

BANK OF GHANA



MERGERS AND ACQUISITIONS DIRECTIVE

*FOR BANKS AND SPECIALISED DEPOSIT-TAKING INSTITUTIONS REGULATED UNDER THE
BANKS AND SPECIALISED DEPOSIT-TAKING INSTITUTIONS ACT, 2016 (ACT 930)*

Prepared by the Bank of Ghana

AUGUST 2021

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PART I - PRELIMINARY

Title

1. This Directive shall be cited as the **Mergers and Acquisitions Directive, 2021**.

Application

2. This Directive is issued under the powers conferred by Sections 54(4) and 92(1) of the Banks & Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and shall apply to Regulated Financial Institutions licensed or registered under Act 930. Subject to Section 4 of the Companies Act, 2019 (Act 992); this Directive shall be construed together with the relevant provisions of Act 992.

Exemption

3. Certain aspects of this Directive shall not apply to mergers, sales or restructurings emanating from a resolution as prescribed under Section 117 of Act 930, as the Bank of Ghana may determine.

Interpretation

4. In this Directive, unless the context otherwise requires, words used have the same meaning as that assigned to them in the applicable law or as follows:
 - (a) **“Acquirer”** means a body corporate that intends to acquire all or significant shares or assets of a Regulated Financial Institution.
 - (b) **“Acquisition”** means the purchase or take-over, by an acquirer, of a Regulated Financial Institution which gives the acquirer control in that Regulated Financial Institution.
 - (c) **“Act 930”** means the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

- (d) **“Combined Entity”** means the bank, specialised deposit-taking institution or financial holding company that emerges out of a merger or acquisition process.
- (e) **“Control”** means a relationship where a person or a group of persons acting in concert, directly or indirectly:
- (i) owns 25 percent or more of the voting shares of a person;
 - (ii) has the power to appoint or remove the majority of the Board of Directors of the person;
 - (iii) has the ability to exert a significant influence on the management or policies of a person; or
 - (iv) has the ability to direct the activities of the person so as to affect the financial returns on any investment made with the person.
- (f) **“Merger”** means the fusion or amalgamation of two or more Regulated Financial Institutions.
- (g) **“Person”** includes an individual, a company, a partnership, an association, and any other group of persons acting in concert, whether incorporated or not.
- (h) **“Parties”** means institutions involved in the merger or acquisition process.
- (i) **“Regulated Financial Institutions”** means an institution, regulated under the Banks & Specialised Deposit-Taking Institutions Act, 2016 (Act 930).
- (j) **“Significant Shareholder”** means a shareholder who has a direct or indirect holding in a Regulated Financial Institution which represents 5% or more of the capital or of the voting rights.
- (k) **“Supervisory Thresholds”** means five, ten, twenty, thirty, fifty or seventy-five percent of equity.

- (l) **“Target Institution”** means a Regulated Financial Institution whose shares or assets are to be acquired through a merger or acquisition agreement.

Objectives

5. The objectives of this Directive are to :

- a) operationalise relevant sections of Act 930 pertaining to mergers and acquisitions by providing guidance on the processes and procedures for evaluating applications for mergers and acquisitions and the required information, documents or agreements to be submitted to the Bank of Ghana;
- b) set minimum conditions that must be fulfilled by the Parties to the proposed merger or acquisition;
- c) prescribe post-merger and post-acquisition requirements for the Regulated Financial Institutions;
- d) ensure that the interest of a Regulated Financial Institution and its depositors as well as its creditors will not otherwise be threatened by a change in significant shareholding or control in that Regulated Financial Institution; and
- e) ensure that the merger and/or acquisition does not adversely affect competition and the stability of the financial system.

PART II - RELEVANT LEGAL PROVISIONS

Transfer of Shares Affecting Significant Shareholdings

6. Under section 49 (2) of Act 930 -

Despite any other enactment, a person shall not without the prior approval in writing of the Bank of Ghana:

- (a) directly or indirectly, alone or in concert with one or more other persons, acquire shares in a bank, specialised deposit-taking institution or financial holding company which together with any existing direct or indirect holdings of that person, constitute a significant shareholding;
- (b) directly or indirectly, alone or in concert with one or more other persons, increase the ownership interest of that person in a bank or specialised deposit-taking institution or financial holding company if the aggregate ownership interest of that person after the increase would exceed one of the supervisory thresholds;
- (c) directly or indirectly, alone or in concert with one or more other persons sell or dispose of shares in the bank, specialised deposit-taking institution or financial holding company to any other person if as a result of the transaction, the shareholding will fall below one of the supervisory thresholds or cease to be significant in the case of a person who has a significant shareholding in a bank, specialised deposit-taking institution or financial holding company; or
- (d) enter into an agreement or arrangement which will result in a change in the control of a financial holding company.

Disapproval of Transfer of Shares

6.1 Section 50 of Act 930 provides that –

The Bank of Ghana may disapprove a proposed transfer of shares in the interest of sound and prudent management of a bank or specialised deposit-taking institution and the functioning and stability of the overall financial system by preventing:

- (a) the acquisition of shares by a person who, in the opinion of the Bank of Ghana, would not be a fit and proper person or who may exercise influence to the detriment of that bank or specialised deposit-taking institution,
- (b) the sale or disposal of shares by a promoter, Director or a person who has a controlling interest which may be detrimental to that bank or specialised deposit-taking institution, or
- (c) a transaction in any other situation in which the Bank of Ghana has reason to believe that the transaction may be detrimental to that bank or specialised deposit-taking institution.

Sale of Business, Mergers, Amalgamations and Reconstructions

6.2 Under Section 52 (1) of Act 930

A person shall not enter into an agreement or arrangement

- (a) for the sale, disposal or transfer of the whole or a part of the business of a bank, specialised deposit-taking institution or financial holding company;
- (b) for the amalgamation or merger of a bank, specialised deposit –taking institution or financial holding company with any bank, specialised deposit-taking institution or financial holding company or any other institution; or
- (c) for the reconstruction of a bank, specialised deposit taking institution or financial holding company,

unless the Parties to the agreement or arrangement have submitted an application on the proposed agreement or arrangement and all other relevant information and documents for the approval of the Bank of Ghana.

6.3 The Bank of Ghana shall communicate its decision on an application under Section 52(1) of Act 930 within six (6) months from the date of receipt of complete information.

Consideration of Application

6.4 Under Section 53 of Act 930

- a) For the purpose of Sections 49 and 52 of Act 930, the Bank of Ghana may in writing require an applicant or a person who is a Director, Key Management Personnel or financial holding company of an applicant to provide additional information or documents.
- b) On receipt of the application and any other information and documents in accordance with Section 53(1) of Act 930, the Bank of Ghana may consider the application and refuse or approve the application in accordance with Sections 50 or 52 of Act 930.
- c) An approval granted by the Bank of Ghana is subject to modifications, variations or conditions that the Bank of Ghana may prescribe

Review of Applications for Approval of Sale of Business, Mergers, Amalgamations, or Reconstructions

6.5 Under Section 54 of Act 930

- a) For the purpose of reviewing an application for approval submitted under Section 52 of Act 930, the Bank of Ghana shall take into consideration
 - i. the financial and managerial resources and future prospects of the existing and proposed institution, or the surviving or acquired institutions,
 - ii. the effect of the proposed transaction on competition,

- iii. the convenience and needs of the community to be served,
 - iv. the risk to the stability of the banking or financial system, and
 - v. the effectiveness of the existing bank or specialised deposit-taking institution involved in the proposed transaction in combating money laundering and terrorist financing activities.
- b) A transaction involving a foreign bank shall not be approved unless the home supervisor of the foreign bank indicates that it has no objection to the transaction.
- c) A proposed transaction that has the effect to substantially lessen competition shall not be approved unless the Bank of Ghana finds that the anti-competitive effects of the proposed transaction are clearly out-weighted in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.
- d) The Bank of Ghana may, by directive, specify the procedure for processing applications made under Sections 52 and 54 of Act 930 and the factors that the Bank of Ghana will consider in making a determination.
- e) Despite any procedure required under Act 992 for completion of a merger or other transactions described in Sections 52 of Act 930, a merger or transaction involving a bank or specialised deposit-taking institution shall not take effect unless the Bank of Ghana approves the merger or transaction under this Directive.
- f) In the case of listed banks or SDIs, a person who acquires shares of a bank or specialised deposit-taking institution in connection with a takeover, merger or amalgamation of a bank or specialised deposit-taking institution shall meet the requirements of this Directive before applying for a review and approval of the takeover, merger or amalgamation under the Securities Industry Act, 2016 (Act 929).

PART III - SPECIFIC REQUIREMENTS

Register of Shares

7. Parties seeking to undertake a merger or acquisition shall provide the Bank of Ghana with a shareholder's list (including ultimate beneficiary owners of all its shares, indicating shareholders' names, addresses, nationality, number of shares held, percentage of ownership held, class and type of shares held and the group to which the shareholders belong) as set out in Appendix I (Shareholders' List) as at the end of June and December of each year and not later than thirty (30) days after the reference date in line with Section 49(1) of Act 930.
8. Where the list of shareholders includes institutional investors, a list of beneficiary and ultimate beneficiary owners shall be attached to Appendix I (Shareholders' List).

General Criteria for Merger /Acquisition Approval

9. The Bank of Ghana may approve a merger or acquisition if it is satisfied that a proposed merger or acquisition arrangement:
 - a) shall be for the benefit of the stability of the financial system as a whole;
 - b) shall not be detrimental to the interest of the depositors and other creditors;
 - c) enables only fit and proper persons, as prescribed by the Fit and Proper Persons' Directive, 2019 to own and manage the Combined Entity;
 - d) shall facilitate effective supervision of the Combined Entity on solo and on consolidated basis (where applicable);
 - e) is in compliance with all regulatory requirements under the Securities Industries Act, 2016 (Act 929) where any of the Parties involved is/are listed on the Ghana Stock Exchange;
 - f) is in compliance with all applicable regulatory and other prudential requirements/norms of the Bank of Ghana;

- g) has by special resolution been approved by shareholders of the Parties involved in the arrangement to engage in the transaction;
- h) satisfy on an on-going basis, the regulatory minimum capital and liquidity requirements as prescribed by the Bank of Ghana;
- i) has its underlying consideration anchored on a cash basis or share to share exchange or a combination of both. Differed consideration is prohibited;
- j) has been agreed by all Parties that any claims or assumptions of liabilities, including contingent liabilities revealed by the legal and financial due diligence report on the Parties shall be honoured by the Combined Entity;
- k) would result in an ownership structure that does not pose ownership concentration risk to depositors and financial stability;
- l) would enhance the Combined Entity's risk management systems, corporate governance practices, promote safe and sound operations and allow for effective supervision of home and host authorities where applicable;
- m) has taken into account the valuation of the underlying assets undertaken by a certified valuer in good standing jointly appointed by the Parties involved;
- n) involving a foreign RFI shall be supported by a no objection letter from the home supervisor of the foreign RFI;
- o) shall not limit or impede the implementation of Prompt Corrective Actions (PCAs) in accordance with Act 930; and
- p) shall meet all requirements under Section 6.5 above and any further requirements prescribed by the Bank of Ghana.

Approval by the Bank of Ghana

10. There shall be a three (3)-stage approach to the application procedure, with two (2) inherent approval stages of an application for a merger or acquisition by a bank or SDI. These are:
 - (a) Pre-Merger/ Acquisition Consent;
 - (b) Provisional Approval; and
 - (c) Final Approval

A. Pre-Merger/Acquisition Consent

11. The Pre-Merger/ Acquisition Consent shall represent the Bank of Ghana's preliminary consent to Parties seeking a merger or acquisition. This consent shall be in the form of a written "No objection" consideration for Parties to commence the merger or acquisition discussions or talks. The "No Objection" is solely to enable Parties proceed with negotiations and begin talks on key aspects of the merger or acquisition.

The "No Objection" consideration obtained by applicants under this Section shall neither be construed as a regulatory approval for Parties to merge nor to consummate any acquisition intent. The "No Objection" consideration process provides an opportunity to the Bank of Ghana and the parties to the arrangement to assess risks and vulnerabilities inherent in their plan and impact on the safety and soundness of the banking system, should the proposed merger or acquisition be concluded.

Pre-Merger/Acquisition Consent Requirements – Specific Criteria

12. Parties to the proposed merger or acquisition shall submit a formal Letter of Intent signed by their respective Board Chairpersons and Managing Directors/Chief Executive Officers to the Bank of Ghana seeking a "No Objection" consideration to commence merger or acquisition discussions.

The Letter of Intent shall include a declaration of the nature and objectives of the merger or acquisition as well as potential synergies inuring from the proposed arrangement.

13. Upon receipt of the Letter of Intent the Bank of Ghana shall, within ten (10) working days, send the applicants a formal letter of acknowledgement.

14. A letter of acknowledgement shall constitute an official notice of receipt and to invite the Parties involved in the transaction to the Bank of Ghana for preliminary discussions on their intent.
15. Sequel to the preliminary discussions, the Bank of Ghana shall send a written letter of "No Objection" or otherwise to the Parties, following which, the Parties shall submit a written application to the Bank of Ghana for consideration.

B. Provisional Approval

16. Upon receipt of the letter of application for the merger or acquisition, the Bank of Ghana shall, within ten (10) working days, send the applicants a formal letter of acknowledgement of the receipt of the application for approval of the transaction.
17. Provisional approval represents the Bank of Ghana's conditional approval of the merger/ acquisition if the Bank of Ghana is satisfied that:
 - a) the provisional approval documentation requirements have been met;
 - b) the Key Management Personnel and Directors of the Combined Entity meet the Fit and Proper assessment criteria under the Fit and Proper Persons Directive, 2019;
 - c) the Combined Entity satisfies capital and liquidity requirements as well as other prudential and regulatory requirements as the Bank of Ghana may determine;
 - d) the Combined Entity has in place a robust risk management system, as well as sound corporate governance framework to enhance safety and soundness of the financial system; and
 - e) the Combined Entity has in place a fairly integrated IT infrastructure capable of meeting all prudential and regulatory reporting as well as the day-to-day operations of deposit-taking business.

Provisional Approval Requirements – Specific Criteria

18. The following documents/ information shall accompany the application letter as stated in Section 16 above:
- (a) A formal application signed by the Board Chairpersons and Managing Directors/Chief Executive Officers of the Parties involved in the proposed merger or acquisition to the Bank of Ghana seeking approval to proceed with the merger or acquisition transaction;
 - (b) A completed application form as provided in Appendix II or III, where applicable;
 - (c) Draft scheme of merger (Refer to Appendix IV);
 - (d) Shareholders' Approval and Board Resolutions by the Parties involved in the merger or acquisition, authorising management to finalise the transaction;
 - (e) A copy of the proposed merger or acquisition agreement (share sale and purchase agreement) and any other related legal documents;
 - (f) Audited Financial Statements of each of the Parties (i.e. merging or acquiring institutions, significant corporate shareholders of the Combined Entity) involved in the merger or acquisition for the last three (3) years;
 - (g) Certified valuation reports on the assets and liabilities by the respective Parties involved and from a jointly appointed certified valuer;
 - (h) Copies of financial and legal due diligence reports conducted by the Parties to the arrangement;
 - (i) A proposed capital plan to support the merger or acquisition, where applicable;
 - (j) In the case of an acquirer incorporated outside Ghana, which is a related company of a foreign bank of international repute, evidence to the effect that the home supervisory authority has no objection to the arrangement;
 - (k) List of proposed Directors and Key Management Personnel, including their designations and curriculum vitae;

- (l) Completed Personality Notes Forms of Directors, Key Management Personnel and Significant Shareholders of the Combined Entity;
 - (m) Due diligence report on Directors and Key Management Personnel;
 - (n) Business Plan - Copy of the report that reflects the legal, technical, economic and financial viability of the merger or acquisition arrangement, including compliance with the existing paid up capital, and liquidity requirements, as well as the proposed risk appetite framework, administrative and organisational structure of the Combined Entity;
 - (o) An assessment of potential synergies envisaged from the merger or acquisition;
 - (p) Five (5) year proforma financial statements for the Combined Entity indicating expected growth and profitability and the details and assumptions underlying the financial projections;
 - (q) Plan for IT system restructuring and integration;
 - (r) Ownership structure of the respective Parties as well as the proposed ownership structure of the Combine Entity;
 - (s) Current duly certified Constitutional documents of each of the Parties to the merger/acquisition;
 - (t) Organisational structure of the respective Parties as well as the proposed organisational structure of the Combined Entity; and
 - (u) The proposed name of the Combined Entity.
19. The Bank of Ghana may in writing grant a provisional approval or otherwise to the merger or acquisition, upon satisfactory review of the above requirements submitted by the applicants. Successful applicants shall have up to six (6) months from the date of issue of the provisional approval letter to comply with the approval conditions as specified
20. The Bank of Ghana may in writing withdraw the provisional approval if the Combined Entity fails to comply with the conditions stated above and/ or if additional information subsequently made available to the Bank of Ghana justifies the withdrawal.

C. Final Approval

21. Subsequent to the granting of the provisional approval by the Bank of Ghana, the proposed Combined Entity shall not engage in deposit-taking business until the conditions precedent to Final Approval has been met, the Final Approval granted and a new banking or SDI licence issued, where applicable, by the Bank of Ghana.

Final Approval Requirements – Specific Criteria

22. The following conditions shall be satisfied by the applicant prior to the issuance of Final Approval by the Bank of Ghana:
 - (a) Plan for upgrading branches, agencies or mobilisation centres to a full bank branch, agency or mobilisation centre status if the transaction involves a bank acquiring an SDI;
 - (b) Lodgement of additional capital (where applicable) in an escrow account in a bank in Ghana, which shall be subject to satisfactory capital verification of sources of funds by the Bank of Ghana;
 - (c) Plan for re-organisation of the branches of the Combined Entity;
 - (d) Rebranding plan for the Combined Entity;
 - (e) Copy of a certified pre-operating account of the Combined Entity;
 - (f) The organisational/cultural (work culture) integration plan of the Combined Entity;
 - (g) Bank of Ghana may undertake an on-site examination of the Combined Entity's place of operations to assess the readiness to undertake the prescribed activities, including deposit-taking and credit underwriting activities. The Bank of Ghana may also assess the adequacy of the information technology infrastructure, outsourcing arrangements, as well as the strength of the internal control and risk management functions put in place.

The Bank of Ghana may choose to meet with the proposed Directors and/ or Key Management Personnel including the Heads of the compliance, internal control and risk management functions;

- (h) Plan for staff rationalisation which must include strategies for staff downsizing (where applicable);
 - (i) Plan to adequately communicate to depositors, creditors, general public and other stakeholders at all stages of the merger/ acquisition;
 - (j) Payment of a licence reissuance fee, as determined by the Bank of Ghana;
 - (k) Composition of the Board, Board Committees and Management Committees of the Combined Entity; and
 - (l) Details and impact analysis of material outsourcing arrangements in place prior to and post-merger/ acquisition.
23. The Bank of Ghana may grant a Final Approval for the merger or acquisition transaction to the applicant upon satisfying all of the above conditions. The Bank of Ghana may, if deemed necessary, grant Final Approval of the merger or acquisition with other (prudential) conditions.
24. Where a Final Approval of a merger has been granted, the Bank of Ghana shall issue a new banking or SDI licence for the Combined Entity. The banking or SDI licences of the merging institutions shall be surrendered to the Bank of Ghana and shall be deemed as cancelled.
25. Where a Final Approval of an acquisition has been granted, a new banking or SDI licence shall only be issued if the acquirer changes its name in accordance with the provisions of Act 930.
26. All banking or SDI licences that are to be surrendered shall be handed over to the Bank of Ghana within ten (10) working days upon receipt of the Final Approval letter for a merger or acquisition.
27. The Directors of each party shall, not less than twenty-eight (28) days before the merger/ acquisition is proposed to take effect:
- (a) Send a copy of the merger/ acquisition proposal to every secured creditor of the institution; and
 - (b) Give public notice of the proposed merger/ acquisition, including a statement that:

- i) copies of the merger/ acquisition proposal are available, at the registered offices of the Parties and at any other place as may be specified during normal business hours, for inspection by a member or creditor of a party or any other person to whom a party owes that obligation; and
- ii) a member or creditor of a party or any other person to whom a party owes an obligation to supply a copy of the merger/ acquisition proposal, is entitled to be supplied, free of charge, with a copy of the merger proposal upon request to a party.

Decision on Application

28. The Bank of Ghana shall, within six (6) weeks in the case of a Pre-Merger/ Acquisition Consent stage, upon receipt of the formal letter of intent, communicate its "No Objection" or otherwise to the applicants.
29. The Bank of Ghana shall, within three (3) months in the case of provisional approval, upon receipt of a complete application, communicate its decision to the applicants in writing.
30. The Bank of Ghana shall, within six (6) months in the case of Final Approval, upon receipt of a complete application, communicate its final decision on the transaction to the applicants in writing.
31. A letter communicating the decision not to grant approval on an application **may** state the grounds upon which the decision was based.

Post-Merger/ Acquisition Requirements

32. The following conditions shall be satisfied by applicants subsequent to the granting of the Final Approval by the Bank of Ghana:
 - (a) Submission of copies of the constitution of the Combined Entity to the Bank of Ghana;
 - (b) Surrender old operating licences of the Parties to the Bank of Ghana for cancellation (where applicable);

- (c) Submission of the Combined Entity's certificate of incorporation to the Bank of Ghana;
- (d) Submission of a copy of the certificate of merger issued by the Registrar of Companies under the Companies Act, 2019 (Act 992);
- (e) Submission of monthly status reports to the Bank of Ghana on Information Technology (IT) systems integration and branding;
- (f) Submission of monthly status reports to the Bank of Ghana on staff rationalisation;
- (g) Submission of monthly status reports to the Bank of Ghana on branch rationalisation (where applicable); and
- (h) Within six (6) months of obtaining the Final Approval to a merger or acquisition, the Bank of Ghana shall conduct an on-site examination to assess the risk profile of the Combined Entity.

PART IV – REMEDIAL MEASURES AND SANCTIONS

Penalties for Non-Compliance

33. Section 55(1) of Act 930 provides as follows –

Where the Bank of Ghana has proof that a person has contravened section 49 or 52 of Act 930, the Bank of Ghana may by order:

- (a) annul the transfer, merger, amalgamation or reconstruction;
- (b) prohibit the exercise of voting rights in respect of the shares;
- (c) prohibit the payment of dividend in respect of the shares; or
- (d) prohibit the issue of 'bonus shares' or 'rights issue' in respect of the shares.

34. An order under subsection 1 of Section 55 of Act 930:

- (a) shall be in writing; and
- (b) is binding on the Parties to the share transfer and the bank or specialised deposit-taking institution concerned.

35. Section 92(8) of Act 930 provides that:

In addition to any penalty provided under the Anti-Money Laundering Act, 2008 (Act 749) a person who contravenes a directive issued under this Section is liable to pay to the Bank of Ghana an administrative penalty of not less than two thousand (2,000) penalty units and not more than ten thousand (10,000) penalty units.

36. Section 92(9) of Act 930 also provides that:

The Bank of Ghana may in addition to the penalty under subsection (8) of Act 930 impose any other penalty or take any remedial action that the Bank of Ghana considers appropriate.

APPENDICES

Appendix I: SHAREHOLDERS' LIST

As at end (June and December)

Name of Financial Institution.....

Due 30 days from reference date

Shareholder's name (beneficial holder)	Class/type of shares	No. of shares held**	Nominal Value	Amount of Shareholding**	% of total shareholding***
*Note: Disclose and list related shareholders together					
					100%
Total shareholdings					

** - include direct or indirect shareholdings

*** - owners of publicly held shares aggregating less than 5% of total shareholdings need not be disclosed separately

Name.....Signature.....Position.....

Date:

Appendix II: APPLICATION FOR CHANGE IN CONTROL, AMALGAMATION OR MERGER OF/OR INVOLVING A FINANCIAL INSTITUTION

(To be submitted in duplicate)

**THE DIRECTOR
BANKING SUPERVISION DEPARTMENT
BANK OF GHANA**

37. We, the undersigned, a natural person/the duly authorized representative of (Hereinafter referred to as the applicants), hereby apply under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) for Bank of Ghana's approval for the amalgamation or merger involving a change in control of a financial institution licensed under Act 930.

Name of the Acquirer:

Name of the Acquiree:

We also attach updated Personality Notes Form (natural persons) and Corporate Information Sheet (corporations) of Directors, Key Management Personnel and significant shareholders of the acquiring/surviving financial institution.

Certification and Undertaking

We, the undersigned.....hereby certify that all the information contained in and accompanying this application is complete and accurate to the best of our knowledge and belief.

We undertake to forthwith notify the Bank of Ghana of any material change(s) in the particulars of this application.

Sworn at..... this.....day of.....202.....

.....
Signature of Applicant (Acquirer)

.....
Signature of Applicant (Acquiree)

The applicants understand the contents of this Declaration.
Before me,

.....

Appendix III: APPLICATION FOR CHANGE IN CONTROL OF A FINANCIAL HOLDING COMPANY

(To be submitted in duplicate)

**THE DIRECTOR
BANKING SUPERVISION DEPARTMENT
BANK OF GHANA**

1. I, the undersigned, a natural person/the duly authorized representative of (hereinafter referred to as the applicant), hereby apply under Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) for Bank of Ghana's approval for a change in control of the holding company ofa financial institution licensed under Act 930

Name of the new controlling shareholder:

2. Brief description of the Sale Agreement:

3. New shareholding structure of the holding company:

4. Updated group structure showing all related companies and % holdings:

5. Updated Corporate Information Sheet for the holding company.

6. Proposed changes in the business profile or organizational set-up of the subsidiary financial institution in Ghana.

Appendix IV: MINIMUM REQUIREMENTS UNDER THE SCHEME OF MERGER

The content of the Scheme of Merger shall include, at a minimum, the following:

- a. Description of Parties;
- b. Background and Rationale for the merger or acquisition;
- c. Definitions and share capital of the Parties;
- d. Amalgamation of the Parties (Transfer and Vesting of Assets and Liabilities, Resolutions);
- e. Date of taking effect of the scheme;
- f. Terms and conditions applicable to the scheme;
- g. Issue of shares and combination of authorised capital;
- h. Profits, dividends, bonus/ right shares
- i. Accounting treatment;
- j. Contracts, Legal proceedings;
- k. Conduct of business by the Parties till effective date of the merger or acquisition;
- l. Employees of the Parties;
- m. Approval of Directors for the Combined Entity;
- n. Validity of existing resolutions;
- o. Approval conditionality of the scheme;
- p. Modifications/ amendments to the scheme
- q. Listing and trading of shares;
- r. Dissolution of Parties;
- s. Effect of non-satisfaction of the conditions; and
- t. Costs and expenses.