

Republic Financial Holdings Limited (RFHL) Offer to Shareholders of Republic Bank (Grenada) Limited FAQs

1.

What is the Offer?
Republic Financial Holdings Limited (RFHL) owns 51% of Republic Bank (Grenada) Limited (RBGL). RFHL has proposed to acquire the outstanding 49% of the shares of RBGL, at a price of EC\$45 per share.
2.

Why would RFHL wish to acquire 100% of RBGL at this time?
The Republic Group has always had the vision to be the Caribbean financial group of choice, and the preferred structure is to be 100% owner of our subsidiaries, once it is feasible and possible to do so (e.g. Barbados, Suriname). This Offer to RBGL's shareholders is a significant investment and reflects our continued commitment and confidence in the Grenada economy. It is also indicative of our continued focus on growth and expansion within the region.
3.

How will the Offer be made?
Offer and Take-Over Bid Circulars were mailed out to all shareholders on May 9th, 2016. The Offer will open on May 11th, 2016 and close on June 10th, 2016.
4.

How does the shareholder take up the Offer?
Every shareholder of RBGL will receive an Offer & Take-Over Circular, which will give information regarding the Offer by RFHL and set out the procedure for accepting the offer.
To accept the Offer, the shareholder should complete and sign the Form of Acceptance located on pages 41-43 of the Offer document, in accordance with the instructions.

The shareholder can take it in to one of the following six Republic Bank (Grenada) locations on the drop off dates, as follows:

Branch	Date	Time
St. George's, Melville Street	Monday to Thursday Friday	8:00-2:00 8:00-4:00
Republic House (Grand Anse)	Monday to Thursday Friday	8:00-2:00 8:00-4:00
Grenville	Monday to Thursday Friday	8:00-2:00 8:00-4:00
Carriacou	Tuesday May 17 Tuesday May 24 Tuesday May 31	8:00-2:00 8:00-2:00 8:00-2:00
Gouyave	Tuesday May 17 Tuesday May 24 Tuesday May 31	8:00-2:00 8:00-2:00 8:00-2:00
Sauteurs	Wednesday May 18 Wednesday May 25 Wednesday June 1	8:00-2:00 8:00-2:00 8:00-2:00

At the branch, a collection point for the dropping off of the Offer and a designated information desk to assist shareholders will be made available by ECFH Global Investment Solutions Limited (ECFH), the Lead Broker.

The Offer will be open for 31 days and must be received by **3:00 P.M. on June 10th, 2016.**

5.

What does the shareholder need to bring?
Every shareholder, on deposit of the forms at the collection points, is required to show one form of government ID (ID card / Driver's Permit / Passport).
6.

Will customers of RBGL be affected by this change?
There will be no impact on the banking operations of RBGL. It will be business as usual at the Bank.
7.

Will there be any new branches?
No. There are no plans for the addition of new branches.
8.

Will customer accounts at RBGL be affected?
No. All deposit accounts, including saving accounts, chequing accounts and certificates of deposits, will not be affected by the share purchase. In addition, credit cards and debit cards will not be impacted by the change. All accounts will continue to be held at RBGL.
9.

Will customer loans and mortgages be impacted?
Loans and mortgages will not be affected. The share purchase will not affect banking business. All payment amounts and due dates shall remain unchanged.
10.

Will there be any impact on the social programmes undertaken by the Bank, under its “Power to Make A Difference” programme?
There will be no impact on the social programmes undertaken by the Bank, under its “Power to Make A Difference” programme.
11.

Will the name of the Bank be changed?
No. The name of the Bank will remain the same.
12.

Will there be any impact on RBGL staff?
No. This share purchase will have no impact on staff of RBGL.
13.

Would the RBGL shareholder be entitled to any final dividend declared and paid by RBGL for 2016?
Dividends are paid to shareholders who are still on the register of shareholders as at the record date, which is 30 days before payment date. No dividends were declared for the half-year ended March 31, 2016. It is expected that this transaction will close before the next dividend declaration date.
14.

Does RFHL plan to offer any investment instruments into which RBGL shareholders can channel their cash from the sale of the shares, such as a bond with an attractive rate of interest?
RFHL already offers a secure and stable environment for deposits and an array of deposit investment instruments. There is no special investment instrument being offered specifically to RBGL shareholders. Should any shareholder who receives their consideration be interested in investing in RFHL shares, they can call the ECFH Global Investments Solutions Limited information hotline number at (473) 435-2047, during the Offer period. Alternatively, they can call the ECFH at (758) 457-7233 where they can speak to a registered broker who will be happy to assist in this regard.
15.

Is there full agreement by the RBGL board with this planned acquisition?
The RBGL Board will be issuing its own statement on the planned acquisition by May 23rd, 2016.
16.

What happens if the shareholder doesn’t take up the Offer?
If the Offer is accepted by 90% of the shareholders, then RBGL intends to exercise its rights to acquire the shares held by the remaining 10%. This is in accordance with the relevant provisions of the Companies Act Cap. 58A that exists under the laws of Grenada.
17.

If the shareholder accepts the Offer, will the payment be taxed?
RFHL encourages shareholders to seek their own independent tax advice.
18.

When will the shareholder receive payment?
Shareholders will receive payment thirty-one (31) days after the Offer closes.
19.

Do you have approvals from the Grenada regulators at this time?
Yes. RFHL has the approval of the Eastern Caribbean Securities Regulatory Commission and the Eastern Caribbean Central Bank.
20.

Are approvals from the Trinidad and Tobago regulators required and if so, have they been obtained?
RFHL has obtained the approval of the Central Bank of Trinidad and Tobago and the Trinidad and Tobago Securities and Exchange Commission. Further, RFHL also notified the Trinidad and Tobago Stock Exchange of its intention to make the Offer.
21.

What has been the return on investment of RBGL shares in the last three years?
In Local Currency, the three-year return was -12.38% (negative twelve point thirty-eight percent), factoring in the dividends and capital depreciation.
22.

What was the last dividend paid to RBGL's shareholders?
EC\$1.00 was paid for the Fiscal Year 2015.
23.

What is the projected value of the remaining shares RFHL is seeking to purchase?
The purchase of the shares is estimated to cost about EC\$33,090,750.00 or US\$12,255,833.33.
24.

Will RFHL list on the Eastern Caribbean Securities Exchange?
At this time, RFHL does not intend to list shares on the Eastern Caribbean Securities Exchange.
25.

Whom can I contact for additional information about this Offer?
Shareholders can contact a representative of ECFH Global Investments Solutions Limited at (473) 435-2047.
26.

If shareholders reside outside of Grenada, how can they accept the offer?
Shareholders outside of Grenada can mail their Forms of Acceptance, completed according to the instructions, to one of the following:

a) ECFH Global Investment Solutions Limited
Maurice Bishop Highway
Grand Anse
St. George
Grenada

b) Any branch of Republic Bank (Grenada) Limited

c) Republic Bank (Grenada) Limited
Republic House
Maurice Bishop Highway
Grand Anse
St. George
Grenada