


Dear Customer,

You are getting this letter as an account holder/depositor with  (Punjab & Maharashtra Cooperative Bank Ltd.).

We understand that as a PMC Bank account holder, you have experienced inconvenience, uncertainty and hardship over the last couple of years. We are sensitive to your concerns and financial needs. **We have very good news for you!**

Unity Small Finance Bank Ltd. (Unity Bank) has taken over the PMC Bank! Your PMC account will now migrate to Unity Bank. Unity Bank has invested more than Rs. 1100 crores of capital already towards taking over PMC Bank business. As a part of the amalgamation scheme approved by RBI and the Government of India, along with the support DICGC, you will now be able to access your funds in the manner given below.

Unity Small Finance Bank is jointly promoted by Centrum Financial Services Limited (), the established and profitable small business lending arm of the Centrum Group and Resilient Innovations Private Limited (), one of India's fastest-growing fintech companies. The combined expertise of Centrum and BharatPe, with a strong leadership team comprising seasoned professionals, will provide a robust foundation to drive the growth of the bank.

The settlement process is as per the Govt. of India-sanctioned Punjab and Maharashtra Co-operative Bank Ltd. (Amalgamation with Unity Small Finance Bank Ltd.) Scheme 2022. Of your eligible balance (that includes interest accrued till 31st Mar'2021), you are eligible for:

- You will get up to Rs. 5 lakhs (not applicable for Government Institutions and Banks), subject to claim approval by DICGC
- From the appointed date, i.e. 25th January 2022, 80% of the eligible amount shall be converted into Perpetual Non Cumulative Preference Shares (PNCPS) of Unity bank with dividend of 1% per annum, payable annually
- At the end of the 10th year from the appointed date, Unity Bank will use Net Cash Recoveries (net of expenses related to such recoveries) from assets pertaining to Housing Development and Infrastructure Limited Group in excess of the principal amount of advances to Housing Development and Infrastructure Limited Group outstanding as on March 31, 2021 to buyback Perpetual Non-Cumulative Preference Shares at face value on a pro rata basis.
- From the end of 21st year, Unity Bank will buy-back the outstanding principal of the PNCPS, at the rate of at least 1% per annum, provided the following conditions are satisfied:
 - All restructured liabilities pertaining to the erstwhile PMC Bank including those towards Deposit Insurance and Credit Guarantee Corporation under the Scheme of amalgamation are fully discharged;
 - Capital adequacy ratio of Unity bank is at least three hundred basis points higher than the regulatory minimum capital-to-risk weighted assets ratio applicable at that point of time;
 - Net non-performing assets of Unity bank are at least two hundred basis points lower than the prescribed threshold for Prompt Corrective Action by Reserve Bank at that point of time;
 - Minimum Net Cash Recovery of the principal amount of advances to Housing Development and Infrastructure Limited Group as on March 31, 2021 from assets pertaining to Housing Development and Infrastructure Limited Group is more than 70% of the principal amount of advances;
 - The buyback of the Perpetual Non-Cumulative Preference Shares shall be capped at 10% of the yearly net profit of Unity Bank, for the previous year

- The remaining 20% amount of the institutional deposits shall be converted into equity warrants of Unity bank at a price of ₹ 1 per warrant and these equity warrants will further be converted into equity shares of Unity Bank at the time of the Initial Public Offer when Unity Bank goes for public issue. The price for such conversion will be determined at the lower band of the Initial Public Offer price.

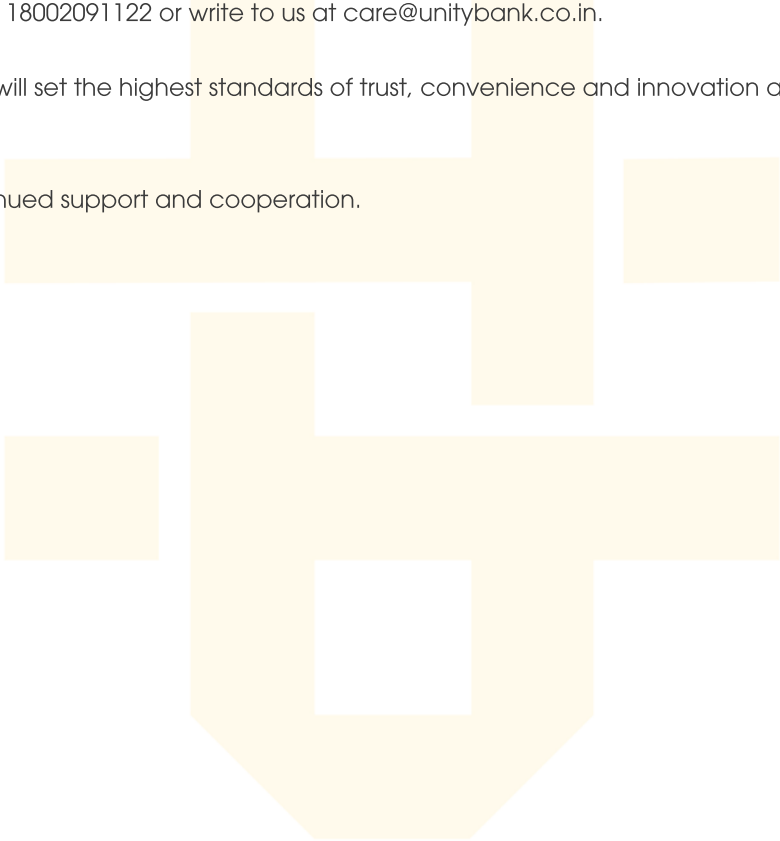
For getting your queries resolved or to start the process of claim/ settlement, please get in touch with your PMC Relationship Manager (they are now employees of Unity Bank) or visit the nearest Unity Bank Branch (former PMC branch). Please carry valid KYC documents for completing your KYC when visiting the branch, in case your earlier KYC is not valid/ has expired. The list of valid KYC documents plus the complete list of branches/ offices of Unity Bank is available on our website.

We understand your concerns and hope this resolution will help reduce the challenges faced by you. We remain committed to making the claim process hassle-free, and providing your funds in a convenient manner. We will stay connected with you and keep you informed about the latest developments at our end.

In case of any query or if you are unable to contact your Relationship Manager, please feel free to reach out to us on our toll-free Unity Bank number 18002091122 or write to us at care@unitybank.co.in.

We are confident that we will set the highest standards of trust, convenience and innovation as India's first truly digital bank.

Look forward to your continued support and cooperation.



Get

7%

interest*** with

 **UNITY**

***From March 2022, once claim money is received; Conditions apply