



CITY UNION BANK LIMITED
CENTRAL OFFICE

149, T.S.R. (Big) Street, Kumbakonam - 612 001.

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C.O./ /2012

5th November, 2012

DEPT: SHARES

National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (E),
Mumbai 400 051.

Dear Sirs,

Sub : Proposed Rights Issue of City Union Bank Limited ("the Bank")

Further to the telecom please find below the payment method

The Issue price of the equity share is Rs.20/- per share (Re.1/- towards face value and Rs.19/- towards premium)

The payment method is as follows

Payment Method

On application Re.0.50 per share will go towards face value and Rs.9.50 per share will go towards share premium (Rs.10/- per share in total)

On First and Final Call Re.0.50 per share will go towards face value and Rs.9.50 per share will go towards share premium (Rs.10/- per share in total)

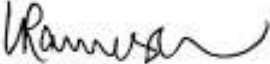
Fractional Entitlement

For Equity shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is equal to or less than 4 Equity Shares or not in the multiple of 4, the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of Rights Entitlement. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in allotment of one additional share each if such Eligible Equity shareholders have applied for additional equity shares.



Those Eligible Equity Shareholders holding less than 4 Equity Shares and therefore entitled to zero Equity Shares under the Issue shall be dispatched a CAF with zero entitlement. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares. However, they cannot renounce the same in favour of any third parties. CAF with zero entitlement will be non-negotiable / non-renounceable.

Yours faithfully
For City Union Bank Limited


(V Ramesh)
DGM & Company Secretary