Solicitations*".**

Further details about the transaction can be obtained from:

### *The Solicitation Agents*

#### **Barclays Bank PLC**

5 The North Colonnade  
Canary Wharf  
London E14 4BB  
United Kingdom

Telephone: +44 20 3134 8515  
Attention: Liability Management Group  
Email: eu.lm@barclays.com

#### **HSBC Bank plc**

8 Canada Square  
London E14 5HQ  
United Kingdom

Telephone: +44 20 7992 6237  
Attention: Liability Management Group  
Email: LM\_EMEA@hsbc.com

#### **National Bank of Abu Dhabi P.J.S.C.**

One NBAD Tower  
Sheikh Khalifa Street  
PO Box 4  
Abu Dhabi  
United Arab Emirates

Telephone: +971 2 611 2273 / 1693  
Attention: Debt Capital Markets  
Email: dcm@nbad.com

#### **Standard Chartered Bank**

P.O. Box 999  
Dubai 10  
United Arab Emirates

Telephone: +44 20 7885 5739 / +971 45082625  
Attention: Debt Capital Markets  
Email: liability\_management@sc.com

### *Tabulation Agent*

#### **Citibank N.A., London Branch**

Citigroup Centre  
Canada Square  
Canary Wharf

London E14 5LB  
United Kingdom

Telephone: +44 20 7508 3867 / +631 8643 9952  
Attention: Exchange Team – Agency and Trust  
Email: Exchange.gats@citi.com

This announcement is released by First Gulf Bank P.J.S.C. and contains important information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 (MAR), encompassing information relating to the Consent Solicitations described above. For the purposes of MAR and Article 2 of the Commission Implementing Regulation (EU) 2016/1055, this announcement is made by Rula Al Qadi, Assistant Vice President -Treasury & Global Markets, at First Gulf Bank P.J.S.C.

None of FGB, the Solicitation Agents, the Tabulation Agent or any director, officer, employee, agent or affiliate of any such person is acting for any Securityholder, or will be responsible to any Securityholder for providing any protections which would be afforded to its clients or for providing advice in relation to any Consent Solicitation or any Extraordinary Resolution, and accordingly none of FGB, the Solicitation Agents, the Tabulation Agent or any director, officer, employee, agent or affiliate of any such person, makes any recommendation whether Securityholders should participate in the Consent Solicitation or otherwise participate at the Meeting and none of the Solicitation Agents, the Tabulation Agent or any director, officer, employee, agent or affiliate of any such person, makes any representation whatsoever regarding the Consent Solicitation. This announcement must be read in conjunction with the Consent Solicitation Memorandum. No offer to acquire any Securities is being made pursuant to this notice. This announcement and the Consent Solicitation Memorandum contain important information, which should be read carefully before any decision is made with respect to the Consent Solicitation. If any holder of Securities is in any doubt as to the action it should take, it is recommended to seek its own advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent adviser.

#### **Distribution Restrictions**

This announcement and the Consent Solicitation Memorandum do not constitute an offer or an invitation to participate in the Consent Solicitations in any jurisdiction in or from which, or to or from any person to or from whom, it is unlawful to make such offer or invitation under applicable securities laws. The distribution of the Consent Solicitation Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession the Consent Solicitation Memorandum comes are required by each of the Issuer, the Solicitation Agents and the Tabulation Agent to inform themselves about, and to observe, any such restrictions.

#### **United States**

The Consent Solicitations are only being made outside the United States, to persons other than "U.S. persons" (as defined in Regulation S under the Securities Act). Any purported participation in any Consent Solicitation resulting directly or indirectly from a violation of these restrictions will be invalid and any participation in any Consent Solicitation by a person that is located or resident in the United States or that is a U.S. person or by any agent, fiduciary or other intermediary acting on a non-discretionary basis for a beneficial owner that is giving instructions from within the United States or that is any U.S. person will not be accepted.

The Consent Solicitation Memorandum is not an offer of securities for sale in the United States or to any U.S. person. Securities may not be offered or sold in the United States absent registration or an exemption from registration. The Securities have not been, and will not be, registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons, unless an exemption from the registration requirements of the Securities Act is available.

Each Securityholder participating in any Consent Solicitation will represent that it is not a U.S. person (as defined in Regulation S under the Securities Act), and is not acting for the account or benefit of any U.S. person, and that it is not located or resident in the United States.

**"United States"** means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.