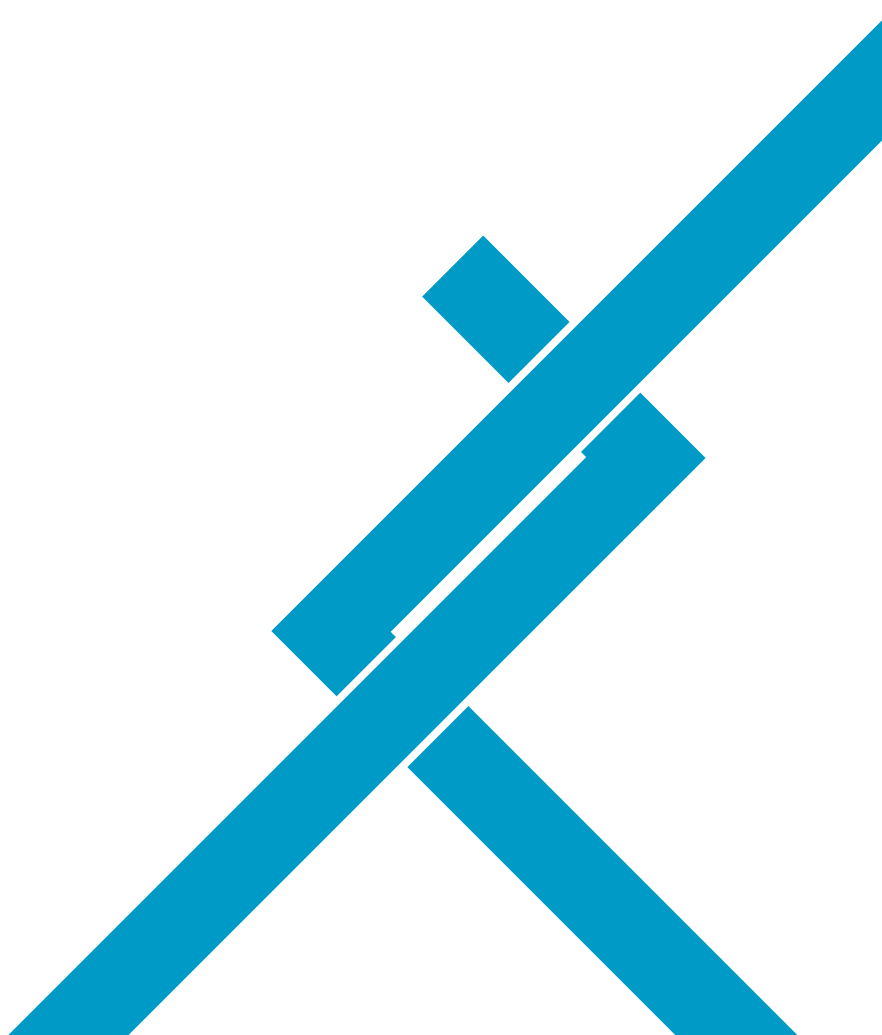




**PROSPECTUS FOR A RIGHTS ISSUE
OF 150,000 ORDINARY SHARES**



PROSPECTUS BY REPUBLIC BANK (GRENADA) LIMITED

A Company incorporated in Grenada under the Companies Act Chapter 47 of the revised Laws of Grenada (1934 Edition) continued under the Companies Act No 35 of 1994 of the Laws of Grenada now contained in Chapter 58A of the Continuous Revised Edition of the Laws of Grenada 2010, for a non-renounceable pro rata Rights Issue of 150,000 Ordinary Shares at an issue price of EC\$45.00 per share on the basis of one (1) new share for every ten (10) existing shares issued at the Record Date of the Offer.

N.B. THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Prospectus contains important information which should be read carefully before making a decision to acquire shares. It contains information to help you make an informed investment decision and to help you understand your rights. It contains information about Republic Bank (Grenada) Limited, as well as the names of persons responsible for its organization and management.

You are encouraged to read this Prospectus in its entirety, prior to making any investment decision and you are advised to retain this Prospectus for future reference.

If you are in any doubt about the contents of this document you should consult a person licensed under the Act who specializes in advising on acquisition of shares and other securities. You should carefully consider your own personal circumstances. This includes considering financial and tax issues. You should also get advice from your solicitor, accountant or other financial adviser.

An application has been made to the Eastern Caribbean Securities Exchange to list the 150,000 New Shares being offered. However, this statement is not to be construed as a guarantee that the shares so offered will be listed.

ALL CORRESPONDENCE OR QUERIES IN CONNECTION WITH THIS DOCUMENT SHOULD BE ADDRESSED TO:

REPUBLIC BANK (GRENADA) LIMITED
REPUBLIC HOUSE
MAURICE BISHOP HIGHWAY
GRAND ANSE
ST. GEORGE'S
GRENADA, WEST INDIES

OR

BANK OF ST. LUCIA LIMITED
1ST FLOOR
WILLIE VOLNEY DRIVE
MASSADE, GROS ISLET
P.O. BOX 1862
CASTRIES
ST. LUCIA

THE ISSUE OF THIS DOCUMENT HAS RECEIVED THE APPROVAL OF THE EASTERN CARIBBEAN SECURITIES REGULATORY COMMISSION

At a meeting of the Board of Directors of Republic Bank (Grenada) Limited (“RBGL”) on 20th October 2016, duly held at its registered office situate at Republic House, Maurice Bishop Highway, Grand Anse, St. George’s, Grenada it was resolved that RBGL issue and offer for subscription one hundred and fifty thousand (150,000) ordinary shares at EC\$45.00 each to its shareholders in the ratio of one (1) new right for every ten (10) shares held as at Record Date as hereinafter defined.

This document contains particulars given in compliance with the Securities Act 2001 and the Securities (Prospectus) Regulations, 2001 and the Listing Requirements of the Securities Market of the Eastern Caribbean Securities Exchange for the purpose of giving information to shareholders with regard to RBGL.

The directors collectively and individually accept full responsibility for the accuracy of the information given and confirm, having made all reasonable enquiries, that to the best of their knowledge. The information contained in the prospectus is in accordance with the facts and the prospectus makes no omission likely to affect the import of the information.

RONALD F. deC HARFORD

KEITH A. JOHNSON

PARASRAM SALICKRAM

LEON D. CHARLES

CHRISTOPHER HUSBANDS

RICHARD LEWIS

LESLIE-ANN SEON

ISABELLE S. V. SLINGER

GRAHAM K. WILLIAMS

KAREN YIP CHUCK

DISCLAIMER

This Prospectus has been prepared and delivered in accordance with the Securities (Prospectus) Regulations 2001 made under the provisions of the Securities Act of Grenada No 23 of 2001. This Prospectus has been filed with the Eastern Caribbean Securities Regulatory Commission, Basseterre, St. Kitts (“the ECSRC”) pursuant to Part VII, section 92(3) of the Securities Act of Grenada No. 23 of 2001 on 19th December 2016 and has been delivered to the Registrar of Corporate Affairs and Intellectual Property Office as required by section 304(1) of the Companies Act Cap 58A of the Continuous Revised Edition of the Laws of Grenada 2010.

The ECSRC accepts no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss whatsoever arising from or reliance upon the whole or any part of the contents of this Prospectus. Prospective investors should not construe the contents of this Prospectus as legal or financial advice. If you are in doubt about the contents of this document or need financial or investment advice you should consult a person licensed under the Securities Act or any other duly qualified corporate advisor who specializes in advising on the acquisition of shares or other securities as to such contents and as to the legal, financial or other matters relevant to the suitability of an investment in the ordinary shares of RBGL

The Prospectus is issued for the purpose of giving information about Republic Bank (Grenada) Limited to its shareholders. The rights issue and listing of shares are made upon the terms and conditions contained in this Prospectus, and no person has been authorized to give any information or to make any representation with regard to RBGL other than through this Prospectus. The Directors of RBGL have collectively and individually accepted full responsibility for the accuracy of the information, including the financials contained in Appendix I and the accounts have been prepared in accordance with the Act. The Directors have made all reasonable enquiries, and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Prospectus misleading.

The information contained in this Prospectus is accurate as at the date of publication of this Prospectus but no representation or warranty is given that there has been no change in the business, results of operation, financial condition or prospects of RBGL since the date of publication of this Prospectus. The Prospectus includes projections based on assumptions for revenues and other financial information, the outcome of which may or may not be realized. While the Directors of RBGL believe that the projections herein are likely to be attained, unforeseen circumstances and or unknown factors may cause the results to vary from such projections. Neither RBGL nor its Directors accept any responsibility in respect of any such unforeseen variations.

The Prospectus was reviewed by Ms. Leslie-Ann Seon, Attorney-at-Law and Notary Public of Seon & Associates, Juris Chambers, Brigade House, Lucas Street, St. George’s, Grenada and Mr. Courtenay Williams, Consultant at Lex Caribbean, 5-7 Sweet Briar Road, St. Clair, Trinidad.

The distribution of this document and/or Provisional Letter of Allotment into any jurisdiction other than Grenada may be restricted by law and therefore persons into whose possession this document and/or any accompanying documents comes should inform themselves about and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of such jurisdictions.

Persons who have a registered address in, or are otherwise resident or located in any country other than Grenada and any persons (including without limitation, nominees, custodians and trustees) who have a contractual or other legal obligation to forward this document or a Provisional Letter of Allotment to a jurisdiction outside Grenada should obtain legal or other advice accordingly as to local requirements.

Any reproduction or distribution of this document, in whole or in part, and any disclosure of its contents or use of any information contained in this document for any purpose other than considering an investment in the Offer is prohibited. By accepting delivery of this document, each Eligible Shareholder agrees to the foregoing.

TABLE OF CONTENTS

1. The Offer	3
2. Terms and Conditions of the Offer	3
3. Republic Bank (Grenada) Limited (“RBGL”) Financial Performance	5
4. Reasons For The Offer And Benefit to RBGL’s Shareholders	7
5. Consideration for the Offer	8
6. Further Terms of the Offer	8
7. Forward Looking Statements	8
8. Additional Information	9
9. Material Changes	10
10. Disclosures	11
11. Further Information	13
12. Risk Factors	14
Appendix I - Audited Financial Statements for the year ended 2016	16
Appendix II - Information Relating to RBGL	24
Appendix III - Offer Details, Subscription and Payment	28
Appendix IV - Provisional Letter of Allotment	29
Appendix V - Form of Acceptance - Form A	31

FORMAL LETTER OF OFFER

DATE: 28th December 2016

TO: The Shareholders of Republic Bank (Grenada) Limited

Dear Investors,

OFFER BY REPUBLIC BANK (GRENADA) LIMITED TO ISSUE ORDINARY SHARES

With the establishment of the new Banking Act and in contemplation of the impending implementation of Basel II and III in accordance with international best practice, financial institutions in Grenada are now required by law to maintain higher capital levels. The Eastern Caribbean Central Bank's directive, through this new legislation, mandates the strengthening of these institutions' capital positions.

Republic Bank (Grenada) Limited has always been focused on being compliant with applicable legislation and directives issued by the regulators to which it is subject. We continue to be dedicated to maintaining and bolstering the financial soundness of the institution and the prescription of this new legislative framework has created an opportunity to enhance our capital reserves for the long term benefit of our shareholders.

Republic Bank (Grenada) Limited is therefore pleased to announce its issuance of 150,000 ordinary shares on the Eastern Caribbean Securities Exchange for subscription by our existing shareholders. Shareholders are now invited through this prospectus to invest in Republic Bank (Grenada) Limited ordinary shares through the offering of one (1) purchase right for every ten (10) shares held as at the Record Date, at a price of EC\$45.00 per right.

The issuance of further shares by Republic Bank (Grenada) Limited on the Eastern Caribbean Securities Exchange is part of its growth strategy and seeks to strengthen the capital base of the Bank by approximately EC\$6.75M.

The details of the Offer are set out in the Prospectus and you are encouraged to read the Prospectus in its entirety before making an investment decision. A summary of risk factors which you should consider is set out in Section 12.

A Provisional Letter of Allotment in respect of your Entitlement to the New Shares is enclosed with this document. If you have sold or otherwise transferred all of your shares in RBGL, please forward this document and the Provisional Letter of Allotment at once to the purchaser or the stockbroker, or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee, except that, such documents should not be sent to any jurisdiction where to do so might constitute a violation of local securities laws or regulations.

If you are in any doubt as to the action you should take, you are recommended to seek your own personal advice from your stockbroker, attorney-at-law, tax advisor, accountant or other professional adviser immediately.

Nothing in this Prospectus is intended to constitute investment, legal, tax, accounting or other professional advice and this Prospectus is for your information only.

On behalf of the Board we thank you for your continued support of RBGL and encourage you to take up your Entitlement under the Offer.

Please read this letter carefully.

DEFINITIONS

CLOSING DATE	24th January 2017
EC\$	Eastern Caribbean Dollars
THE EASTERN CARIBBEAN SECURITIES EXCHANGE OR ECSE	The Eastern Caribbean Securities Exchange
ELIGIBLE SHAREHOLDER	A shareholder of RBGL on the record date
ENTITLEMENT	The number of New Shares an Eligible Shareholder is entitled to under the Offer
EXISTING SHARES	The shares of RBGL recorded on the share register of RBGL and in issue on the Record Date
OFFER PERIOD	The period between the opening date and closing date
THE OFFER	The Offer set out in this Prospectus
OFFER PRICE	EC\$45.00
OPENING DATE	11th January 2017
NEW SHARES	A share offered and issued by RBGL, the terms and conditions of which are set out in this Prospectus
NON-SUBSCRIBED SHARES	Shares that have not been purchased by RBGL shareholders in accordance with their rights
RBGL OR THE BANK	Republic Bank (Grenada) Limited
RBGL SHARES	Ordinary Shares of no par value
RECORD DATE	9th January 2017
REMNANT SHARES	The fractional rights produced as a result of the terms of the offer
PROVISION LETTER OF ALLOTMENT	Document attached as Appendix III
THE REGULATOR	The Eastern Caribbean Securities Regulatory Commission established under the Securities Act, 2001

1. THE OFFER

RBGL hereby issues and makes a non-renounceable offer of 150,000 New Shares to Eligible Shareholders. The New Shares are being offered to Eligible Shareholders by way of a Rights Issue on the following basis and otherwise as set out herein.

RBGL intends to provisionally allot to Eligible Shareholders ordinary shares of no par value for subscription on the basis of one (1) New Share for every ten (10) Existing Shares held by them at the Offer Price provided that fractional entitlements shall be ignored and holders of ordinary shares shall not be entitled to fractional certificates or to payments in lieu of them.

It is important to note that your rights are of value and failure to take up your Entitlement may result in a dilution of your shareholding in RBGL. You are advised to seek professional investment advice on your rights, options and alternatives.

2. TERMS AND CONDITIONS OF THE OFFER

- (a) Shareholders are being offered the exclusive right to purchase one (1) share in RBGL for every ten (10) Existing Shares held in RBGL as at Record Date.

RBGL Shares are to be acquired free from all liens, charges and encumbrances whatsoever and with all rights attaching thereto including the right to all dividends and other distributions declared.

- (b) Remnant Shares and Non-subscribed Shares shall be cancelled by RBGL after the Closing Date.

- (c) Acceptance of your Entitlement - Eligible Shareholders may accept their Entitlement in full or in part by completing and returning the Form of Acceptance (refer to Appendix IV) which accompanies the Prospectus.

Eligible Shareholders acceptance must not exceed the Entitlement as shown on that form.

The number of New Shares to which you are entitled is shown in the accompanying Provisional Letter of Allotment (refer to Appendix III). You may (1) take up all your Entitlement to New Shares; (2) take up part of your Entitlement and allow the balance to lapse; or (3) not take up any of your Entitlement and allow it to lapse.

Full Acceptance - If you wish to take up all of your Entitlement, please return the accompanying Provisional Letter of Allotment and the signed and completed Form of Acceptance in accordance with the stated instructions. Forward these items with a remittance for the full amount payable on acceptance, in accordance with the instructions printed thereon, by hand or by post to RBGL's branch at Republic House, Maurice Bishop Highway, Grand Anse, St. George's, Grenada, so as to arrive no later than 4pm on the Closing Date.

Partial Acceptance - If you wish to take up only part of the New Shares provisionally allotted you must:

Complete the Form of Acceptance for the number of New Shares for which you want to subscribe and forward these forms with a remittance for the full amount payable on acceptance, in accordance with the instructions printed thereon, by hand or by post to RBGL's branch at Republic House, Maurice Bishop Highway, Grand Anse, St. George's, Grenada, so as to arrive no later than 4pm on the Closing Date.

- (d) Entitlements not taken up - If you decide to take up only part of your Entitlement or fail to meet the deadline for submission or not to accept any of your entitlement (as the case may be), your Entitlement will lapse to that extent by 4pm on the Closing Date.
- (e) Method of Payment - All subscription payments must be in Eastern Caribbean Dollars and cheques or banker's drafts should be made payable to Republic Bank (Grenada) Limited no later than 4pm on the Closing Date. Cheques or banker's drafts will be presented for payment upon receipt.

The Directors reserve the right to make presentation of cheques to allow RBGL to obtain value for remittances at the earliest opportunity. It is a condition of the Offer that cheques shall be honoured at first presentation and RBGL may elect not to treat as valid, acceptances in respect of which cheques are not so honoured. RBGL may (in its sole discretion) treat a Provisional Letter of Allotment as valid and binding on the person(s) by whom or on whose behalf it is lodged even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required.

- (f) Rights attaching to the New Shares - the New Shares issued will rank pari passu in all respects with Existing Shares, including the right to all future dividends and other distributions thereafter declared, paid or made.
- (g) Validity and Rejection of Subscriptions of New Shares - RBGL reserves the absolute right to accept any subscription, application form or Provisional Letter of Allotment as valid and binding even if not in the proper form, not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney or by evidence of satisfactory authority where required.

RBGL reserves the absolute right to reject any subscription, application form or Provisional Letter of Allotment as valid and binding even if not in the proper form, not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney or by evidence of satisfactory authority where required, or if the acceptance thereof or the allotment would in the opinion of RBGL be unlawful.

If your subscription or Form of Acceptance is not accepted in whole or is accepted in part only, the application moneys, as the case may be, the balance of the amount paid on application, will be returned without interest in the currency of subscription by returning your cheque or by crossed cheque in favour of the person entitled thereto. All cheques will be sent by post at the risk of the person entitled thereto. In the meantime, monies will be retained by the authorized broker in a separate account.

- (h) Dividend Policy - RBGL's dividend policy prescribes that dividends will only be paid if capital ratios and performance objectives are met. Once these ratios and performance factors are satisfied, the Board of Directors may in its discretion declare a dividend.
- (i) Voting Rights - The voting rights afforded to Eligible Shareholders by the purchase of New Shares will be the same as that held by other Shareholders of Ordinary Shares.
- (j) Transferability - New Shares shall be available only to Eligible Shareholders during the Offer Period after which Shareholders shall have the ability to sell the New Shares on the ECSE.
- (k) The approximate expenses for this Offer are EC\$177,225.00
- (l) While there are no intentions to wind up RBGL, all Shareholders of RBGL shall be accorded the same rights as provided for under the Companies Act and the Bankruptcy and Insolvency Act of the laws of Grenada."

3. REPUBLIC BANK (GRENADA) LIMITED (“RBGL”) FINANCIAL PERFORMANCE

History

The National Commercial Bank of Grenada Limited (“NCB”) was incorporated under the Companies Act of Grenada on 12th October 1979 with the first branch opening in Grenville. A year later the Head Office would be relocated to St. George’s.

In July 1992, the Trinidad and Tobago based financial institution, Republic Bank Limited bought 51% of shares in NCB from the Government of Grenada, and in April 2006 the name of the Bank was changed to Republic Bank (Grenada) Limited.

In June 2016, Republic Financial Holdings Limited (now the parent company of Republic Bank Limited and RBGL) acquired an additional two hundred and eighty-five thousand and forty-two (285,042) shares in RBGL, increasing its shareholding by nineteen per cent (19%), with its total shareholding now standing at seventy four point four per cent (74.4%).

RBGL is led by Managing Director, Keith A Johnson, and a team of experienced Managers, supported by over 200 employees. RBGL provides banking services in six branches around the tri-island state of Grenada, Carriacou and Petite Martinique. RBGL has grown its asset base to over EC\$840 million from the EC\$1 million in 1979, when NCB was incorporated.

The Operating Environment

Grenada achieved economic growth of 4.6% in 2015, with an unemployment rate of approximately 30%. The deflationary trend continued with prices falling by 1.3%.

The island’s tourist arrivals remained strong in 2016 with an estimated 10.3% increase in arrivals in the first half of this year, with visitors from the United States, the country’s largest source market growing by 44%.

The Government achieved 3% fiscal surplus in the first half of 2016. As restructuring efforts continue, Grenada’s debt-to-GDP ratio declined to 85% by June 2016.

Although economic growth is recorded, RBGL continued to experience low loan demand, high excess liquidity and declining yields. Non-performing loans, while reducing, are still in excess of the Eastern Caribbean Central Bank’s requirement of 5%. Despite these challenges, RBGL recorded an improvement on its 2015 financial performance.

SUMMARY OF REPUBLIC BANK (GRENADA) LIMITED OPERATIONS

All figures in EC\$M

	2016	2015	CHANGE	% CHANGE
Operating Profit				
Core profit before taxation and provisioning	8.239	7.431	0.808	10.88
Provision for loan losses	2.414	3.466	-1.052	-30.35
Profit before taxation	5.825	3.965	1.86	46.89
Profit after taxation	5.464	3.353	2.111	62.95
Balance Sheet				
Total assets	886.156	844.924	41.232	4.88
Total advances	468.508	476.924	-8.416	-1.77
Total deposits	769.232	728.603	40.629	5.58
Shareholders' equity	97.858	93.198	4.66	5

STATEMENT OF INCOME REVIEW

Financial Summary

For the year ending 30th September 2016, RBGL recorded profit after tax of \$5.464 million, which is an increase of \$2.111 million from the \$3.353 million recorded in fiscal 2015. This improvement was the result of the reduction in interest expense of \$2.332 million due to the reduction of the minimum savings interest rate from 3% to 2% effective May 2015, a gain of \$2.410 million on the recognition of the Government of Grenada restructured bonds, and a reduction in loan impairment expenses of \$1.05 million. However, these gains were partly offset by an increase in staff costs by \$1.411 million and further impairment expense of \$1.7 million on other Government of Grenada exposure.

Net Interest and Other Income

Net interest income increased by 6.55%, or \$2.016 million to \$32.808 million from the \$30.792 million recorded in 2015. Although deposits grew by \$40.629 million, interest expense decreased by \$2.332 million, mainly due to the reduction from 3% to 2% in the minimum interest rate on savings accounts effective May 2015.

There was a significant increase in interest on investments of \$1.887 million, in line with the \$54.888 million increase in the portfolio. However, these were partly off-set by a reduction of \$1.763 million in interest income on loans as competitive pressures intensified resulting in declining yields and compounded by a reducing portfolio.

The ratio of the Bank's interest earning assets to customer deposits increased to 87.35% from 84.98% in 2015. Other income of \$12.272 million in 2016 was \$2.191 million or 21.7% higher than the 2015 earnings of \$10.081 million. This was primarily due to the one-off gain of \$2.410 million on the recognition of the Government of Grenada restructured bonds. However this was partly off-set by the unfavourable movement in the TT\$ exchange rate resulting in exchange losses of \$0.496 million.

Operating expenses increased by 10.16% or \$3.399 million to \$36.841 million from \$33.442 million in 2015. This was mainly due to an increase in staff cost of \$1.411 million and further impairment expense of \$1.664 million on the restructuring of a Government of Grenada debt instrument.

Balance Sheet Review

In 2016 total assets grew by 4.88% or \$41.232 million to \$886.156 (2015: \$844.924). There was a significant increase in investments of \$54.888 million or 38.59% mainly due to investments from international markets. The growth in total assets was fuelled by the 5.58% or \$40.629 million additional deposits.

The gross loans portfolio decreased by \$12.407 million or 2.51% to \$480.928 million (2015: \$493.335 million) reflecting the effect of the continued economic challenge on loan demand. Of the \$12.407 million reduction in the gross loans portfolio, non-performing loans accounted for \$9.376 million, mainly due to the restructure of two Government of Grenada non-performing loans.

As at the end of fiscal 2016 the ratio of non-performing loans to gross loans was 7.5%, a decrease from 9.21% at the end of fiscal 2015. This is the second consecutive year the Bank experienced a decrease in this ratio after peaking at 10.44% in 2014.

Customer deposits increased by \$40.629 million or 5.58% to \$769.232 million compared to \$728.603 million in 2015.

As at 30th September 2016, the Bank exceeded the current minimum levels required with Tier 1 capital to risk-weighted assets of 14.1% and total qualifying capital to risk-weighted assets of 15.3%. These ratios exceed the prudential guidelines, as well as the Bank's current internal benchmark of 12%.

However, with the impending implementation of Basel II by the Eastern Caribbean Central Bank, the Bank would be required to maintain higher levels of capital to meet the new requirements.

As a result the Bank established a dividend policy for the short to medium term to ensure sufficient levels of capital are retained to meet the requirements under Basel II. As a result the Directors have decided not to pay a dividend for the year ended 30th September 2016.

4. REASONS FOR THE OFFER AND BENEFIT TO RBGL'S SHAREHOLDERS

The Eastern Caribbean Central Bank through the enactment of the new Banking Act of Grenada which was passed in 2015, requires financial institutions to maintain a capital level of at least EC\$20 million. As a result, RBGL is now faced with a regulatory deadline to establish compliance by 2nd February 2017 with this regulatory requirement and correct its capital deficiency which currently stands at EC\$15 million.

Through this prospectus and the issuance of a further 150,000 New Shares to its existing shareholders, RBGL will accomplish its required capital level and satisfy the mandate of its Regulator. Since the offer is made only to the shareholders of RBGL, the ownership of RBGL will remain in the hands of its current shareholders.

The Offer Price is based primarily on the average market price of EC\$45.00 over the last twelve (12) months on the Eastern Caribbean Securities Exchange and the price of EC\$45.00 in the recent purchase offer by Republic Financial Holdings Limited.

5. CONSIDERATION FOR THE OFFER

We believe that our offer price of EC\$45.00 per share unit reflects a fair value given the reasons listed above.

6. FURTHER TERMS OF THE OFFER

General

Reference in the Offer to persons in the singular shall include the plural and vice versa and to the masculine shall include the feminine or neuter genders.

- (i) The Offer and all acceptances thereof shall be governed by and construed in accordance with the Laws of Grenada. The courts of Grenada are to have jurisdiction to settle any dispute which may arise in relation to the Offer, this Prospectus and the Provisional Letter of Allotment (including any dispute relating to non-contractual obligations arising out of or in relation to this Offer). In consideration for the provisional allotment of New Shares based on each Eligible Shareholder's Entitlement each Eligible Shareholder irrevocably submits to the non-exclusive jurisdiction of the courts of Grenada.
- (ii) The making of the Offer to persons not resident in or citizens of Grenada may be affected by the laws of the relevant jurisdictions. Shareholders of RBGL not resident in and/or not citizens of Grenada and interested in this investment should inform themselves about and observe and comply with any applicable legal requirements. It is the responsibility of any such shareholder wishing to purchase further shares in RBGL to satisfy himself as to the full observance of the laws of Grenada and of any other relevant jurisdictions in connection therewith, including the obtaining of any governmental or other licenses, consents or approvals which may be required or the compliance with other necessary formalities.
- (iii) The cost and expenses surrounding this offer will be borne by RBGL save where there are expenses to be borne by Eligible Shareholders in relation to their individual compliance with relevant laws.
- (iv) No person has been authorized to give any information or make any representation other than those contained in this Prospectus in connection with the Offer. If such information or representation is made or given, the information or representations must not be relied on as having been authorized by the Directors other than as set out in this Prospectus.

7. FORWARD LOOKING STATEMENTS

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of RBGL, the directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in the Prospectus, except where required by the laws of Grenada.

These forward-looking statements are subject to various risk factors that would cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 12 of this Prospectus.

8. ADDITIONAL INFORMATION

The following additional information is provided.

- (i) RBGL's registrar is Bank of St. Lucia Limited whose registered office is 1st Floor, Willie Volney Drive, Massade, Gros Islet, P.O. Box 1862, Castries, St. Lucia.
- (ii) The Accounts of RBGL for the year ended 30th September 2016 were audited by Ernst & Young, Chartered Accounts, Mardini Building, Rodney Bay, Gros Islet, St. Lucia.
- (iii) Ernst & Young has given and has not withdrawn their consent to the issue of this document with the references to their names in the form and context in which they appear.
- (iv) No director has any interest, direct or indirect, in any assets of RBGL other than what is disclosed herein.
- (v) No director is materially interested in any contract or arrangement which is significant in relation to the business of RBGL.
- (vi) Save and except for the relationship listed below, no director is related to any employee of RBGL who performs an administrative, management or supervisory function.
 - Mr. Leon Charles is the brother-in-law of Hermilyn Charles, Manager of Business Support Services.
- (v) The cost and expenses of the Offer and all matters incidental thereto are being borne by RBGL.
- (vi) RBGL is not engaged in any legal or arbitration proceedings which, in the opinion of the Directors, may have a significant or material effect on the financial position of RBGL and no such proceedings which may have such an effect are known to the Directors to be pending or threatened by or against RBGL.
- (vii) No commission is payable to any person in consideration of his agreeing to subscribe for, or of his procuring or agreeing to procure subscriptions for any shares issued by this offer.

Regular Market

MONTH	HIGH (EC\$)	LOW (EC\$)	TRADING VOLUME	CLOSING PRICE (EC\$)
April 2016	\$45.00	\$45.00	1,550	\$45.00
May 2016	\$45.00	\$45.00	0	\$45.00
June 2016	\$45.00	\$45.00	0	\$45.00
July 2016	\$45.00	\$45.00	284,182	\$45.00
August 2016	\$45.00	\$45.00	200	\$45.00
September 2016	\$45.00	\$45.00	62,470	\$45.00
October 2016	\$45.00	\$45.00	4,056	\$45.00

9. MATERIAL CHANGES

The directors and officers of RBGL are not aware of any information that indicates any material change in the financial position or prospects of RBGL since 30th September 2016, the date of the last published audited financial statements of RBGL, except as described herein.

Documents for Inspection

Photocopies of the following documents will be available for inspection at the offices of Republic Bank (Grenada) Limited during usual business hours on any workday while the Offer remains open for acceptance:

- (a) The Articles of Continuance and Bye-Laws of RBGL
- (b) RBGL's Audited Financial Statements for the years ended:
 - (i) 30th September 2014
 - (ii) 30th September 2015
 - (iii) 30th September 2016
- (c) Copies of this Prospectus
- (d) Consent letter by Ernst & Young in accordance with Regulation 42 of the Securities (Prospectus) Regulations, 2001. See Appendix I.

Market Quotations

The highest closing quotations for the Existing Shares of RBGL for each quarter

RBGL ORDINARY SHARES	(EC\$)
1st Quarter 2014	\$45.00
2nd Quarter 2014	\$45.00
3rd Quarter 2014	\$45.00
4th Quarter 2014	\$45.00
1st Quarter 2015	\$45.00
2nd Quarter 2015	\$45.00
3rd Quarter 2015	\$45.00
4th Quarter 2015	\$45.00
1st Quarter 2016	\$45.00
2nd Quarter 2016	\$45.00
3rd Quarter 2016	\$45.00

10. DISCLOSURES

(I) OWNERSHIP OF SHARES OF RBGL BY DIRECTORS OF RBGL

The number (without duplication) and designation of shares of RBGL beneficially owned or over which control or direction is exercised by each director as at 30th September 2016 of RBGL is as set out below:

Mr. Keith A. Johnson	Director	50	ordinary shares (beneficial interest)
Mr. Leon D. Charles	Director	200	ordinary shares (beneficial interest)
Mr. Parasram Salickram	Director	50	ordinary shares (non-beneficial interest)
Mr. Christopher Husbands	Director	150	ordinary shares (beneficial interest)
Mr. Richard M. Lewis	Director	50	ordinary shares (non-beneficial interest)
Ms. Leslie-Ann Seon	Director	50	ordinary shares (beneficial interest)
Ms. Isabelle S. V. Slinger	Director	50	ordinary shares (non-beneficial interest)
Mr. Graham K. Williams	Director	50	ordinary shares (non-beneficial interest)
Ms. Karen Yip Chuck	Director	50	ordinary shares (non-beneficial interest)
Mr. Ronald de. C. Harford	Chairman	50	ordinary shares (non-beneficial interest)

(II) OTHER DIRECTORSHIPS OF RBGL'S DIRECTORS

RONALD F. deC. HARFORD	Republic Financial Holdings Limited Republic Bank Limited Republic Bank Finance & Trust (Barbados) Corporation Mario's Pizzeria Limited Bertrich Limited Domus Windows & Doors Ltd Caricris Saber Investments Co. Ltd Republic Bank (Barbados) Ltd. Arturon Limited Habitat for Humanity Trinidad and Tobago Republic Bank Trinidad & Tobago (Barbados) Ltd. Dorstenia Company Limited Rycron Limited Santa Fe Inc. Arthur Lok Jack Graduate School of Business - UWI
RICHARD LEWIS	Caribbean Alternative Energy Systems Limited Prestige Business Publications Ceramic Trinidad Limited The Beacon Insurance Company Limited Republic Securities Limited Republic Wealth Management Limited Republic Bank (Guyana) Limited Label House Group Limited
GRAHAM K. WILLIAMS	Westerhall Estate Limited Umbrella Beach Bar Limited Island Ice Company Limited Guardian General Insurance OECS Limited
CHRISTOPHER HUSBANDS	Grenada Airports Authority Caribbean Water and Sewerage Association Inc Planning and Development Authority Public Procurement Board
ISABELLE S. V. SLINGER	Comserv Limited Grenada Industrial Development Corporation The Tower Limited Insurance Consultants of Grenada Limited
KEITH JOHNSON	Nil
KAREN YIP CHUCK	London Street Project Company Limited Stonehaven Villas Limited Tritrust Limited Trinidad and Tobago Chamber of Industry and Commerce

LESLIE-ANN SEON	Grenada Industrial Development Corporation Coastal Ventures Inc Just Investments Inc
LEON D. CHARLES	National Development Foundation of Grenada Limited
PARASRAM SALICKRAM	Nil

(III) PRINCIPAL HOLDERS OF THE SHARES OF RBGL

To the knowledge of the Directors of RBGL after reasonable inquiry, no person or company beneficially owns or exercises control or direction over or holds more than 10% of the shares of RBGL, except as set forth below:

<i>Name</i>	<i>Ordinary shares</i>	<i>Percentage owned %</i>
Republic Financial Holdings Limited	1,116,008	74.4%

(IV) DETAILS OF SERVICE CONTRACTS

There are no service agreements or contracts between RBGL and any directors with more than a twelve month period remaining or which cannot be terminated on three (3) months' notice or less.

11. FURTHER INFORMATION

Further information relating to RBGL is provided in Appendix I. Information for Shareholders on subscribing to this Offer is contained in Appendix II. These Appendices are part of the Prospectus.

(a) Entirety of the Offer

This Prospectus constitutes the entire offer made by RBGL. An investor of RBGL by accepting this Offer acknowledges that there has been no inducement to accept this Offer by any representation or promise made by RBGL other than as contained in or related to this Prospectus.

(b) Invalidity

If any provision of this Prospectus is prohibited by law or determined by a court or relevant regulatory authority to be unlawful, void or unenforceable, such provision shall to the extent required, be severed from this Prospectus and rendered ineffective as far as possible without modifying the remaining provisions of this Prospectus, and shall not in any way affect any other circumstances of or the validity or enforcement of this Offer.

(c) Declaration

The contents and the sending of this Offer have been approved by the Board of Directors of RBGL.

12. RISK FACTORS

Prior to deciding whether to apply for New Shares under the Offer, Eligible Shareholders should read the Prospectus in its entirety in order to gain an appreciation of RBGL, its activities, operations, financial position and prospects.

An investment in New Shares should be considered speculative. New Shares carry no guarantee with respect to the payment of dividends, returns on capital or the market value of those New Shares.

The risks included in this section are the key risks identified by the Board of Directors as being specific to RBGL and its operations as at the date of this Prospectus. It is important to note that, although every effort has been made to provide a comprehensive description of the relevant risk, the risks listed in this section are not an exhaustive list of the risks relevant to RBGL. The risks discussed below also include forward-looking statements from which the RBGL's actual results may differ substantially. See cautionary statement regarding "Forward-Looking Statements" in Section 7 above.

RBGL's activities expose it to a variety of financial risks and those activities involve analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and the operational risks are an inevitable consequence of being in business. RBGL's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on its financial performance.

Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Market risk comprises of interest rate risk, currency risk and other price risk. Notwithstanding, the very nature of the assets funded under the portfolio makes for exposure to risks associated with the economic standing of Grenada, particularly as it relates to real estate values and sales. As with all stock market transactions, there are risks associated with an investment in RBGL. Share prices may rise or fall and the price of Existing Shares might trade below or above the issue price for the New Shares. General factors may affect the market price of the New Shares including without limitation economic conditions in Grenada, investment sentiment, local and international share market condition, changes in interest rates and the rate of inflation, changes to government regulation, policy or legislation, changes which may occur in the taxation regime and changes in the EC exchange rate.

Interest rate Risk

RBGL is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates. This exposure while concentrated in its financial liabilities is also applicable in the movement of market interest rates on a broad range of financing.

Interest rate risk is supported by the strength of the asset portfolio in the event of the need for market funding to allow for new business.

Credit Risk

Credit risk is the risk that a counterparty will cause a financial loss to RBGL either by the counterparty's unwillingness to perform on an obligation or if the counterparty's ability to perform such an obligation is impaired. RBGL manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and by monitoring exposures in relation to such limits. Credit exposures arise principally in lending activities that lead to loans and investment activities that add debt securities to the RBGL's asset portfolio. There is also credit risk in off-balance sheet financial instruments, such as loan commitments, and administration of a portfolio. RBGL structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower or groups of borrowers and to geographical segments. Exposure to credit risk is also managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations. RBGL has developed

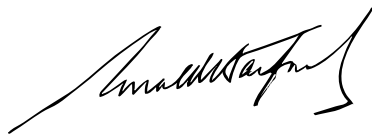
a credit risk strategy that establishes the objectives guiding the organization's credit-granting activities and has adopted the necessary policies and procedures for conducting such activities having determined the acceptable risk/reward trade-off for its activities, factoring in the cost of capital. The credit risk strategy, as well as significant credit risk policies are approved and periodically reviewed by the Board of Directors.

Liquidity Risk

Liquidity risk is financial risk due to uncertain liquidity. It is the risk that RBGL is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. RBGL may experience reduced liquidity if there is a large and unexpected cash outflow. The consequence may be the failure to meet obligations to repay debt and fulfil commitments to lend. There is also liquidity risk for the investor in that there can be no guarantee that there will continue to be an active market for the New Shares or that the price of the New Shares will increase. There may be relatively few buyers or sellers of shares on the Eastern Caribbean Securities Exchange at any given time. This may affect the volatility of the market price of the New Shares. This may result in shareholders receiving a market price for their New Shares that is less or more than the price paid in the Offer.

Dated the 28th day of December 2016.

Signed for and on behalf of
Republic Bank (Grenada) Limited

A handwritten signature in black ink, appearing to read 'Ronald F. deC. Harford', written in a cursive style.

RONALD F. deC. HARFORD
Chairman

APPENDIX I:

Audited Financial Statements for the year ended 2016



Ernst & Young Tel: 758 458 4720/30
P.O. Box BW 368 758458 4316
Baywalk Mall 758 458 4997
Rodney Bay, Gros Islet Fax: 758 458 4710
St. Lucia, W.I. www.ey.com

Street Address
2nd Floor, Mardini
Building
Rodney Bay, Gros Islet
St. Lucia, W.I.

APPENDIX I

AUDITED FINANCIAL STATEMENTS FOR 2016

The following report has been prepared by Ernst & Young who have given and have not withdrawn their consent for the inclusion of their report in the form and context in which it is included.

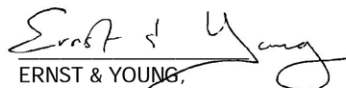
20 October 2016

The Board of Directors
Republic Bank (Grenada) Limited
Maurice Bishop Highway
Grand Anse
St. George's
Grenada

We have examined the audited financial statements of Republic Bank (Grenada) Limited for the financial year ended 30th September 2016. The information set out in this document on pages 19-23 is based on the audited financial statements.

We have consented to the inclusion of our report in this Prospectus and accept responsibility for them.

Yours faithfully,


ERNST & YOUNG,
Chartered Accountants

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The Directors of Republic Bank (Grenada) Limited are responsible for the preparation and fair presentation of the financial statements and other financial information contained in this Annual Report. The accompanying financial statements have been prepared in conformity with International Financial Reporting Standards. Where amounts are based on estimates and judgments, these represent the best estimate and judgment of the Directors. General responsibilities include:

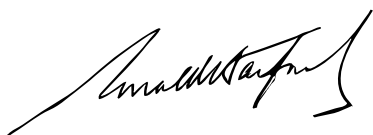
- establishing and maintaining effective internal controls and procedures for financial reporting;
- safeguarding of assets; and
- prevention and detection of fraud and other irregularities.

The financial information appearing throughout this Annual Report is consistent with that in the financial statements. Directors have a responsibility for ensuring that the Bank keeps accounting records which disclose with reasonable accuracy the financial position of the Bank.

The Directors have always recognised the importance of the Bank maintaining and reinforcing the highest possible standards of conduct in all of its actions, including the preparation and dissemination of statements presenting fairly the financial condition of the Bank. In this regard, the Directors have developed and maintained a system of accounting and reporting which provides the necessary internal controls to ensure that transactions are properly authorised and recorded, assets are safeguarded against unauthorised use or disposition and liabilities are recognised. The system is augmented by written policies and procedures, the careful selection and training of qualified staff, the establishment of an organisational structure that provides an appropriate and well- defined division of responsibility, and the communication of policies and guidelines of business conduct throughout the Bank.

The system of internal control is further supported by a professional staff of internal auditors from our parent company who conduct periodic audits of all aspects of the Bank's operations. External auditors have full and free access to, and meet periodically with, the Audit Committee to discuss their audit and findings as to the integrity of the Bank's accounting and financial reporting and the adequacy of the system of internal controls.

Signed on behalf of the Board



RONALD F. deC. HARFORD
Chairman

September 30, 2016

*Audited Financial Statements of Republic Bank (Grenada) Limited
for the financial year ended 30th September 2016*



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Street Address
2nd Floor, Mardini
Building
Rodney Bay, Gros Islet
St. Lucia, W.I.

Independent Auditors' Report

To the Shareholders of Republic Bank (Grenada) Limited

We have audited the accompanying financial statements of Republic Bank (Grenada) Limited, which comprise the statement of financial position as at September 30, 2016, statement of income, statement of comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

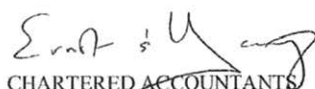
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Republic Bank (Grenada) Limited as at September 30, 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.


CHARTERED ACCOUNTANTS
St. Lucia
October 20, 2016

*Audited Financial Statements of Republic Bank (Grenada) Limited
for the financial year ended 30th September 2016*

**REPUBLIC BANK (GRENADA) LIMITED
STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2016**

Expressed in thousands of Eastern Caribbean dollars (\$'000), except where otherwise stated

	2016	2015
ASSETS		
Cash	12,107	12,580
Statutory deposits with Central Bank	40,102	33,099
Due from banks	116,281	130,222
Treasury Bills	6,335	–
Investment interest receivable	2,171	1,499
Advances	468,508	476,924
Investment securities	197,113	142,225
Premises and equipment	32,892	34,129
Employee benefits	7,327	7,154
Deferred tax assets	1,564	1,495
Taxation recoverable	89	–
Other assets	1,667	5,598
TOTAL ASSETS	886,156	844,925
LIABILITIES & EQUITY		
LIABILITIES		
Due to banks	3,534	8,418
Customers' current, savings and deposit accounts	769,232	728,603
Employee obligations	3,852	3,630
Taxation payable	–	430
Deferred tax liabilities	3,191	2,634
Accrued interest payable	136	129
Other liabilities	8,353	7,883
TOTAL LIABILITIES	788,298	751,727
EQUITY		
Stated capital	15,000	15,000
Statutory reserves	15,000	15,000
Other reserves	3,020	1,835
Defined benefit reserve	1,058	1,547
Retained earnings	63,780	59,816
TOTAL EQUITY	97,858	93,198
TOTAL LIABILITIES & EQUITY	886,156	844,925
	(0)	0

These financial statements were approved by the Board of Directors on October 20, 2016 and signed on its behalf by:

Ronald F. deC Harford, *Chairman*

Keith A. Johnson, *Managing Director*

20-Oct-16

*Audited Financial Statements of Republic Bank (Grenada) Limited
for the financial year ended 30th September 2016*

REPUBLIC BANK (GRENADA) LIMITED
STATEMENT OF INCOME FOR THE YEAR ENDED SEPTEMBER 30, 2016

Expressed in thousands of Eastern Caribbean dollars (\$'000), except where otherwise stated

	2016	2015
Interest income	42,212	42,528
Interest expense	(9,404)	(11,736)
Net interest income	32,808	30,792
Other income	12,272	10,081
	45,080	40,873
Operating expenses	(36,841)	(33,442)
Operating profit	8,239	7,431
Loan impairment expense, net of recoveries	(2,414)	(3,466)
Net profit before taxation	5,825	3,965
Taxation expense	(361)	(612)
Net profit after taxation	5,464	3,353
Earnings per share (\$)		
Basic	\$3.64	\$2.24
Number of shares ('000)		
Basic	1,500	1,500

**REPUBLIC BANK (GRENADA) LIMITED
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED SEPTEMBER 30, 2016**

Expressed in thousands of Eastern Caribbean dollars (\$'000), except where otherwise stated

	2016	2015
Net profit after taxation	5,464	3,353
Other comprehensive Income:		
<i>Items of other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>		
Revaluation of available-for-sale investment securities	1,693	(2,097)
Tax effect	(508)	629
	1,185	(1,468)
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:	1,185	(1,468)
<i>Items of other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>		
Re-measurement losses on defined benefit plans	(871)	(581)
Tax effect	261	174
	(610)	(407)
Re-measurement gains on medical and group life plans	173	278
Tax effect	(52)	(83)
	121	195
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:	(489)	(212)
Total other comprehensive income/(loss) for the year, net of tax	696	(1,680)
Total comprehensive income for the year, net of tax	6,160	1,673

REPUBLIC BANK (GRENADA) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED SEPTEMBER 30, 2016

Expressed in thousands of Eastern Caribbean dollars (\$'000), except where otherwise stated

	Stated capital	Statutory reserves	Other reserves	Defined benefit reserves	Retained earnings	Total equity
Balance at September 30, 2014	15,000	15,000	3,303	1,759	56,463	91,525
Total comprehensive income for the year	–	–	(1,468)	(212)	3,353	1,673
Balance as at September 30, 2015	15,000	15,000	1,835	1,547	59,816	93,198
Total comprehensive income for the year	–	–	1,185	(489)	5,464	6,160
Dividends paid	–	–	–	–	(1,500)	(1,500)
Balance as at September 30, 2016	15,000	15,000	3,020	1,058	63,780	97,858

REPUBLIC BANK (GRENADA) LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED SEPTEMBER 30, 2016

Expressed in thousands of Eastern Caribbean dollars (\$'000), except where otherwise stated

	2016	2015
Operating activities		
Profit before taxation	5,825	3,965
Adjustments for:		
Depreciation	3,446	3,330
Loan impairment expense, net of recoveries	2,414	3,466
Investment impairment expense/(recoveries)	1,491	(270)
Net gain on disposal of available -for-sale investment	(286)	(60)
Loss/(Gain) on sale of premises and equipment	4	(122)
Work-in-progress written-off	–	20
Foreign exchange loss/(gain) on available-for-sale investment	466	(23)
Amortisation of premium/discount on available-for-sale investment	288	375
Increase in employee benefits/obligations, net	(440)	(612)
Decrease/ (Increase) in advances	6,002	(4,104)
Increase in customers' deposits and other fund raising instruments	40,629	44,506
(Increase)/Decrease in statutory deposits with Central Bank	(7,003)	22,785
Decrease/(Increase) in other assets and investment interest receivable	3,259	(702)
Increase/(Decrease) in liabilities and accrued interest payable	477	(589)
Taxes paid, net of refund	(691)	–
Cash provided by operating activities	55,881	71,965
Investing activities		
Purchase of investment securities	(75,351)	(68,017)
Purchase of treasury bills	(14,992)	–
Redemption of investment securities	19,988	34,971
Redemption of treasury bills	10,230	2,820
Additions to premises and equipment	(2,224)	(1,937)
Proceeds from sale of premises and equipment	11	201
Cash used in investing activities	(62,338)	(31,962)
Financing activities		
Decrease in balances due to other banks	(4,884)	(8,931)
Dividends paid	(1,500)	–
Cash used in financing activities	(6,384)	(8,931)
Net (decrease)/ increase in cash and cash equivalents	(12,841)	31,072
Cash and cash equivalents at beginning of year	142,802	111,730
Cash and cash equivalents at end of year	129,961	142,802
Cash and cash equivalents at end of year are represented by:		
Cash on hand	12,107	12,580
Due from banks	116,281	130,222
Treasury bills - original maturities of three months or less	1,573	–
	129,961	142,802

APPENDIX II:

Information relating to RBGL

A) HISTORY OF RBGL

The National Commercial Bank of Grenada Limited (“NCB”) was incorporated under the Companies Act of Grenada on 12th October 1979 and was renamed Republic Bank (Grenada) Limited in April 2006.

Republic Bank (Grenada) Limited is licensed by the Eastern Caribbean Central Bank in accordance with the Banking Act, 2015 to conduct banking business which includes the acceptance of deposits for the purpose of granting credit facilities.

RBGL is a subsidiary of Republic Financial Holdings Limited, a financial holding company incorporated in Trinidad and Tobago. Republic Financial Holdings Limited, along with its seventeen subsidiaries and three associated companies, provide a complete range of commercial banking and related services. These include investment banking, mortgage financing, securities trading and related activities, trustee services, credit card operations, foreign exchange and trade finance services.

Republic Financial Holdings Limited has subsidiaries and business interests throughout the Caribbean region and has in recent times completed acquisitions in Suriname and Ghana.

RBGL is currently not pursuing any investment opportunities.

B) SHARE CAPITAL INFORMATION - RBGL

Authorised:

The Company is authorised to issue an unlimited number of ordinary shares at no par value with power to subdivide and issue the said ordinary shares in one or more classes or series.

Issued and Outstanding:

1,500,000 ordinary shares of no par value

Authorised and Unissued:

RBGL is authorised to issue an unlimited number of ordinary shares of no par value

C) SUMMARY OF FINANCIAL PERFORMANCE - RBGL

Three Year Summary of Selected Financial Data 30th September, 2014 – 30th September, 2016

EASTERN CARIBBEAN DOLLARS

FOR THE YEAR (\$'000)	2014	2015	2016
Interest Income	43,882	42,528	42,212
Interest Expense	13,643	11,736	9,404
Net Interest Income	30,239	30,792	32,808
Provision for loan losses	7,196	3,466	2,414
Net Interest Income after provision for loan losses	23,043	27,326	30,394
Other Operating Income	10,082	10,081	12,272
Other Expenses	32,665	33,442	36,841
Pre-Tax Income for the Year	460	3,965	5,825
Taxation	389	612	361
Consolidated Net Income for the Year	71	3,353	5,464

EASTERN CARIBBEAN DOLLARS

AT YEAR END (\$'000)	2014	2015	2016
Total Assets	808,224	844,925	886,156
Total Loans (Gross)	490,988	493,335	480,928
Total Loans (Net)	476,286	476,924	468,508
Total Investments Securities	111,319	142,225	197,113
Total Deposits	684,097	728,603	769,232
Shareholders' Equity	91,525	93,198	97,858

PERFORMANCE RATIOS

FOR THE YEAR (%)	2014	2015	2016
Return on Assets	0.01	0.40	0.63
Return on Equity	0.08	3.60	5.72
Productivity*	81.01	81.82	81.72
Capital Adequacy	15.7	15.3	15.3
Net Interest Margin	3.90	3.73	3.79

* Productivity is expressed as a percentage of expenses to revenue

D) DIVIDEND PAYMENTS BY RBGL FOR THE PRECEDING THREE YEARS

YEAR	DATE OF PAYMENT	AMOUNT (EC\$)
2014	No dividend paid	–
2015	3rd December 2015	\$1.00
2016	No dividend paid	–

E) RBGL's DIVIDEND POLICY

The dividend policy of RBGL allows dividends to be paid if all capital ratios and performance objectives are met. RBGL needs to maintain a capital adequacy ratio of at least 2% above the regulatory requirement of 10% under Basel II. Current economic forecasts for Grenada for the next three years do not allow for any material increases in core profitability which may result in non-payment of a dividend in the near term.

F) FEES PAYABLE TO DIRECTORS (EC\$)

	R. Harford	D. Howell	K. Yip Chuck	R. Lewis	P. Salickram	L. Charles	I. Slinger	G. Williams	C. Husbands	L. Seon	D. Paul	M. Blackburn	N. John	
Oct-15	\$729.00	\$550.00	\$550.00	\$550.00	\$0.00	\$0.00	\$550.00	\$550.00	\$550.00	\$550.00	\$0.00	\$0.00	\$0.00	
Nov-15	\$0.00	\$550.00	\$0.00	\$0.00	\$0.00	\$0.00	\$550.00	\$550.00	\$0.00	\$550.00	\$0.00	\$0.00	\$0.00	
Dec-15	\$26,649.00	\$11,350.00	\$11,350.00	\$2,700.00	\$0.00	\$10,800.00	\$11,350.00	\$11,350.00	\$3,250.00	\$3,250.00	\$9,000.00	\$3,600.00	\$6,300.00	
Jan-16	\$0.00	\$550.00	\$550.00	\$550.00	\$0.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$0.00	\$0.00	\$0.00	
Feb-16	\$0.00	\$550.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$550.00	\$0.00	\$0.00	\$0.00	\$0.00	
Mar-16	\$0.00	\$550.00	\$0.00	\$0.00	\$0.00	\$550.00	\$550.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Apr-16	\$729.00	\$550.00	\$550.00	\$550.00	\$0.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$0.00	\$0.00	\$0.00	
May-16	\$0.00	\$0.00	\$550.00	\$0.00	\$0.00	\$0.00	\$550.00	\$0.00	\$550.00	\$0.00	\$0.00	\$0.00	\$0.00	
Jun-16	\$0.00	\$0.00	\$550.00	\$0.00	\$550.00	\$550.00	\$0.00	\$0.00	\$0.00	\$550.00	\$0.00	\$0.00	\$0.00	
Jul-16	\$729.00	\$0.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$0.00	\$0.00	\$0.00	
Aug-16	\$0.00	\$0.00	\$550.00	\$0.00	\$0.00	\$550.00	\$550.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Sep-16	\$0.00	\$0.00	\$550.00	\$0.00	\$0.00	\$0.00	\$0.00	\$550.00	\$0.00	\$550.00	\$0.00	\$0.00	\$0.00	
Special*	\$0.00	\$0.00	\$0.00	\$3,300.00	\$0.00	\$2,750.00	\$3,300.00	\$3,300.00	\$3,300.00	\$3,300.00	\$0.00	\$0.00	\$0.00	
TOTAL	\$28,836.00	\$14,650.00	\$15,750.00	\$8,200.00	\$1,100.00	\$16,850.00	\$19,050.00	\$17,950.00	\$9,850.00	\$10,400.00	\$9,000.00	\$3,600.00	\$6,300.00	\$161,536.00

*Board Meeting to discuss Rights Issue

G) OTHER INFORMATION - RBGL

1. Registered Office

Republic House
Maurice Bishop Highway
Grand Anse
St. George's
Grenada, West Indies

2. Directors

Ronald F. deC Harford, CMT, LLD, FCIB, FIBAF, FCABFI
Chairman

Keith A. Johnson, BSc (Accountancy), MBA, AICB
Managing Director

Parasram Salickram, FCCA, ACMA, CGMA, CA, CFA

Leon D. Charles, BSc (Agri. Mgmt.), MBA, Acc. Dir.

Christopher Husbands, BSc (Civil/Env. Eng.) (Hons.), MSc (Proj. Mgmt.), MBA (Finance)

Richard Lewis, HBA

Leslie-Ann Seon, BA (Hons.), LLB (Hons.)

Isabelle S. V. Slinger, BSc (Info. Systems and Computers), CA

Graham K. Williams, BA (Econ.)

Karen Yip Chuck, Dip. (Business Admin.) ACIB, BSc (Econ.) (Hons.), MBA, CIA

3. Corporate Secretary

Kimberly Erriah-Ali, LLB (Hons), LEC, MBA, CAMS

4. Principal Business

Republic Bank (Grenada) Limited is incorporated in Grenada and is licensed by the Eastern Caribbean Central Bank to carry on the business of banking. It offers a complete range of commercial banking and related services.

5. Auditors

Ernst & Young
Chartered Accountants
Mardini Building
Rodney Bay, Gros Islet
St. Lucia, West Indies

6. Attorneys

Renwick & Payne
Corner Lucas and Church Streets
St. George's
Grenada, West Indies

Seon & Associates
Juris Chambers
Lucas Street
St. George's
Grenada, West Indies

APPENDIX III:

Offer Details, Subscription and Payment

OFFER PRICE:	EC\$45.00
OFFER PRICE DETERMINATION:	The offer price is based on the average market price of EC\$45.00 over the last twelve (12) months
ALLOCATION STRATEGY:	One (1) new ordinary share of no par value for every ten (10) ordinary shares of no par value
OFFER PERIOD:	11th January 2017 to 24th January 2017
SUBSCRIPTION AGENT:	Bank of St. Lucia Limited
PAYMENT INSTRUCTIONS:	<i>Place:</i> Main branch of Republic Bank Grenada (Republic House) Grand Anse <i>Mode of Payment:</i> Cheque / Direct Deposit to a designated RBGL Account

APPENDIX IV:

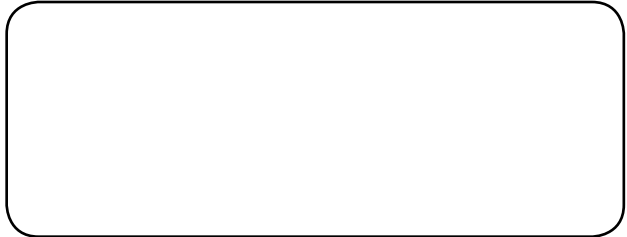
Provisional Letter of Allotment

Republic Bank (Grenada) Limited

Rights Issue of 150,000

Ordinary Shares of No Par Value

At an Issue Price of EC\$45.00 Per Share
To Shareholders as at the Record Date



[Date]

Dear Shareholder:

This letter is pursuant to the resolution of the Board of Directors of Republic Bank (Grenada) Limited passed on 20th October 2016 in respect of the issue and offer for sale, by way of an Offer, of one (1) new ordinary share of No Par Value for every ten (10) ordinary shares of No Par Value held by shareholders (the Offer) as at the close of business on 9th January 2017 at an issue price of EC\$45.00 per share, payable in full on acceptance.

As a consequence thereof, you have been provisionally allotted the number of new shares as indicated above.

The terms of the Rights Issue, material information relating thereto and the procedures for acceptance, whether in whole or in part and contained in the Prospectus of which this letter is an integral part.

The form of receipt contained on the reverse of this Provisional Letter of Allotment will be completed by Republic Bank (Grenada) Limited or any stockbroker and returned to the person lodging it.

By Order of the Board
Republic Bank (Grenada) Limited

KIMBERLY ERRIAH-ALI
Secretary

ACKNOWLEDGEMENT OF RECEIPT

(Tick [] box, where applicable.)

Receipt is hereby acknowledged of the following:

Form of Acceptance (Form A)

Number of Shares Accepted _____ Remittance EC\$ _____

Date

Signature of agent receiving form

APPENDIX V:

Form of Acceptance - Form A

Republic Bank (Grenada) Limited

Rights Issue of 150,000

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At an Issue Price of EC\$45 Per share
To Shareholders on Record Date

[.....] 2016

To be lodged on or before 4:00 pm on [...] 2016

Republic Bank (Grenada) Limited
Republic House
Maurice Bishop Highway
Grand Anse
St. George's
Grenada, West Indies

TO: The Directors of Republic Bank (Grenada) Limited

Having paid to the company the sum of EC\$ _____ being EC\$45 per share on acceptance of Ordinary Shares of No Par Value each in the Company. I/We hereby request that such shares be allotted to me/us and I/we agree to accept the said shares upon the terms and conditions of the Prospectus dated [.....] 2016 and subject to the Articles of Continuance and Bye-Laws of Republic Bank (Grenada) Limited. In the event that I/we are beneficial owners of Republic Bank (Grenada) Limited shares at the Eastern Caribbean Securities Exchange ("ECSE").

I/We authorize you to deliver directly to the ECSE my allotment of shares and to credit the number of shares mentioned in the Allotment Notification to my/your account at the ECSE.

Signature:

Signature:

Date:

Date:

Cheques are to be made payable to “RBGL RIGHTS ISSUE”

FOR OFFICIAL USE ONLY

FOLIO

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UNITS HELD

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ENTITLEMENT

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AGENCY

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NO.OF SHARES ACCEPTED

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Visit us on republicgrenada.com
or email us at info@republicgrenada.com