

UOB U.S. Resolution Plan

Public Section

I. Introduction

United Overseas Bank Limited (“**UOB**”) is, for purposes of U.S. banking law, a “foreign banking organization” with operations in the United States and more than \$50 billion in total consolidated assets. As a result, UOB is deemed to be a “covered company” in accordance with the final rule implementing Section 165(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (such final rule, the “**Regulation**”) issued by the Board of Governors of the Federal Reserve System (“**FRB**”) and the Federal Deposit Insurance Corporation (“**FDIC**”). The Regulation requires each bank holding company (including a foreign banking organization such as UOB) with total consolidated assets of \$50 billion or more, and each nonbank financial company supervised by the FRB (each, a “**covered company**”) to periodically prepare and submit a plan for such company's rapid and orderly resolution in the event of material financial distress or failure, referred to as a “resolution plan.” Inasmuch as UOB has global consolidated assets in excess of \$50 billion, UOB is considered a “covered company” for purposes of the Regulation. Accordingly, UOB has submitted this U.S. Resolution Plan (the “**Plan**”) as required by the Regulation and related guidance.

As UOB is a foreign-based covered company, the Plan is required to be responsive to the informational requirements of the Regulation as they relate to only those UOB subsidiaries, branches and agencies, as well as any “critical operations” and “core business lines,” as applicable, that are domiciled in the United States or conducted in whole or material part in the United States. This Plan addresses how such U.S. operations can be reorganized, liquidated or otherwise resolved under applicable insolvency law in a reasonable period of time, without any extraordinary support from the U.S. government, and in an organized manner that substantially minimizes the risk that the failure of these entities, businesses or operations would have a serious adverse effect on U.S. financial stability. Additionally, to the extent applicable, the Plan identifies, describes in detail, and maps to legal entity the interconnections and interdependences among the U.S. subsidiaries, branches and agencies of UOB and its foreign-based affiliates.

As required by the Regulation, the Plan has been divided into a public section and a confidential section and is submitted in two parts. This document constitutes the public section of the Plan.

Overview

UOB is incorporated and headquartered in the Republic of Singapore, and has an international network of more than 500 offices located throughout 19 countries and territories in the Asia Pacific, Western Europe and North America. It is a leading bank in Asia, where it operates through its branches and representative offices as well as through banking subsidiaries in Singapore, Malaysia, Thailand, Indonesia, China, and the Philippines. UOB provides a wide range of financial services including:

- Personal Financial Services
- Wealth Management
- Private Banking
- Commercial and Corporate Banking
- Transaction Banking
- Investment Banking
- Corporate Finance
- Capital Market Activities
- Treasury Services
- Futures Broking
- Asset Management
- Venture Capital Management
- Insurance

As of December 31, 2012, UOB's total global assets, inclusive of its non-banking subsidiaries, was \$207.1 billion as reported on its Form FR Y-7.

U.S. Operations

UOB maintains a very small presence in the United States, consisting of merely two agency offices and a handful of non-banking subsidiaries, including two broker-dealers, a fund manager, a premises holding company, and several non-operating companies (collectively, the "U.S. Entities"). As of December 31, 2012, UOB New York and Los Angeles agency offices held \$4.8 billion and \$872 million in assets (which consisted primarily of interests in syndicated commercial loans) respectively. The remaining U.S.-based subsidiaries, excluding UOB Funding LLC,¹ collectively held \$114 million in assets. This \$114 million figure comprised approximately 0.06% of UOB's total assets at the time; in total, the assets of UOB's U.S. operations comprised approximately 2.6% of UOB's total assets. UOB employs only 57 people within the United States across its two agency offices and various non-banking subsidiaries.

II. Material Entities

¹ UOB Funding LLC is a special purposes vehicle that formerly issued commercial paper in the U.S. in order to fund the operations of the UOB New York agency office. UOB Funding LLC is in the process of winding down its activities by December 31, 2013, and thereafter will remain a dormant entity.

A "material entity" is defined in the Regulation as "a subsidiary or foreign office of the covered company that is *significant* to the activities of a *critical operation* or *core business line*." UOB has no "critical operations" as that term is defined in the Regulation.² As explained in the next paragraph, UOB's U.S. Entities do not comprise a "core business line" of UOB, and UOB's U.S. Entities do not engage in any activities or provide any services that are significant to any of those core business lines conducted outside the United States. Based on these criteria, none of UOB's U.S. entities are "material entities" for purposes of the Plan.

III. Core Business Lines

"Core business lines" are defined in the Regulation as "those business lines of the covered company, including associated operations, services, functions and support, that, in the view of the covered company, upon failure would result in a material loss of revenue, profit, or franchise value." Although UOB conducts a limited amount of commercial lending, broker-dealer, investment management and other activities through its U.S. Entities, the potential cessation of these activities, or the failure of one or more of the U.S. Entities, would not materially impact UOB's business operations as a whole, and would not result in a material loss of revenue, profit, or franchise value to UOB. As a result, UOB does not believe that any of its core business lines are conducted in whole or in material part in the United States.

IV. Summary Financial Information Regarding Assets, Liabilities, Capital, and Major Funding Sources

The summary financial information in this section was prepared in accordance with Singapore Financial Reporting Standards and the provisions of Chapter 50 of the Singapore Companies Act, and appears as it is set forth in UOB's 2012 Annual Report. Unless otherwise indicated, all amounts are denominated in Singapore Dollars. The balance sheet contains columns showing information for both United Overseas Bank Limited itself (the column labeled "**Bank**") and together with its global subsidiaries (the "**Group**"), and reflects UOB's financial condition as of December 31, 2012.

Unless otherwise indicated, the following information pertains to UOB's global operations as a whole.

² The Regulation defines "critical operations" as those operations of the covered company, including associated services, functions and support, the failure or discontinuance of which, in the view of the covered company or as jointly directed by the FRB and the FDIC, would pose a threat to the financial stability of the United States. UOB has not been notified by the FRB or the FDIC that it engages in critical operations.

Balance Sheets

as at 31 December 2012

	Note	The Group		The Bank	
		2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Equity					
Share capital	12	5,271,932	5,253,129	4,440,382	4,421,579
Retained earnings	13	10,221,670	8,498,587	8,120,482	6,894,954
Other reserves	14	9,586,005	9,215,382	9,572,245	8,965,442
Equity attributable to equity holders of the Bank		25,079,607	22,967,098	22,133,109	20,281,975
Non-controlling interests		192,214	176,870	–	–
Total equity		25,271,821	23,143,968	22,133,109	20,281,975
Liabilities					
Deposits and balances of:					
Banks		21,537,916	19,750,231	20,313,747	18,427,064
Non-bank customers	16	182,028,907	169,460,469	135,420,211	128,906,766
Subsidiaries		–	–	5,760,363	6,873,071
Bills and drafts payable		1,571,841	1,729,947	347,932	273,202
Derivative financial liabilities	34	5,506,069	7,066,549	5,226,062	6,513,356
Other liabilities	17	3,579,059	3,368,925	1,401,563	1,568,574
Tax payable		581,808	617,503	501,714	538,422
Deferred tax liabilities	18	21,658	34,215	–	18,283
Debts issued	19	12,800,434	11,785,938	9,239,604	6,423,880
Total liabilities		227,627,692	213,813,777	178,211,196	169,542,618
Total equity and liabilities		252,899,513	236,957,745	200,344,305	189,824,593
Assets					
Cash, balances and placements with central banks	20	33,056,247	26,786,261	21,032,530	16,278,308
Singapore Government treasury bills and securities		10,837,937	9,652,099	10,696,976	9,591,069
Other government treasury bills and securities		10,628,888	8,187,626	6,328,674	4,139,516
Trading securities	21	259,559	271,335	151,305	167,700
Placements and balances with banks	22	14,254,272	16,951,056	11,710,269	14,170,486
Loans to non-bank customers	23	152,929,817	141,191,285	114,013,150	105,850,495
Placements with and advances to subsidiaries		–	–	5,263,143	5,692,510
Derivative financial assets	34	5,455,567	6,256,893	5,231,725	5,964,416
Assets pledged	24	2,988,005	2,526,169	2,935,561	2,526,169
Investment securities	25	11,090,754	13,770,398	9,760,202	12,219,380
Other assets	26	3,581,684	3,566,341	2,566,004	2,583,135
Deferred tax assets	18	296,682	333,847	94,001	108,789
Investment in associates and joint ventures	27	1,102,150	1,092,270	328,721	369,044
Investment in subsidiaries	28	–	–	4,759,449	4,762,588
Investment properties	30	1,015,858	1,125,929	1,289,807	1,457,792
Fixed assets	31	1,233,761	1,050,273	1,000,969	761,377
Intangible assets	32	4,168,332	4,195,963	3,181,819	3,181,819
Total assets		252,899,513	236,957,745	200,344,305	189,824,593
Off-Balance Sheet Items					
Contingent liabilities	33	18,437,040	15,820,723	13,435,759	12,159,569
Financial derivatives	34	349,452,349	351,224,163	297,789,046	304,179,887
Commitments	36	60,911,356	54,021,561	47,464,233	41,173,777

The accounting policies and explanatory notes form an integral part of the financial statements.

Major Funding Sources and Liquidity

UOB's overall global funding position remained strong throughout 2012, with loans-to-deposits ratio at 84.0% as at 31 December 2012. For the year 2012, S\$1.2 billion 3.15% fixed rate subordinated notes and US\$845 million in senior notes were issued under the Euro-Medium Term Note Programme to further augment UOB's funding sources.

UOB maintains sufficient liquidity to fund its day-to-day operations, meet deposit withdrawals and loan disbursements, participate in new investments and repay borrowings. Hence, liquidity is managed in a manner to address known as well as unanticipated cash funding needs. Liquidity risk is managed in accordance with a framework of policies, controls and limits approved by the Asset and Liability Committee ("ALCO"). These policies, controls and limits enable UOB to monitor and manage liquidity risk to ensure that sufficient sources of funds are available over a range of market conditions. These include minimizing excessive funding concentrations by diversifying the sources and terms of funding as well as maintaining a portfolio of high quality and marketable debt securities.

UOB takes a conservative stance in its liquidity management by continuing to gather core deposits, ensuring that liquidity limits are strictly adhered to and that there are adequate liquid assets to meet cash shortfall. The distribution of deposits is managed actively to ensure a balance between cost effectiveness, continued accessibility to funds and diversification of funding sources. Important factors in ensuring liquidity are competitive pricing, proactive management of UOB's core deposits and the maintenance of customer confidence. Core deposits are generally stable non-bank deposits, such as current accounts, savings accounts and fixed deposits. UOB monitors the stability of its core deposits by analyzing their volatility over time.

Liquidity risk is aligned with the regulatory liquidity risk management framework and is measured and managed on a projected cash flow basis. UOB is monitored under 'business as usual', 'bank specific crisis' and 'general market crisis' scenarios. Cash flow mismatch limits are established to limit UOB's liquidity exposure. UOB also employs liquidity early warning indicators and trigger points to signal possible contingency situations. Contingency funding plans are in place to identify potential liquidity crises using a series of warning indicators. Crisis escalation processes and various strategies including funding and communication have been developed to minimize the impact of any liquidity crunch.

UOB's overseas banking branches and subsidiaries are required to comply with their local regulatory requirements. In the event that they are unable to source sufficient funds to meet the financial obligation of their operations, UOB's Head Office in Singapore would meet such requirements.

Capital

UOB is required by the Monetary Authority of Singapore ("MAS") to maintain Tier 1 and total capital adequacy ratios of 6% and 10%, respectively. Banking operations outside of Singapore are required to comply with the regulatory requirements in their country of operations.

As a group, UOB is well-capitalized, with Core Tier 1, Tier 1 and Total Capital Adequacy Ratios of 13.1%, 14.7% and 19.1% respectively as of December 31, 2012. These figures represent an increase from UOB's ratios in 2011, largely due to higher retained earnings and the issuance of subordinated debts, coupled with lower risk-weighted assets due to improved credit quality.

V. Derivative and Hedging Activities

In the normal course of business, UOB transacts in customized derivatives to meet specific needs of its customers. UOB also transacts in these derivatives for proprietary trading purposes, as well as to manage its assets, liabilities and structural positions. The table below shows UOB's financial derivatives and their fair values as of December 31, 2012:

	2012			2011		
	Contract/ notional amount \$'000	Positive fair value \$'000	Negative fair value \$'000	Contract/ notional amount \$'000	Positive fair value \$'000	Negative fair value \$'000
The Group						
Foreign Exchange Contracts						
Forwards	19,192,178	150,134	147,890	31,645,496	211,070	155,321
Swaps	97,275,979	774,591	480,507	87,367,495	884,073	1,122,600
Options purchased	4,867,238	55,428	–	9,126,561	100,531	–
Options written	5,478,516	–	55,109	9,973,907	–	102,513
Interest Rate Contracts						
Swaps	208,338,595	3,997,714	4,326,471	203,172,949	4,128,456	4,549,470
Futures	511,623	374	723	175,700	55	757
Options purchased	784,144	9,330	–	1,050,212	7,272	–
Options written	6,691,592	–	17,456	2,424,872	–	5,420
Equity-Related Contracts						
Swaps	3,039,142	260,729	268,969	2,552,665	585,515	585,383
Futures	10,980	502	–	25,596	371	–
Options purchased	925,295	203,832	–	978,120	329,956	–
Options written	902,828	–	204,625	1,125,006	–	331,583
Credit-Related Contracts						
Swaps	105,572	995	732	311,417	4,073	4,108
Others						
Forwards	850,049	379	485	895,286	2,322	198,236
Swaps	419,589	1,356	2,979	384,829	3,084	11,043
Futures	53,208	114	34	2,132	–	–
Options purchased	2,907	89	–	5,960	115	–
Options written	2,914	–	89	5,960	–	115
	349,452,349	5,455,567	5,506,069	351,224,163	6,256,893	7,066,549

	2012			2011		
	Contract/ notional amount \$'000	Positive fair value \$'000	Negative fair value \$'000	Contract/ notional amount \$'000	Positive fair value \$'000	Negative fair value \$'000
The Bank						
Foreign Exchange Contracts						
Forwards	15,853,382	125,095	121,003	28,178,205	160,239	93,385
Swaps	86,995,636	737,040	414,460	79,353,604	815,821	1,063,036
Options purchased	4,513,420	47,992	–	8,819,679	98,515	–
Options written	5,000,658	–	45,011	9,837,180	–	100,476
Interest Rate Contracts						
Swaps	172,461,231	3,862,572	4,177,754	168,556,922	3,958,813	4,329,252
Futures	495,428	374	662	159,651	8	716
Options purchased	784,144	9,330	–	1,025,395	7,272	–
Options written	6,648,790	–	17,456	2,400,040	–	5,420
Equity-Related Contracts						
Swaps	1,827,296	244,447	243,719	2,083,505	574,839	571,888
Futures	10,980	502	–	25,596	371	–
Options purchased	886,302	201,873	–	948,353	330,016	–
Options written	877,603	–	202,797	1,094,864	–	331,680
Credit-Related Contracts						
Swaps	105,572	995	732	311,417	4,073	4,108
Others						
Forwards	587,895	384	608	599,452	2,662	2,586
Swaps	702,846	985	1,803	784,222	11,744	10,766
Futures	36,349	113	34	–	–	–
Options purchased	757	23	–	901	43	–
Options written	757	–	23	901	–	43
	297,789,046	5,231,725	5,226,062	304,179,887	5,964,416	6,513,356

UOB engages in very limited derivatives activity in the U.S., generally confined to interest rate and currency swaps in connection with its commercial lending operations in its two agency offices.

VI. Memberships in Material Payment, Clearing, and Settlement Systems

UOB maintains the following memberships in material payment, clearing and settlement systems: (i) SWIFT for international payment, (ii) Federal Reserve for banknotes (ECI – Extended Custodial Inventory)

VII. Foreign Operations

The vast portion of UOB's operations are in Asia, where it operates through its branches and representative offices as well as through banking subsidiaries in Singapore (Far Eastern Bank Limited), Malaysia (United Overseas (Malaysia) Bhd), Thailand (United Overseas Bank (Thai) Public Company Limited), Indonesia (PT Bank UOB Indonesia), China (United Overseas Bank

(China) Limited), and Philippines (United Overseas Bank Philippines). UOB provides a wide range of financial services including personal financial services, wealth management, private banking, commercial and corporate banking, transaction banking, investment banking, corporate finance, capital market activities, treasury services, futures broking, asset management, venture capital management and insurance. In Singapore, UOB is a leader in the credit and debit cards business and the private home loans business. UOB is also a key player in loans to small and medium enterprises.

UOB's global network consists of over 500 offices spread across 19 countries and territories in the Asia Pacific, Western Europe and North America. The following list provides a breakdown of the number of offices UOB maintains in each country and territory:

Asia Pacific

Australia	4
Brunei	3
China	15
Hong Kong	3
India	1
Indonesia	214
Japan	2
Malaysia	47
Myanmar	2
Philippines	1
Singapore	74
South Korea	1
Taiwan	3
Thailand	164
Vietnam	1

North America

Canada	2
USA	3

Western Europe

France	1
United Kingdom	1

The following table provides an overview of UOB's performance by geographical segment:

	Total operating income		Profit before tax		Total assets	
	2012	2011	2012	2011	2012	2011
	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million
Singapore	3,790	3,339	2,256	1,840	157,593	144,739
Malaysia	915	797	557	450	33,091	29,308
Thailand	530	431	118	50	14,135	11,996
Indonesia	454	430	184	151	7,156	7,767
Greater China	414	323	222	147	19,569	19,133
Others	392	379	21	180	17,188	19,819
	6,495	5,699	3,358	2,818	248,732	232,762
Intangible assets	-	-	(7)	(10)	4,168	4,196
Total	6,495	5,699	3,351	2,808	252,900	236,958

¹ Based on the location where the transactions and assets are booked which approximates that based on the location of the customers and assets. Information is stated after elimination of inter-segment transactions.

VIII. Material Supervisory Authorities

UOB is regulated in Singapore by the MAS. As a foreign banking organization in the United States, UOB is regulated by the FRB pursuant to the International Banking Act of 1978. The following table identifies the other primary regulatory agencies, where applicable, for UOB's U.S. Entities.

UOB Entity	Primary Supervisory Agency
UOB New York Agency	New York Department of Financial Services ("NYDFS") and the FRB
UOB Los Angeles Agency	California Department of Business Oversight and the FRB
UOB Kay Hian (U.S.)	Securities and Exchange Commission ("SEC")
UOB Global Equity Sales LLC	SEC
UOB Global Capital LLC	SEC

IX. Principal Officers

The following table lists UOB's Board of Directors:

Name	Role/Title
Wee Cho Yaw	Chairman Emeritus & Adviser Non-independent and non-executive director
Hsieh Fu Hua	Chairman Independent and non-executive director
Wee Ee Cheong	Deputy Chairman & Chief Executive Officer Non-independent and executive director
Cham Tao Soon	Non-independent and non-executive director
Wong Meng Meng	Non-independent and non-executive director
Franklin Leo Lavin	Independent and non-executive director
Willie Cheng Jue Hiang	Independent and non-executive director
Tan Lip-Bu	Independent and non-executive director
James Koh Cher Siang	Independent and non-executive director
Ong Yew Huat	Non-independent and non-executive director

The following table identifies UOB's principal officers:

Name	Role/Title
Wee Ee Cheong	Group Deputy Chairman & Chief Executive Officer
Chin Voon Fat Frederick	Group Institutional Financial Services
Lee Chin Yong Francis	Group Retail & Group Channels
Lee Wai Fai	Group Finance & Corporate Services
Ong Sea Eng Terence	Global Markets & Investment Management
Chan Kok Seong	Group Risk Management
Chan Vivien	Group Legal & Secretariat
Cheo Chai Hong	Corporate Planning & Strategy / Group Credit (Middle Market & STCF Credit)
Chew Mei Lee	Group Compliance
Chng Seng Hong Ronny	Group Investment Banking
Hwee Wai Cheng Susan	Group Technology & Operations
Khoo Boo Jin Eddie	Group Personal Financial Services, Private Banking & Bancassurance
Koh Cheng Chua	Corporate Banking Singapore
Lee Meng Teck Victor	Group Business Banking
Liew Khiam Soong Peter	Group Credit (Corporate & FIG Credit)
Mok Chek Pfam	Management Portfolio
Ngo Vinh Tri Victor	Group Audit
Rappa Nicolette Bernedette	Group Brand Performance & Corporate Communications
Tan Choon Hin	Group Credit (Retail Credit)
Tan Gim Choo Wendy	Regional Channels
Tham Kah Jin Eric	Group Commercial Banking

Name	Role/Title
Tjuradi Karunia Wirawan	Corporate Banking Overseas
Wong Mei Leng Jenny	Group Human Resources
Wong Wah Yan Ian	International

X. Resolution Planning Corporate Governance Structure

Ultimate responsibility for governance of UOB and its operations lies with the UOB Board of Directors. To enable the Board to carry out its responsibilities, authority is delegated to committees of the Board. The Chief Executive Officer, in turn, is assisted by senior management committees.

The UOB U.S. resolution plans are reviewed by the senior management committee, the Risk and Capital Committee (RCC), and approved by the Board of Directors and its Board Risk Management Committee.

XI. Material management information systems

UOB New York and UOB Los Angeles agencies use the Head Office hubbed system applications to support their business activities. The application systems supporting the business operations are credit lending, treasury, retail/deposit, trade, and financial accounting systems.

XII. High-level Resolution Strategy Summary

Overview

Consistent with the requirements in the Regulation, UOB has prepared a strategic analysis consisting of a resolution strategy for its U.S. Entities that would allow such entities to be resolved in a rapid and orderly manner that would not create serious adverse effects on U.S. financial stability. In the event that a U.S. Entity experiences material financial distress or failure, UOB would engage in the following steps:

- 1) Perform a separability analysis for the entity, or its assets / properties / portfolios, or business lines, where appropriate.
- 2) Activate UOB's M&A steering committee, notify and seek approval from appropriate parties, and explore options for a third-party sale of the entity, or its assets / properties / portfolios, or business lines, where appropriate, with follow-through as appropriate.
- 3) If a timely sale of the entity is not possible, UOB's U.S. Entities would be resolved in the following manner:

- a) UOB's New York agency would be placed into receivership with the NYDFS, which would then commence a receivership or liquidation proceeding pursuant to the New York Banking Law.
- b) UOB's Los Angeles agency would be placed into receivership with the California Department of Business Oversight, which would then commence a receivership or liquidation proceeding pursuant to Division 1, Chapter 7 of the Financial Code.
- c) In the event of material financial distress or failure with respect to any of UOB's other U.S. entities, the affected entity would cease operations and file bankruptcy petitions under Chapter 7 or Chapter 11 of the U.S. Bankruptcy Code, as appropriate.

Inasmuch as the U.S. Entities do not comprise "material entities," "core business lines," of "critical operations," and given further that the U.S. Entities do not, collectively or individually, comprise a material portion of the assets or revenues of UOB, UOB believes that the above approach is reasonable.

Relationship to UOB's Overall Resolution Strategy

At the group level, UOB has provided certain required resolution information ("**UOB RSP**") to the MAS.

UOB has determined that the separation or failure of the U.S. Entities, as described above, would not have a material impact on UOB's other operations or on the financial stability in any jurisdiction, including the U.S. As a result, resolution planning for the U.S. entities has not been integrated into UOB's overall MAS resolution planning information process. UOB's U.S. Entities will be resolved as set forth in this Plan.