



# DISCLOSURE POLICY

March 31, 2016

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## Introduction

As a public listed company, Republic Financial Holdings Limited (“RF Holdings”) and its subsidiaries, collectively referred to as “the Group” is committed to providing timely, orderly, consistent and balanced disclosure of all material information about the Group, its business and financial results on a non-selective basis consistent with legal and regulatory requirements.

RF Holdings believes that transparency and accountability are fundamental to fulfilling its vision and to strengthening public trust in the Group and its stakeholders. This Policy reaffirms and reflects the Group's commitment to transparency and promotion of good governance.

Likewise, the Group commits to compliance with applicable securities laws and regulations to provide fair disclosure of material information to the public marketplace while simultaneously undertaking not to disclose any information relating to the business or affairs of its customers.

This Policy will address all disclosures that may be made by the Group, whether it relates to information of the Group itself or its customers. To ensure consistency and uniformity in the application of this Policy across the Group, in the event the securities law and regulations in the several jurisdictions require or impose different standards, the higher standard shall be adopted.

### **1. INTERPRETATION**

- (i) **“Issuer”** means a person that has securities outstanding or issues, or proposes to issue or distribute a security. In reference to this Policy, the issuer means RF Holdings or a subsidiary;
- (ii) **“Material Change”** means a change in the business, operation, assets or ownership, or affairs of an issuer, the disclosure of which would be considered important by a reasonable investor in determining whether to purchase, sell or transfer or continue to hold securities of the issuer and includes a decision to implement such a change made by the Directors of the issuer or the Directors of the manager of the issuer or other persons acting in a similar capacity;
- (iii) **“Material Information”** means any information relating to the business and affairs of the Group that results in or would reasonably be expected to result in significant change in the market place or value of any of the Republic’s securities;
- (iv) **“Material Non-Public Information”** in relation to securities which are listed or traded publicly, means any material fact or material change that has not been published;
- (v) **“Price-sensitive Information”** - information is regarded as price-sensitive where a reasonable person would expect the information to have a material effect on the price or value of the securities of RF Holdings or a subsidiary and, a material effect on price or value exists where the information is likely to influence people, who commonly invest in securities, in deciding whether to subscribe for, buy or sell the securities of RF Holdings or a subsidiary;

- (vi) **“Relatives”** in respect of any person means spouse, a cohabitant, parent, grandparent, brother, sister, children, the children of a co-habitational relationship, adopted and step-children of the person;
- (vii) **“SEC”** means Securities Exchange Commission;
- (viii) **“Security or Securities”** means any document, instrument or writing evidencing ownership of or any profits, earnings or royalties of any person and without limiting the generality of the foregoing and the proceeding, extends to bonds, debentures note or other evidence of indebtedness, share, stock unit, unit certificate, certificate of share or interest, any document or instrument commonly known as security, any document or instrument evidencing an option, subscription or other interest in or to a security, any investment contract, any asset-backed security and any derivative.
- (ix) **“Senior Officer”** means the members of the Board of Directors, the President, Chief Financial Officer, Executive Directors, General Managers, Corporate Secretary, Chief Auditor, Chief Risk Officer of RF Holdings and similarly designated Officers of the subsidiaries.

## **2. GENERAL PRINCIPLES OF DISCLOSURE POLICY**

Securities laws and regulations require prompt disclosure of all material information and in complying with this, the Group commits to the following:-

- (i) All disclosures of material changes will be factual and balanced.
- (ii) To promptly disclose material information by news media (generally, advertisements in newspapers) or by means of some non-exclusionary form of disclosure designed to provide broad public disclosure.
- (iii) To disclose promptly and completely any material information that may be considered adverse to the Group and in the same manner as favourable information;
- (iv) Not to disclose material information to selected individuals or groups of individuals;
- (v) To update the public when any earlier information is made misleading as a result of subsequent events;
- (vi) To promptly disclose to the general public by means of a news media release any material information that is announced at a shareholders’ meeting or a press conference;
- (vii) Disclosures will include any information, the omission of which would make the rest of the disclosure misleading.

## **3. AUTHORIZED SPOKESPERSONS**

In order to ensure the accuracy and consistency of the Group’s public disclosures to the media, investors, analysts and sectors of the public -

- (a) the Chairman, President, Corporate Secretary and Executive Directors of RF Holdings shall be responsible for communications on behalf of RF Holdings; and

- (b) the Chairman, Managing Director, Corporate Secretary and Executive Directors of a subsidiary shall be responsible for communications on behalf of that subsidiary.

Individuals holding any of these offices within RF Holdings or one of its subsidiaries may, from time to time, designate others to speak on behalf of that member of the Group and respond to specific inquiries from the investment community or media.

Employees who are not Authorized Spokespersons are not to respond to inquiries from the investment community or media unless specifically asked to do so by an Authorized Spokesperson and as such all queries must be immediately forwarded to the Corporate Secretary.

#### **4. PRICE SENSITIVE INFORMATION**

In deciding whether information is price-sensitive, a good benchmark should be whether the information -

- (a) would be considered important by a reasonable investor in determining whether to purchase, sell, transfer or continue to hold securities of the Group; and
- (b) could significantly affect the Group's image, reputation or ability to carry on business.

For clarity, matters that constitute a material change would generally be deemed to be price-sensitive information.

The following is a non-exhaustive list of examples of information that may be considered price-sensitive:

1. A change in financial forecast
2. An alliance, joint-venture or acquisition
3. A significant new proposal or development
4. Ending an existing alliance or joint venture
5. A capital raising
6. A distribution or change in distribution policy
7. A change in capital structure
8. A change in the Directors or significant change in Senior Management
9. Material litigation

In the event clarification is required as to whether information may be price-sensitive, all queries should be directed to the Corporate Secretary of RF Holdings or the relevant subsidiary, as the case requires.

To ensure compliance, the following processes are to be employed across the Group:

- (i) Within the several jurisdictions in which the Group operates, the Group has designated the President / Corporate Secretary of RF Holdings or the Managing Director of the relevant subsidiary to oversee and coordinate the disclosure of price-sensitive information to the various securities bodies, namely, (i) SEC - Trinidad & Tobago, (ii) Guyana Securities Council – Guyana and (iii) Eastern Caribbean Securities Regulatory Commission - Grenada and other EC territories and the relevant Stock Exchanges;

- (ii) Prior notice of a press release regarding price-sensitive information shall be provided to the securities bodies and the relevant Stock Exchanges by the President / Corporate Secretary of RF Holdings or the Managing Director / Corporate Secretary of a subsidiary, as the case may be, in order to facilitate a determination as to whether, where relevant, a halt in trading may be necessary to allow the market to assimilate the news. A copy of the press release shall be filed with the relevant Stock Exchanges and securities bodies and a courtesy copy shall be sent to the respective Central Bank.
- (iii) Any proposed announcement of price sensitive information for release to the securities bodies and Stock Exchanges is required to be approved by the President, an Executive Director or the Corporate Secretary of RF Holdings or, the Managing Director or Corporate Secretary of the subsidiary in respect of which the price sensitive information is to be released.
- (iv) All Directors of the Boards of RF Holdings and the subsidiary companies and their Executive Management are required to forward details of any potentially price sensitive information to the Corporate Secretary of RF Holdings or the Corporate Secretary of the subsidiary, as the case may be. The Corporate Secretary shall be made aware, in advance, of proposed information disclosures, to enable consideration of the continuous disclosure requirements.
- (v) Any employee of RF Holdings or a subsidiary, aware of information that may be price-sensitive, shall immediately inform the Corporate Secretary of RF Holdings or the subsidiary, as the case may be and, if the Corporate Secretary forms the view that the information may be price-sensitive, he shall refer the information to the President of RF Holdings or the Managing Director of the subsidiary, as the case may be.

## 5. MATERIAL CHANGE/ INFORMATION

In respect of the disclosure of material changes/ information, the following procedure shall be adopted across the Group-:

- (i) All material changes or information which are to be disclosed by RF Holdings or a subsidiary within the Group shall be disclosed to the various Securities Bodies and Stock Exchanges, **within three (3) business days of the occurrence of the material change.** The President or Corporate Secretary or Executive Director of RF Holdings, the Managing Director or Executive Director or Corporate Secretary of a subsidiary, shall sign the requisite disclosure forms.
- (ii) All news releases that are deemed to contain material information or changes shall be managed by the Corporate Secretary of RF Holdings or the subsidiary, as the case may be and, it shall be the responsibility of the Group Marketing & Communications Department to ensure that same is published.
- (iii) The news releases which are to take the form of a Notice shall be published in **at least two (2) daily newspapers within seven business (7) days of the occurrence of the material change.**

- (iv) Within the same time period stipulated in paragraph (iii) above, the Corporate Secretary shall file a copy of the Notice with the relevant Securities bodies and the Stock Exchanges. A courtesy copy shall also be forwarded to the respective Central Banks.
- (v) The news releases shall also be uploaded on website of RF Holdings or the website of the subsidiary, as pertinent, for viewing by the public.

## **6. EARNINGS ANNOUNCEMENTS**

Earnings guidance will be announced by news-media release. Authorized Spokespersons may elaborate on this information in conference calls with analysts which are accessible to the public, members of the investment community and media. Any other guidance will only be based on information which the Group has previously publicly disseminated.

## **7. REVIEWING ANALYSTS AND BROKER REPORTS**

Occasionally, RF Holdings or a subsidiary may be requested to review analysts' draft reports or broker reports. Authorized Spokespersons are to limit their comments to correcting factual information and questioning factual assumptions and referring to previously released statements and information in the public domain.

Authorized Spokespersons shall not comment on:

- (i) analyst's conclusions;
- (ii) soft information;
- (iii) projections;
- (iv) estimates;
- (v) other forward looking matters; and
- (vi) material non-public information in connection with such review.

Any responses that may suggest that a broker's or analyst's projection or market projections are incorrect are to be avoided. Any guidance in terms of earning forecasts can only be given if the RF Holdings, a subsidiary or the Group has publicly announced an earnings projection.

## **8. CONDUCTING INVESTOR, MEDIA AND ANALYST MEETINGS AND CONFERENCE CALLS**

Subject to compliance with this Policy, Authorized Spokespersons of the RF Holdings or a subsidiary may from time to time initiate contact or meet with analysts and investors on an individual or group basis or respond to calls from analysts and investors as needed.

RF Holdings or a subsidiary may also conduct interactive conference calls with analysts, investors and the media. If conducted, such meetings should be held usually the day that the quarterly earnings news release has been issued, and at other appropriate times.

In the event it decides to conduct group meetings, conference calls or investor conferences, the Group shall provide the public with advance notice of the date and time of such that it participates in, which shall be open to the public.

At the beginning of the call, the spokesperson introducing the call or the person conducting the call, who should be an authorized person or his/her delegate, shall make a statement that forward-looking information may be discussed during the course of the call, followed by appropriate cautionary language or reference to cautionary statements contained in readily available (publicly released) documents. Any excerpts from the conference call placed on RF Holding's or the subsidiary's website, as the case may be, containing forward looking statements, should have cautionary language as part of the transcribed statement (even if it means editing the cautionary language into the statement that may have been referred to orally during the call as being contained in another written document).

Generally, questions raised by analysts or other securities industry participants in conference calls should be resolved on the call, rather than deferring responding to such questions with the statement that they will be addressed "offline" or "in a smaller group", unless the matter is clearly non material or involves retrieving information that is already public for the convenience of the questioner.

If material information is to be announced or discussed at a shareholder or analyst meeting or media conference, it will be coordinated with a public announcement by news media. If material information is inadvertently disclosed in any such limited forum, a news media release will be promptly issued to disseminate such information.

Material non-public information should not to be disclosed at these meetings.

## **9. WEBSITE**

RF Holdings maintains an Internet website (<https://republicfinancialholdings.com>) which includes information of interest to investors. Group Marketing & Communication shall manage the web site and, in particular, shall be responsible for ensuring that information placed thereon is accurate, complete and current. News releases are posted to the Press Releases and the Press & Media Releases sections of the site after release through the news media services.

It is recognized that posting information on the website alone is not sufficient dissemination in the case of any material information and will not constitute disclosure.

Information available on the website includes annual reports and financial statements which include first quarter reports, half year reports and third quarter reports. Other documents of interest are posted upon availability and materials related to presentations by Senior Officers are placed on the web site contemporaneously with events.

Web-based links to the sites of analysts commenting on the Group are not permitted.

## **10. FORWARD-LOOKING INFORMATION**

Forward-looking information may be provided in appropriate circumstances to enable evaluation of the operations of RF Holdings and its subsidiaries and prospects for their performance. Forward looking



information may include the performance targets, expectations for revenues, expenses, capital levels, asset quality, discussion of factors that may influence results, and market potential for new product or business line initiatives or corporate expansions.

To the extent that forward looking information is provided by the members of the Group in a disclosure document, news release or statement by an Authorized Spokesperson, it will be accompanied by or reference will be made to cautionary language to warn of the risk that circumstances beyond the control of the respective members of the Group could materially change and alter the anticipated results referenced in the document or statement. In addition, such statements shall also be deemed qualified by applicable cautionary language contained in previous SEC filings of the former Republic Bank Limited and other readily written documents, such as a news release.

The following cautionary statement is suggested to be used when forward-looking information is provided and it should be amended to suit the specific circumstances:-

### ***“CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS***

*This document, including documents incorporated by reference into this document, contains forward-looking statements about the financial conditions, results of operations, earning outlook, prospects and the business of RF Holdings. Forward-looking statements also include statements preceded by, followed by or that include the words “believes”, “expects”, “anticipates”, “intends”, “estimates”, “should” or similar expressions.*

*These forward-looking statements involve some risks and uncertainties. Factors that may cause actual results to differ materially from those contemplated by these forward-looking statements include, among other things, the following risks:*

- (i) The business of RF Holdings or businesses that either has been recently acquired, may not be integrated successfully or the integration may be more difficult, time-consuming or costly than expected;*
- (ii) Expected cost savings from the transaction may not be fully realized or realized within the time frame expected;*
- (iii) Revenues following the transaction may be lower than expected;*
- (iv) Operating costs, customer loss and business disruption following the transaction, including, without limitation, difficulties in maintaining relationships with employees, may be greater than expected;*
- (v) Competitive pressures among financial institutions may increase significantly and have an effect on pricing, spending, third-party relationships and revenues;*
- (vi) The strength of the Trinidad & Tobago economy in general and the strength of the local economies in which subsidiaries operate may be different than expected, resulting in, among other things, a deterioration in credit quality or a reduced demand for credit, and a negative effect on the Group’s loan portfolio and allowance for loan losses;*

- (vii) *Changes in the Trinidad & Tobago's legal and regulatory framework and the legal and regulatory frameworks that govern the subsidiaries;*
- (viii) *Unanticipated regulatory or judicial proceedings or rulings throughout the countries in which the Group operates;*
- (ix) *The effects of, and changes in trade, monetary and fiscal policies and laws, including interest rate policies of the Central Bank of Trinidad & Tobago and the other markets in which the Group operates;*
- (x) *Potential or actual litigation;*
- (xi) *Inflation and interest rate, market and monetary fluctuations; and*
- (xii) *Management's assumptions and estimates used in applying critical accounting policies may prove unreliable, inaccurate or not predictive of actual results.*

*Since these forward-looking statements are subject to assumptions and uncertainties, actual results will likely differ materially from those expressed or implied by these forward-looking statements, and the factors that will determine these results are beyond RF Holding's ability to control or predict. You are cautioned not to place undue reliance on these statements, which speak only as of the date of this document.*

*All subsequent written and oral forward-looking statements concerning the transaction or other matters addressed in this document and attributable to RF Holdings or any person acting on its behalf, are expressly qualified in their entirety by the cautionary statements contained or referred to in this document. Except to the extent required by applicable law or regulation, RF Holdings undertakes no obligation to update these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events."*

## **11. BRIEFING**

All planned communications to securities professionals and to investors, such as participation in conferences, speeches, presentations to analysts, industry presentations, meetings and written announcements or other written or oral communications, regarding the Group or its securities should, to the extent practicable, be reviewed in advance of their use by an Authorized Spokesperson other than the Authorized Spokesperson delivering the material .

## **12. UNINTENTIONAL SELECTIVE DISCLOSURES**

Selective disclosure occurs when Senior Officers of RF Holdings or others disclose material non-public information regarding the Group or its securities to securities market professionals or investors before the information is made available to the public.

In the event there has been an unintentional disclosure of material non-public information, RF Holdings shall promptly make a public disclosure of such information. Generally, the accepted method will be by publishing the information in **at least two (2)** daily newspapers, and subsequently uploading same on the RF Holdings website.

The information will be considered promptly disclosed if RF Holdings publicly releases the information as soon as is reasonably practicable, but not later than either (i) 24 hours after discovery of the non-intentional disclosure or (ii) prior to commencement of the next day's trading on the relevant Stock Exchanges.

### **13. PROCEDURES FOR RESPONDING TO MARKET RUMOURS**

It is the general practice of RF Holdings and its subsidiaries not to comment on market rumours or speculation, particularly where it is clear that it is not information from the Group that is the source or basis of the market rumour. The Authorized Spokesperson will respond consistently to market rumours, saying, "It is our policy not to comment on market rumours or speculation."

RF Holdings and its subsidiaries acknowledge that from time to time, they may be requested by the securities bodies or the relevant Stock Exchanges to make a definitive statement in response to a market rumour that is causing significant volatility in the Group's stock, and RF Holdings or the relevant subsidiary will cooperate with this request and will issue the statement after it has been approved by the President and Executive Directors of RF Holdings or the Managing Director of the subsidiary.

### **14. KEEPING OF DISCLOSURE RECORDS**

The Marketing & Communications Department for RF Holdings shall maintain comprehensive records containing all public information about the Group in accordance with the Group's Document Retention Policies.

The records are to include, for e.g. news releases, brokerage research and analyst reports, other Republic reports in the press and details of debriefings following analyst contacts. This will assist Republic in identifying information already in the public domain and determining what type of information the market might consider to be price-sensitive.

### **15. INSIDER TRADING & TRADING RESTRICTIONS**

Insider Trading is the improper trading in securities on the basis of price sensitive information that is not generally available to others.

For the purposes of this Policy, an Insider would be considered a person who would be privy to price-sensitive information before it is generally available to others (public) and includes all directors and may include any of the following persons-:

- (i) Senior Officers as listed in Section 1 - Interpretation,
- (ii) any other Officer of employee deemed by Senior Management to be an Insider,
- (iii) owners of or individuals or companies exercising control or direction over 10% or more of the equity share capital of any subsidiary within the Group; and
- (iv) their relatives.

In any event, it is the practice that Senior Management gives notice to any such person deemed to be an Insider through the office of the Corporate Secretary.

For clarification, before information can be considered to be generally available, a reasonable period of time must have elapsed after the information was first made public with the Group's shareholders and the investing public being afforded the time to receive the information and act upon it.

As a standard rule, if an Insider has actual or imputed knowledge about securities that is price-sensitive and is not generally available then they must not:-

- (i) buy or sell those securities;
- (ii) recommend or suggest to others that they buy or sell those securities;
- (iii) communicate the information to another person he/she knows would be likely to use the information to buy or sell securities.

Insiders therefore should not engage in any transactions until at least one full business day after the material information has been released and RF Holdings has developed black-out periods in respect of which Insiders and their connected persons are prevented from trading in the Group's securities.

The **prohibited period** for Insiders to trade in securities of RF Holdings is related to the announcement of its financial results and includes the following months:-

- (i) January;
- (ii) April;
- (iii) July;
- (iv) September;
- (v) October; and
- (vi) First two (2) weeks of November

Furthermore, an Insider, before dealing in the securities of the Group, must first notify the Chairman or Corporate Secretary of the relevant Board and receive acknowledgment and approval of the request. In his own case, the Chairman should notify the Board or alternatively notify the other Director(s) appointed for that purpose and receive their acknowledgment and approval. As for the Corporate Secretary, he/she should advise the President or Managing Director or the Chairman of the Board of RF Holdings or the Board of the subsidiary, as the case may be, and receive their acknowledgment and approval.

There must be a written record maintained by the Corporate Secretary of RF Holdings or the subsidiary that the appropriate notification was given and acknowledged. Furthermore, all trades conducted by Insiders are to be reported at Board meetings by the Corporate Secretary.

In the event Insiders are uncertain as to whether the transaction contemplated is permissible, he/she should seek the advice of the Chairman, President, Managing Director, Executive Director or Corporate Secretary of RF Holdings or the relevant subsidiary.

## **16. MAINTAINING CONFIDENTIALITY OF CUSTOMER INFORMATION**

Safeguarding customer information is critical to maintaining customer confidence and ultimately the Group's success. The Group is committed to maintaining confidentiality of customer's information and

Directors, Senior Officers and employees are bound by the Group's "Ethics & Operating Principles" and in particular, the "Declaration of Compliance and Confidentiality".

Furthermore, in the jurisdictions in which the Group operates, legislation exists which imposes a duty on the Group and employees alike, not to disclose the business or affairs of the customer, except in certain circumstances, namely:-

1. The disclosure is required under compulsion of law;
2. There is a duty to the public to disclose;
3. The interest of the licensee requires disclosure; and
4. The customer expressly or impliedly consents to the disclosure

Legislation has also imposed hefty fines against the **person** that breaches the confidentiality provisions imposed on financial institutions. For example, in Trinidad & Tobago, on summary conviction, the fine against a person who discloses customer information is six hundred thousand (\$600,000.00) and/or imprisonment for two (2) years.

No Director, Officer or employee of the Group shall disclose any information relating to the customer and in the event there is a view that one of the exceptions listed above has arisen, the matter should be referred immediately to the Corporate Secretary or Legal Department for guidance.

In the event it is discovered that Directors, Senior Officers and other employees have violated this disclosure policy and/or the law, that individual may face disciplinary action up to and including termination of his or her appointment or employment and will be subject to the punishment under law. Furthermore, the Group will disclose any disclosure violations to the securities bodies.

### **GENERAL COMMENTS**

This Policy has been approved by the Board of Directors of RF Holdings Limited

on the \_\_\_\_\_ day of \_\_\_\_\_, 2016 and will be reviewed periodically.