

**GOVERNMENT ESTABLISHES NEW INDIGENOUS BANK;  
BANK OF GHANA REVOKES LICENCES OF FIVE BANKS AND APPOINTS  
RECEIVER IN RESPECT OF THEIR ASSETS AND LIABILITIES**

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**FREQUENTLY ASKED QUESTIONS**

**Q. What has happened to uniBank Ghana Limited, The Royal Bank Limited, Beige Bank Limited, Sovereign Bank Limited, and Construction Bank Limited?**

A. The Bank of Ghana has revoked the banking licenses of these five banks and has appointed a Receiver over their assets and liabilities. Deposits and selected assets and liabilities of these banks have been acquired and assumed by a new bank – Consolidated Bank Ghana Limited. All deposits of the five banks are safe and have been transferred to the Consolidated Bank. Customers can carry out their business as usual at their respective banks which will now become branches of Consolidated Bank. All staff of these banks will become staff of Consolidated Bank. Boards of Directors and shareholders of these banks no longer have any roles.

**Q. Who is the Receiver?**

Mr. Nii Amanor Dodoo of KPMG has been appointed by the Bank of Ghana as the Receiver of the five banks to take control and possession of their assets and liabilities.

**Q. What happens to the old shareholders of the banks?**

A. The shareholders will only be entitled to any remaining assets of their respective banks after all creditors left in the receivership have been settled by the receiver.

**Q. Who are the shareholders of Consolidated Bank Ghana Limited?**

A. The Government of Ghana is 100% shareholder of the bank.

**Q. Why did Government decide to establish a new bank for this purpose?**

A. The Banks and Specialised Deposit-Taking Institutions Act of 2016 (Act 930) allows the Government to establish a bridge bank for the purpose of acquiring some or all of the assets and liabilities of a failed bank, if necessary, to maintain financial stability. The Government's decision to establish Consolidated Bank is in the best interest of

depositors and the financial system as a whole. It ensures that deposits and other systemic liabilities are transferred to a clean bank to allow depositors and other customers continue to have access to critical banking services. It also ensures that the banking sector maintains a strong indigenous Ghanaian presence.

**Q. What does this step mean for the official administration under which uniBank was put some months ago?**

**A.** The official administration has been terminated. Based on the report of the official administrator, the Bank of Ghana has determined that uniBank cannot be rehabilitated. The Bank of Ghana has therefore revoked uniBank's universal banking licence.

**Q. Does this mean that all the banks are now owned and managed by the newly-created bank?**

**A.** Consolidated Bank Ghana Limited has assumed selected assets and liabilities of the five banks.

**Q. What will happen to the assets and liabilities not transferred to Consolidated Bank?**

**A.** All deposits and other key liabilities have been transferred to Consolidated Bank. A few assets that are considered good have also been transferred to Consolidated Bank. Bad assets not assumed by Consolidated Bank will be managed by the Receiver and realized to pay liabilities and transferred to Consolidated Bank.

**Q. Does Government of Ghana intend to own Consolidated Bank Ghana Limited forever?**

**A.** The Government of Ghana intends to offload its shares in Consolidated Bank Ghana Limited within a period of two years. The Government intends to give ordinary Ghanaians the opportunity to acquire these shares.

**Q. Why has the Bank of Ghana decided to revoke the licences of uniBank, Royal Bank, Construction Bank, Sovereign Bank, and Beige Bank?**

**A.** uniBank, Royal Bank, and Beige Bank were deeply insolvent, meaning that their liabilities exceeded their assets, putting them in a position not to be able to meet their obligations as and when they fell due. Construction Bank and Sovereign Bank obtained

their banking licences by false pretences through the use of suspicious and non-existent capital, which has resulted in a situation where their reported capital is inaccessible to them for their operations. To protect depositors and other customers and the financial system as a whole, the Bank of Ghana has revoked the licenses of uniBank, Royal Bank, Beige Bank, and Sovereign Bank, and Construction Bank.

**Q. Why is Construction Bank Limited part of the pack for receivership when it has announced in the media that it is surrendering its licence and has indeed applied to the Bank of Ghana to voluntarily wind up?**

**A.** Voluntary Winding Up is not the appropriate resolution mechanism for Construction Bank given its financial condition. Under Act 930, a bank can only surrender its licence upon revocation of same. Surrender of licence per se is not an option for the discontinuance of banking business.

**Q. Would it have been possible to find another solution other than revoking the licences of the five banks?**

**A.** The Bank of Ghana decided to revoke their licences after determining there were no other feasible options in line with the relevant law.

**Q. Will any depositors lose their funds?**

**A.** No. All deposits are safe. Depositors of these four banks will now become customers of Consolidated Bank. All depositors will have access to the full amount of their deposit accounts, and will be able to access their accounts and all their normal banking transactions at the various branches and ATMs of the five banks now under the ownership and control of Consolidated Bank.

**Q. What will happen to borrowers (loan customers) of the banks?**

**A.** Borrowers of the five banks are required to comply with all the terms of the loans or advances they obtained from their respective banks. They are to service them in line with instructions to be received from the Receiver and/or Consolidated Bank.

**Q. Must I continue making loan payments?**

**A.** Yes. Your loan agreement is a legally binding contract and you must continue to make payments as required under the repayment schedule.

**Q. When and where will deposits be paid?**

**A.** Deposits will be available at all the uniBank, Royal Bank, Sovereign Bank, Construction Bank, and Beige Bank branch locations which will be rebranded as Consolidated Bank locations.

**Q. Will all branch facilities be opened for payment?**

**A.** Yes. All of uniBank, Royal Bank, Construction Bank, Sovereign Bank, and Beige Bank branches and head offices will be opened as branches of Consolidated Bank. Depositors can continue banking operations as normal and conduct business at these locations.

**Q. What will happen to employees of uniBank, Royal Bank, Construction Bank, Sovereign Bank, and Beige Bank?**

**A.** All staff of these banks will become staff of the Consolidated Bank.