



SSB

Prospectus

This mini prospectus gives details of the Offer, a brief description of Social Security Bank (SSB) and instructions on how to apply for shares. The information contained in this mini prospectus has been drawn from and is to be read together with, the full prospectus relating to Social Security Bank Limited dated 27th July, 1995 (the "Prospectus") which contains full details of the Bank and of the Shares. Copies of the Prospectus are available from the places referred to on the last page of this document.

The Directors of Social Security Bank Limited whose names appear in Page 1 of this document accept responsibility for the information contained in this document. The Government of Ghana, Social Security & National Insurance Trust and the Bank of Ghana accept responsibility jointly with the Directors of Social Security Bank Limited for the information referred to in Part 4 of this document. To the best of the knowledge and belief of the Directors of Social Security Bank Limited, the Government of Ghana, Social Security and National Insurance Trust and the Bank of Ghana (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are respectively responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

A copy of this document has been delivered to the Registrar of Companies, Ghana for registration. The Registrar of Companies, Ghana has not checked and will not check the accuracy of any statements made and accepts no responsibility therefor or for the financial soundness of Social Security Bank Limited or the value of the securities concerned. This document was registered by the Registrar of Companies, Ghana on 27th July, 1995.



S O C I A L S E C U R I T Y B A N K L I M I T E D

(Incorporated in Ghana with limited liability under the Companies Code, 1963 (Act 179) with registered No. C7522)

**PUBLIC OFFERING OF 21,375,000
ORDINARY ISSUED SHARES OF NO PAR VALUE
AT CEDIS 800 EACH OR US\$0.67 EACH**

**ON BEHALF OF THE BANK OF GHANA AND
SOCIAL SECURITY AND NATIONAL INSURANCE TRUST**

BY

**MERCHANT BANK (GHANA)
LIMITED**

**MERBAN STOCKBROKERS
LIMITED**

Application has been made to The Ghana Stock Exchange for permission to list the Issued Shares as described herein. Acceptance of applications will be conditional upon such permission being granted. Monies paid in respect of any application accepted will be returned if the said permission is not granted. The Ghana Stock Exchange assumes no responsibility for the correctness of any of the statements made or opinions or reports expressed or contained in this document. Admission to the First List of the Ghana Stock Exchange is not to be taken as an indication of the merits of Social Security Bank Limited or of the Shares. It is expected that unconditional dealings in the Shares will commence on the Ghana Stock Exchange on Friday, 29th September, 1995.

No person is authorised to give any information or to make any representation not contained in this document and any information or representation not contained in this document must not be relied upon as having been authorised by Social Security Bank Limited, Merchant Bank (Ghana) Limited or Merban Stockbrokers Limited. Neither the delivery of this document, nor any sale made hereunder, will under any circumstances, create any implication that the information contained herein is correct as at any time subsequent to its date. This document does not constitute an offer to sell or the solicitation of an offer to buy Shares in any jurisdiction in which such offer or solicitation is unlawful and is not for distribution in the USA or Canada.

Before deciding whether to apply for shares, you should consider whether shares are a suitable investment for you. Their value can go down as well as up. Past performance is not necessarily indicative of future performance. If you need advice, you should consult an appropriate professional advisor.

Dated 27th July, 1995

DIRECTORS, ADVISORS AND CORPORATE INFORMATION

DIRECTORS

I Ali (*Chairman*)
H G Dei (*Deputy Chairman*)
P K Thompson (*Managing Director*)
F E Kwawu (*Deputy Managing Director*)
F E Y Attipoe
C B Ntim
A E Quayson
S N Woode

COMPANY SECRETARY

M R Barnor (*Mrs*)

REGISTERED OFFICE

Head Office
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Kokomlemle
P O Box 13119
Accra

**MANAGER TO THE OFFER
AND FINANCIAL ADVISOR TO FIS**

Merchant Bank (Ghana) Limited
44 Kwame Nkrumah Avenue
P O Box 401
Accra

FINANCIAL ADVISOR TO FIS
Standard Bank London Limited
25 Dowgate Hill
London EC4R 2SB

**LEAD BROKER AND SPONSOR TO THE LISTING
ON THE GHANA STOCK EXCHANGE**

Merban Stockbrokers Limited
44 Kwame Nkrumah Avenue
P O Box 401
Accra

REPORTING ACCOUNTANTS

Coopers & Lybrand
Chartered Accountants
Swanmill
Kwame Nkrumah Avenue
P O Box 2533
Accra

CO-LEGAL ADVISORS TO SSB

Tetteh & Co
3rd Floor Kingsway Building
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P O Box 14767
Accra

AUDITORS

KPMG Peat Marwick Okoh & Co
Chartered Accountants
Mobil House
Liberia Road
P O Box 242
Accra

CO-LEGAL ADVISORS TO SSB

Awoonor Law Consultancy
Pegasus House
Independence Avenue
P O Box C2629
Cantonments

REGISTRARS

Merchant Bank (Ghana) Limited
44 Kwame Nkrumah Avenue
P O Box 401
Accra

OUTLINE OF EXPECTED TIMETABLE

1995

Offer launched	Thursday, 27th July
Offer commences	Monday, 31st July
Latest time and date for receipt of application forms under the Offer	3.00 p.m.(Ghana time) on Thursday, 31st August
Allocation of the Offer Shares under the Offer announced	Monday, 11th September
Share certificates despatched	Friday, 22nd September
Dealings commence on The Ghana Stock Exchange	Friday, 29th September

These dates are expected dates, but are subject to change and adjustment by the Managers of the Offer in consultation with FIS, SSNIT and the GSE.

SHARE CAPITAL

The authorised and issued share capital of the Bank as at the date of this prospectus is as set out below.

<i>Authorised</i>		<i>Issued and fully paid</i>
100,000,000	ordinary shares of no par value	71,250,000

The breakdown of the present ownership of the share capital of the Bank at the date of this prospectus is set out in the following table.

TABLE 1A : STRUCTURE OF PRESENT OWNERSHIP

Name of shareholder	No. of shares	% of holdings
1. Social Security & National Insurance Trust	65,835,000	92.4
2. Government of Ghana	3,776,250	5.3
3. Bank of Ghana	1,638,750	2.3
TOTAL	71,250,000	100.0

All of the above shares are ordinary shares of no par value. The Bank has no preference shares or any shares in treasury. The Bank has no calls or installments unpaid on any shares. All ordinary shares are ranked equally.

CAPITALISATION

The capitalisation of the Group as at 31st December, 1994, the latest date to which audited accounts have been prepared, is set out in the following table.

TABLE 1B: CAPITALISATION AS AT 31ST DECEMBER 1994

	¢ million
Stated capital	6,735
Capital surplus	-
Income surplus	10,297
- Revenue reserve	4,909
- Statutory reserve	
Total shareholders funds	21,941

The Bank has no loan capital.

PART I

INFORMATION ON THE OFFERING

1.1 LEGAL BASIS FOR SALE

On 12th November, 1992, the Board of Directors of the Social Security & National Insurance Trust (SSNIT) at that time the sole shareholder of Social Security Bank Limited (SSB), approved the proposed Divestiture of SSB.

By a special resolution dated 20th July, 1995 the shareholders of (SSB) at their Extraordinary General Meeting resolved that up to 60 per cent. of the Shares of SSB should be divested.

1.2 PURPOSE OF THE PUBLIC OFFERING

In response to the poor state of the Ghanaian economy in the early 1980s, the Government in 1983 initiated the Economic Recovery Programme (ERP) to rehabilitate and revitalise the economy. As an integral part of the ERP, the Government embarked on the Financial Sector Adjustment Programme (FINSAP) through which a series of financial sector reforms have been implemented. Among far reaching reforms were the management, institutional and financial restructuring of financially distressed banks, the replacement of the non-performing assets with bonds issued by Bank of Ghana (BoG) and the review of the Ghanaian Banking Regulations.

To improve competition within the Banking Sector, and thus enhance efficiency, the Government, with the support of the World Bank, is undertaking a programme of divestiture of the state owned and/or controlled banks. SSB was chosen as the first of these banks to be divested for a number of reasons including the relatively strong financial position of SSB.

1.3 SUMMARY OF THE OFFER

The Divestiture involves the sale of 60 per cent. of the Issued Shares of SSB, being 42,750,000 shares (the "Divestiture Shares"). The Offer, being a composite part of the Divestiture will be a public offering of 21,375,000 shares (the "Offer Shares") at the Offer Price to institutions and individuals resident in Ghana and in other Economic Community of West African States (ECOWAS) and to Ghanaian citizens resident in a limited number of countries and persons resident in other jurisdictions whose laws do not preclude them from investing on the Ghana Stock Exchange (GSE) in terms of the Offer. The balance of the Divestiture Shares not forming a part of the Offer Shares, 21,375,000 shares in total represent the "Option Shares". It is intended that the Option Shares be available for sale to a Strategic Investor in SSB.

The Offer Price is ₵800 per share, for Ghanaian resident applicants or US\$0.67 per share for non-residents.

Each application must be for a minimum of 25 Offer Shares. The latest time for receipt of application forms under the Offer is 3.00 p.m. (GMT) on 31st August, 1995.

1.4 OFFER STATISTICS

Market capitalisation at the Offer Price	₵57 billion
Historic price earnings multiple ⁽¹⁾	7.8 times
Prospective price earnings multiple ⁽²⁾	4.4 times
Earnings per share (historic) ⁽³⁾	₵102
Earnings per share (prospective) ⁽³⁾	₵181

Notes:

1. *The calculation of the historic price earnings multiple is based upon the profit on ordinary activities after taxation for the year ended 31st December, 1994 of £7,297 million, as extracted from the Accountants' Report set out in Part 8, and the market capitalisation at the Offer Price.*
2. *The calculation of the prospective price earnings multiple is based upon the forecast profit on ordinary activities after taxation for the year ended 31st December, 1995 of £12,888 million, as extracted from Part 9, and the market capitalisation at the Offer Price.*
3. *Based upon the 71,250,000 Issued Shares.*

PART II

SUMMARY INFORMATION ON SSB AND THE GROUP

2.1 INTRODUCTION

SSB commenced business as a commercial bank in 1977. It currently has 38 branches strategically located throughout Ghana, with its headquarters in Accra. The Bank has a wholly-owned subsidiary, SSB Forex Bureau Limited, a foreign exchange bureau. In addition to this, it has two partially-owned subsidiaries and a number of associated companies and trade investments, all of which in aggregate are not material to the overall business and operations of the Group.

2.2 CURRENT BUSINESS AND STRATEGY

The Bank's strategy is to capitalise on the strength and reputation of its established name in Ghana. Management believes the business climate in which the Bank operates will benefit from the improved prospects of the Ghanaian economy, particularly in the light of the current ERP embarked on by the Government.

Five specific strategic objectives identified in its Medium Term Plan for 1995 - 2000 are:

- (a) the provision of high quality and competitive products;
- (b) improving on the market attractiveness of existing products of the Group;
- (c) increasing foreign-related business and transactions;
- (d) development of the corporate customer base; and
- (e) the development and improvement of the Group's human resources.

Computer technology has become intergral to the operations of the Bank. In order to advance the use of this technology within the Bank, a substantial investment programme is being implemented with the aim of upgrading the Bank's information systems, processing and services.

As at 31st December, 1994, the Group's shareholders' funds stood at ₵21.9 billion and total assets at ₵175.6 billion. Group total income and net profit on ordinary activities after taxation for the year ended 31st December, 1994 were ₵21.7 billion and ₵7.3 billion respectively.

Based on published results of the other Ghanaian banks (except Bank of Credit and Commerce (Ghana) Limited) for the year ended 31st December, 1994, the Group ranked second in size on the basis of total assets at year end and third on the basis of profit on ordinary activities before taxation for the year.

The Group's range of products includes commercial loans, personal loans, mortgage loans, development loans, trade finance, investments, demand deposits, time deposits, money market deposits, bearer certificate of deposits, passbook savings accounts, foreign exchange transactions and guarantees.

The Group's profit growth since 1990 under the current senior management team has been significant for the four years ended 31st December, 1994. Total income and profit on ordinary activities after tax have shown compound annual growth rates of 49.8 per cent. and 112.5 per cent. respectively. This has been driven principally by the growth in the relatively low interest cost deposit base coupled with the substantial returns achievable on SSB's assets in the recent and current high interest rate environment. In addition, SSB has continued successfully to develop its income base from commissions, fees and other non-interest operating income sources. The group's share of the various segments of the market as depicted by Table 2 below showed an encouraging increase in 1994.

TABLE 2: MARKET SHARE ANALYSIS 1993 - 1994

Criteria	1993				1994			
	SSB	GCB	SCB	BBG	SSB	GCB	SCB	BBG
Total deposits % Share	11.5	39.3	12.5	11.3	12.6	42.4	12.0	11.2
Demand deposits % Share	14.7	40.8	11.0	11.0	13.5	45.8	10.4	10.1
Savings deposits % Share	8.6	42.8	17.8	16.4	11.2	41.5	19.8	17.5
Fixed deposits % Share	4.8	26.0	2.4	1.0	12.4	31.4	1.6	2.4
Loans and advances % Share	9.3	18.0	N/A	10.4	11.8	11.1	10.4	11.4

2.3 MANAGEMENT AND EMPLOYEES

SSB has a skilled and experienced management team. As one of Ghana's leading financial institutions, SSB has been able to attract and retain high quality management and staff. The morale of the workforce is high and industrial relations are good.

An Employee Share Ownership Plan ("the ESOP") has been put in place with the aim of eliciting and maintaining employee commitment to the achievement of SSB's goals and objectives. This involves the acquisition by a Trustee of 5% of the Issued Share Capital of the Bank amounting to 3,562,500 shares, to be sold to, and made available for sale to, employees and Executives of the Bank.

2.4 CURRENT SHAREHOLDERS

The Government of Ghana's holding of 3,776,250 shares represents 5.3 per cent of the Issued Shares of SSB. The Government will not be disposing of these shares in the course of the Divestiture. BoG's current holding of 1,638,750 Shares in SSB represents 2.3 per cent of the Issued shares. Its current stake in SSB will be completely liquidated in the course of the Divestiture. SSNIT holds 92.4 per cent of the Issued Shares of SSB (amounting to 65,835,000 shares). SSNIT will sell the balance of Issued Shares (together with those of Bank of Ghana) required to complete the Divestiture.

2.5 SELECTED FINANCIAL INFORMATION

The following table sets out selected financial information on the Group for the five years ended 31st December, 1994.

TABLE 3: SELECTED FINANCIAL INFORMATION

	YEAR ENDED / AS AT 31ST DECEMBER					
	1990	1991	1992	1993	1993 Restated (note 1)	1994
	€million	€million	€million	€million	€million	€million
Selected profit and loss information						
<i>Net interest income</i>	2,713	6,003	5,447	9,559	10,852	13,725
Commissions and fees	1,078	1,721	2,592	3,217	3,783	5,019
Other operating income	521	382	883	2,076	2,279	2,943
<i>Total income</i>	4,312	8,106	8,922	14,852	16,914	21,687
<i>Net operating profit</i>	269	2,978	4,106	7,579	7,412	11,569
<i>Profit on ordinary activities after taxation</i>	358	626	1,802	4,610	4,443	7,297
Selected balance sheet information						
Advances	2,401	7,690	9,596	16,323	19,333	21,312
Other interest earning assets	37,734	33,097	51,241	64,873	74,009	127,153
<i>Interest earning assets</i>	40,135	40,787	60,837	81,196	93,342	148,465
Other assets	15,602	12,548	19,376	17,698	21,605	27,126
<i>Total assets</i>	55,737	53,335	80,213	98,894	114,947	175,591
Interest bearing liabilities	32,617	28,229	43,210	51,277	71,952	120,642
Other creditors	19,537	21,128	29,380	35,969	30,028	33,008
<i>Total liabilities</i>	52,154	49,357	72,590	87,246	101,980	153,650
<i>Total shareholders' funds</i>	3,583	3,978	7,623	11,648	12,967	21,941
	55,737	53,335	80,213	98,894	114,947	175,591
Contingencies - guarantees, indemnities and bonds	5,114	4,056	431	3,121	3,448	4,719
Selected financial ratios and figures						
Return on equity	na	79.4	70.9	79.1	68.8	67.0
Return on assets	0.9	5.5	6.2	8.5	7.1	8.0
Cost to income ratio	61.9	51.3	47.2	44.2	46.2	39.1
Staff costs to total operating expenses	42.1	53.7	52.6	58.4	57.6	54.8

Notes:

1. Restated as if the merger of NSCB into the Group, which was effective on 3rd May 1994, had taken effect on 1st January 1993.

2.6 RISK FACTORS

POLITICAL AND ECONOMIC

The performance of SSB and the Ghanaian banking sector are naturally tied to the performance of the Ghanaian economy as a whole and to such Government related policies and influences as interest rates and bank liquidity requirements.

SSB AND THE GROUP

SSB, as a banking institution, manages deposited funds and other assets so as to optimise the return from these assets within defined risk parameters. SSB's operations are by nature, therefore, exposed to financial risks. In order to effectively identify and manage the inherent financial risks of the Bank, SSB has in place a structure of committees, checks and procedures established to avoid unnecessary risks and to properly manage and monitor those risks which are an integral part of the banking industry. In addition to the internal measures and controls undertaken by SSB, the Bank is subject to further control and monitoring by BoG to ensure that the risk and exposure of the Bank is maintained within defined parameters. Such risks would include:

- (a) risks related to default on loans and interest;
- (b) risks related to exposure resulting from a concentrated loan or investment portfolio;
- (c) risks related to interest rate movements;
- (d) risks related to liquidity; and
- (e) risks related to movements in foreign exchange rates.

The Bank has in place appropriate structures, controls, recruitment policies and reporting systems which serve to minimise risks from fraud and to enhance management and employee efficiency.

PART III

BANKING INDUSTRY

3.1 THE FINANCIAL SECTOR AND THE BANKING INDUSTRY

GENERAL

The financial sector in Ghana has undergone comprehensive restructuring in the last decade, during which a number of firms and organisations belonging to different segments of the sector were established. The sector is comprised of the banks which form a core segment, insurance companies, pension funds, discount houses, leasing companies, a venture capital fund, the GSE and its licensed dealing members (namely the brokerage firms). A number of non-banking financial institutions have emerged which add depth and diversity to the financial system.

The Ministry of Finance has broad responsibility for the development and overall governance of the sector. BoG, the central bank, has primary responsibility for the orderly conduct and operation of the banking sub-sector. The various laws that govern the financial sector (other than the Companies Code) are, *inter alia*, those relating to banking, securities industry, the financial institutions (non-banking) and the insurance industry.

DEALING ON THE GHANA STOCK EXCHANGE

Trading in shares of listed companies apart from those of AGC, which can also be traded over the counter, can only take place on the floor of the GSE through a licensed dealer of the Exchange. Trading currently takes place three times a week.

3.2 BANKING INDUSTRY AND COMPETITIVE ENVIRONMENT

The banking sector currently consists of thirteen banks; six commercial, three development, three merchant and one co-operative. The distinction between development and commercial banks is largely historical whilst that between merchant banks and the others is often, in practice, blurred on many fronts. In many respects they are subject to the same regulatory provisions.

The number of banks is expected to increase in the light of the approval by the BoG of four new banks. This should introduce greater competition in the banking sector.

There is currently only one bank listed on the GSE, that being Standard Chartered Bank (Ghana) Limited (SCB). However, within the planned divestiture programme for 1995 and early 1996, SSB is the first of three banks proposed to be listed on the GSE.

PART IV

RELATIONSHIP WITH PRINCIPAL SHAREHOLDERS

4.1 RELATIONSHIP WITH THE GOVERNMENT

Any Government and parastatal business and business contracts undertaken or entered into by SSB are so done at arms length. This business relationship will continue unaltered subsequent to the Divestiture of SSB.

With reference to the Government's holding of 5.3 per cent. of the Issued Shares, specific undertakings have been given by the Government. These undertakings are outlined in Section 4.4 below.

4.2 RELATIONSHIP WITH SSNIT

Mr. H. G. Dei, the Deputy Chairman of SSB, is currently the Director-General of SSNIT. All SSB Board appointments will be a matter for the members of SSB in general meeting.

With reference to the remainder of its holding of Issued Shares, subsequent to the Offer and the Sale, SSNIT has made certain undertakings. These undertakings are outlined in Section 4.4 below.

4.3 RELATIONSHIP WITH STRATEGIC INVESTOR

As an integral part of the Divestiture of SSB, a number of parties have been approached with a view to such parties making a strategic investment in SSB. It is proposed that up to 30 per cent., or such other greater percentage as may be agreed by the parties of the Issued Shares will be sold to the Strategic Investor by SSNIT for the purpose of the Sale. This Sale will not be conducted through the GSE, but will be a private negotiation between the proposed Strategic Investor and the vendor of the Shares. The Sale consideration will also be a matter for negotiation between the Strategic Investor and the vendor of the Shares.

The Strategic Investor is intended to be an international financial or banking sector institution, acting on its own or in consortium with other such institutions or SSB's management. Agreement with and sale to the proposed Strategic Investor is anticipated, but not guaranteed, to be completed during 1995.

4.4 SHAREHOLDER UNDERTAKINGS AND CONFIRMATIONS

The Government and SSNIT have undertaken that they will not at any time during a period of two years ending on the second anniversary of the date of the Listing dispose, or agree to dispose of any of the Issued Shares of SSB or any interest therein, save pursuant to the Offer, the Sale and the ESOP.

The Government of Ghana and SSNIT have undertaken that they will not at any time during a period of two years ending on the second anniversary of the date of the Listing acquire or agree to acquire any of the Issued Shares of SSB or any interest therein.

These undertakings are, however, subject to the following exceptions:

- (a) the transfer of Shares of SSB to any of their respective affiliates; or
- (b) the acceptance of a general offer made to all of the holders of Shares for the time being on terms which treat all such holders alike; or
- (c) the disposal of or acquisition of, or agreement for the disposal of or acquisition of, Shares of SSB, or any interest in the Shares of SSB, subject to the approval of a resolution passed by the holders of the Shares of SSB in general meeting, being a resolution in favour of which neither the Government nor SSNIT, nor any affiliate of either, shall have voted.

It is intended that any Strategic Investor in SSB in terms of the Sale will be restricted in terms of the disposal of Issued Shares (subsequent to the Sale) in substantially the same way as are SSNIT and the Government.

PART V

CURRENT TRADING AND PROSPECTS

5.1 FOUR MONTHS UNAUDITED INTERIM RESULTS

In the four months ended 30th April, 1995 the Bank's net interest income stood at ¢7,558 million and total income at ¢11,093 million. These figures represent, already, 55 per cent. and 51 per cent. respectively of the figures for the full 1994 financial year.

Non-interest income (commission and fees and other operating income) for the period was ¢3,535 million. This represents approximately 44 per cent. of the amount realised in 1994.

SSB's unaudited profit on ordinary activities before tax for this period of ¢5,890 million amounts to 50 per cent. of the 1994 entire year figure of ¢11,692 million.

SSB's Board expects that this trend in profitability will further strengthen the Bank's prospects in attaining its budgetary targets thereby consolidating its position as one of the leading banks in the country.

5.2 PROFIT FORECAST

SSB's twelve months forecast for 1995 indicates an 87 per cent. rise in interest income over that for the year ended 31st December, 1994. The projections reflect a 101 per cent. rise in net interest income. Overall, the forecast indicates profit before tax to be ¢19,828 million, a 70 per cent. improvement over the previous year.

5.3 DIVIDEND POLICY

A formal dividend policy for SSB was approved by the Board of Directors of SSB on 23rd March 1995 and is set out below:

"SSB expects to maintain a policy of distributing 25 per cent. of its net income after tax as dividend which it expects will result in a fair return on the investment of its shareholders. The Directors will, however, ensure that the proposed appropriation will not jeopardise the Bank's ability to comply with prudential requirements of the regulatory authorities as well as deny the retention of a portion of earnings to finance growth".

All dividends will be paid in cedis. Appropriate procedures, however, exist for the repatriation of income earned on investments made in Ghana.

PART VI

TERMS AND CONDITIONS OF THE OFFER

The basis of allocation under the Offer will be determined by the Managers in consultation with SSNIT and FIS. In determining the allocation of Offer Shares, regard will be paid, *inter alia*, to the fact that 21,375,000 Offer Shares have been reserved for applications under the Offer and the desire for an orderly aftermarket. Consideration will also be given to the allocation of Option Shares to applicants to the Offer if deemed to be appropriate by the Managers, in consultation with SSNIT and FIS.

6.1 GENERAL

If you are a Qualifying Offer Applicant as defined in Part 6.5 and you wish to apply for Offer Shares in the Offer, you must complete and return an application form, in accordance with the instructions contained therein, by no later than 3.00 p.m. (GMT) on 31st August, 1995. The application form is set out after Part 7 of this prospectus and additional application forms may be obtained from any of the Receiving Agents listed on page 20 of this document.

If you are a Qualifying Offer Applicant resident in Ghana, you may apply for Offer Shares in the Offer by completing the application form specifying the number of Offer Shares you wish to acquire and returning the application form by hand to one of the Receiving Agents in Ghana, together with a cheque, bankers' draft or cash for the relevant amount by no later than 3.00 p.m. (GMT) on 31st August, 1995. Your payment must be in cedis and in a form which will realise cleared funds for the full amount payable on application by 3.00 p.m. (GMT) on 31st August, 1995. **Each application must be for a minimum of 25 Offer Shares.**

If you are a Qualifying Offer Applicant resident outside Ghana, you may apply for Offer Shares in the Offer by completing an application form specifying the number of Offer Shares which you wish to acquire **and returning the application form by hand to one of the Receiving Agents or by registered post to a Receiving Agent in Ghana**, by no later than 3.00 p.m. (GMT) on 31st August, 1995. For applications delivered by hand, a cheque, bankers' draft or cash for the relevant amount in US Dollars should accompany your application form and be in a form which will realise cleared funds for the full amount payable on application by 3.00p.m. (GMT) on 31st August, 1995. For applications delivered by registered post, funds should be remitted by bank transfer to the following account: **MBG/SSB Share Offer, account number 36116283 Citibank N.A., 111 Wall Street, New York, NY 10043, USA** for value no later than 3.00pm (GMT) on 31st August, 1995. **Each application must be for a minimum of 25 Offer Shares.**

If you are a Qualifying Offer Applicant resident outside Ghana and a Receiving Agent has been appointed for the country in which you are resident, you may return the application form by hand or by registered post to such Receiving Agent together with a remittance in sufficient time for cleared funds to be received in Accra for the full amount payable on application by 3.00 p.m. (GMT) on 31st August, 1995.

For the sake of clarity payment accompanying applications from Ghanaian residents must be made in Cedis, payment accompanying applications from applicants not resident in Ghana must be made in US Dollars. In the former case the cedi Offer Price (¢800 per share) will apply, in the latter case the US Dollar Offer Price (US\$0.67 per share) will apply.

Any application from outside Ghana which is not received for any reason from a Qualifying Offer Applicant by a Receiving Agent in a form which will realise cleared funds for the full amount payable on application by 3.00 p.m. (GMT) on 31st August, 1995 is liable to be treated as invalid.

All documents and remittances sent or delivered to or by applicants will be sent or delivered at their own risk.

Your attention is drawn to "Terms and conditions of application" set out in Part 6.4 and in particular to paragraph 12 (ii) which excludes liability for information not contained in this prospectus.

Before completing an application form, you should read carefully the guide to completing it.

6.2 ALLOCATION AND PAYMENT

If your application is successful, in whole or in part, a share certificate in respect of the Offer Shares for which your application has been accepted will be despatched to you by post using the address stated on the application form 22nd September, 1995. If there is excess demand under the Offer, you may receive fewer Shares than you applied for. In some cases, you may receive no Offer Shares at all. If your application is not accepted or is accepted in part, a refund for the appropriate amount, without interest, is expected to be despatched to you by post.

The right is reserved to present for payment all cheques and bankers' drafts on receipt. It is a condition of the Offer that all cheques or other remittances must be honoured on first presentation. No interest will be paid to applicants on any monies held on behalf of applicants.

6.3 APPLICATIONS FROM OUTSIDE GHANA

If you receive a copy of this document and/or application form in any territory other than Ghana, you may not treat it as constituting an invitation or offer to you, nor should you in any event use such application form, unless in the relevant territory such an invitation and offer should lawfully be made to you without compliance with any unfulfilled registration or other legal requirements. It is your responsibility if you are outside Ghana and/or subject to the laws of any other territory and if you receive a copy of this document and/or an application form and wish to make an application, to satisfy yourself as to full observance of the laws of the relevant territory in connection therewith, including the obtaining of any governmental or other consents and compliance with other necessary formalities, and to pay any transfer or other taxes or duties required to be paid in such territory in respect of the Offer Shares acquired by you under the Offer.

6.4 TERMS AND CONDITIONS OF APPLICATION

If you apply for Offer Shares in the Offer you will be agreeing with the Managers, BoG, and SSNIT as set out below.

OFFER TO PURCHASE SHARES

1. You offer to purchase from BoG and SSNIT at the Offer Price the number of Offer Shares as indicated in your application form (or any smaller number in respect of which your application is accepted) on the terms and conditions set out in, and on the basis of the information set out in, this prospectus and subject to the regulations of the Company.
2. You agree that your offer cannot be revoked prior to 23rd September, 1995 and promise that any cheque or bankers' draft accompanying your application will be honoured on first presentation and that this paragraph constitutes a collateral contract between you, BoG and SSNIT. It becomes binding when your application is posted to or, in the case of delivery by hand, received by one of the Receiving Agents. All bank commissions and transfer and other charges must be paid by the applicant.

In the event of an extension of the Offer period, the non-revocation period given in this paragraph shall be extended by a similar period.

3. A thumb print, duly attested to, on an application form will be accepted instead of a signature thereon.
4. If your application form is not completed correctly or is amended, or if any accompanying cheque and bankers' draft, or other remittance is in the wrong currency or realises, on presentation, cleared funds after 3.00 p.m. (GMT) on 31st August, 1995 and/or an amount which is less than the amount due in respect of the number of Offer Shares applied for, it may still be treated as valid. In these circumstances the Managers' decision, on behalf of SSNIT and BoG as to whether to treat your application as valid, and how to construe, amend or complete it, shall be final. You will not, however, be construed as having offered to purchase a number of Offer Shares greater than the number specified in your application form.
5. Any application may be rejected in whole or in part.

ACCEPTANCE OF YOUR OFFER

6. Acceptance of your offer will be made (if your application is received, valid, processed and not rejected) either:
- i) by notifying the GSE of the basis of allocation (in which case the acceptance will be on that basis) or
 - ii) by notifying through the despatch of an allotment letter to the address you have indicated on the application form.

The acceptance may be of the whole or any part of your offer and, accordingly, the number of Offer Shares you offer to purchase may be scaled down.

7. If your offer to purchase is accepted (in whole or in part), there will be a binding contract under which you will be required to purchase the Offer Shares in respect of which your offer has been accepted if prior to 23rd September, 1995 the Offer Agreement has become unconditional in all respects and has not been terminated.
8. The Offer only comprises Issued Shares held by the BoG and SSNIT.

PAYMENT FOR THE SHARES

9. You undertake to pay the purchase price for the Offer Shares in respect of which your offer is accepted. The cheque or bankers' draft or other remittance accompanying your application may be presented for payment before acceptance of your offer, but this will not constitute acceptance of your offer, either in whole or in part. The proceeds of this presentation will be held pending acceptance and, if your offer is accepted, and the conditions in paragraph 7 above are satisfied, will be applied in discharging the purchase price for the Offer Shares in respect of which your offer is accepted. Following payment in full of the purchase price, the Bank will arrange (and you authorise the Bank so to do) for you to be entered on the Register of Shareholders of SSB in respect of the Offer Shares which you have offered to purchase, and in respect of which your offer has been accepted.
10. If your application is invalid, rejected or not accepted in full, or if the circumstance described in paragraph 7 above do not occur prior to the date specified therein, the proceeds of the cheque or other remittance accompanying your application or the unused balance of those proceeds (as the case may be) will be refunded to you without interest in the currency in which your application was made.
11. If the remittance accompanying your application is not honoured on first presentation then, at any time until one of the Receiving Agents has received in cleared funds the Offer Price in respect of an Offer Share, the Managers, on behalf of BoG and SSNIT, may terminate the agreement to purchase that Offer Share. This termination will be effected by notice being despatched to you.

WARRANTIES

12. You warrant that:
- i) you are a Qualifying Offer Applicant;
 - ii) in making your application you are not relying on any information or representation concerning the Bank and/or the Offer or any of them not contained in this document. You agree that no person responsible for this document or any part of it will have any liability for any such other information or representation;
 - iii) if the laws of any place outside Ghana are applicable to your application, you have complied with all such laws and none of the Managers, BoG and SSNIT will infringe any laws outside Ghana as a result of the acceptance of your offer or any actions arising from your rights and obligations under these terms and conditions and the regulations of the Bank; and

-
- iv) if you are not resident in Ghana, you are not either alone or in concert with any other person or persons acting in relation to the Offer with a view to any one person, or persons acting in concert with that person, acquiring beneficially more than 10 per cent. of the Shares in issue at 27th July, 1995 as a consequence of allocations made pursuant to the Offer and that no other application is being made by you for your own account or by another on your behalf for such purpose or, if you are applying on behalf of another, that other person is not to your knowledge acting either alone or in concert with any other persons as aforesaid.
13. i) If the person signing, or making a thumb print on, the application form is not the applicant, that person warrants that he has authority to do so on behalf of the applicant and that this authority is vested in him by virtue of any power of attorney which (or a copy of which certified by a solicitor) accompanies the application.
- ii) If the applicant is other than a natural person, the person signing the application form warrants that he has authority to do so on behalf of the applicant.

SUPPLY AND DISCLOSURE OF INFORMATION

14. BoG and SSNIT and their respective agents shall have full access to all information relating to, or deriving from, the cheque or bankers' draft or other remittance accompanying your application and its processing. If the BoG, SSNIT or any of their respective agents request any further information about your application you must promptly disclose it to them.

MISCELLANEOUS

15. The rights and remedies of BoG, SSNIT and the Managers under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them, and the exercise of one or partial exercise of one will not prevent the exercise of others.
16. If you deliver your application form to a Receiving Agent, you authorise BoG or SSNIT (as appropriate) to send any money returnable to you and a share certificate for the number of Offer Shares for which your application is accepted by registered post to you at your address (or, in the case of joint applicants, the address of the first named person) as set out in the application form.
17. All documents and monies sent or delivered to or by you will be sent or delivered at your own risk. Any cheque will be made payable to you (or the first person named in any joint application) and will be in the currency in which you applied for Offer Shares.
18. You agree to be bound by the Regulations of the Bank once the Offer Shares you have agreed to purchase have been transferred to you.
19. Your application, any acceptance of that application and the contract resulting therefrom will be governed by, and construed in accordance with, the laws of Ghana. For the exclusive benefit of the parties mentioned in the introduction of these terms and conditions you irrevocably submit to the jurisdiction of the Ghanaian courts in respect of these matters.
20. Words defined in the prospectus and not defined in these terms and conditions have the same meanings in these terms and conditions and in your application form and in the guide to the application form as in this prospectus. In the case of a joint application, references to an applicant in these terms and conditions are to each of the joint applicants and their liability is joint and several.
21. BoG and SSNIT reserve the right, after consultation with and with the agreement of the Bank and the Managers, to extend the period of the Offer, save that it will not be extended beyond 14th September, 1995. In such a case the date prior to which revocation of an offer cannot take place as stated in sub-paragraph 2 of Part 6.4, shall be extended by an equal period to the extension to the Offer period.
22. It is the responsibility of the Managers to ensure full compliance with all applicable laws and regulations in relation to the Offer and the solicitation of applications therefor.

6.5 QUALIFYING OFFER APPLICANTS

For the purposes of the Offer a “Qualifying Offer Applicant” means any person who

- a) being a natural person is aged 18 years or over and is:
 - i) resident in Ghana, or
 - ii) a citizen of some other state or country provided always that offer to and acceptance by such applicant in terms of this Offer is not in contravention with the laws of either that state or country or of Ghana itself; or
- b) being a corporation or partnership or other unincorporated association:
 - i) is incorporated or has an established place of business in Ghana; or
 - ii) is incorporated or has an established place of business in some other state or country provided always that offer to and acceptance by such applicant in terms of this Offer is not in contravention with the laws of either that state or country or of Ghana itself.

PART VII

GUIDE TO COMPLETING THE APPLICATION FORM

WHEN YOU HAVE COMPLETED THE APPLICATION FORM, YOU SHOULD DELIVER IT IN ACCORDANCE WITH THE INSTRUCTIONS INDICATED ON PAGE 20. RESIDENTS OF GHANA MUST NOT APPLY BY POST.

1 Put in Box 1 your (or your organisation's) full name. Please use BLOCK CAPITALS.

Applications must not be made by any person under 18, but a parent, grandparent or guardian of a child under 18 may apply for the benefit of that child. To do this, you should put your name in the surname and forename sections of Box 1 and the full name of the child in the "in trust for" section of Box 1. You are not thereby precluded from making a single application for your own benefit.

If you wish to apply with another adult, see Note 9.

IF YOU (OR YOUR ORGANISATION) ARE RESIDENT IN GHANA

2 A Put in Box 2A your (or your organisation's) full address in block capitals.

3 A Put in Box 3A the number of Shares for which you (or your organisation) are applying and the amount (in figures) of your (or your organisation's) payment, which must be in a form which will realise cleared funds for the full amount payable by 3.00 p.m. (GMT) on 31st August 1995. Cheques, and bankers' drafts should be made payable to "SSB Offer", crossed "A/C PAYEE ONLY" and endorsed, where applicable, "COMMISSION TO DRAWER'S ACCOUNT". All bank commission and transfer charges must be paid by the applicant.

ALL APPLICATIONS MUST BE FOR A MINIMUM OF TWENTY FIVE SHARES, A MINIMUM AMOUNT OF CEDIS 20,000.

When the basis of allocation under the Offer is set, successful applicants will be allocated a number of Shares. Any balance of application monies owing will be refunded. For example, if you wish to purchase 100 Shares and your application is scaled down to 50 because of excess applications, you will be allocated 50 Shares and receive a refund of Cedis 40,000.

4 Put in Box 4 the bank, branch and account number into which you wish dividends attributable to any Shares allocated to be paid. If unsure about the Branch Code, please leave this space blank. If you wish to receive dividends payments by cheque, leave this section blank.

IF YOU (OR YOUR ORGANISATION) ARE NOT RESIDENT IN GHANA

B Put in Box 2B your (or your organisation's) full address in block capitals.

B Put in Box 3B the number of Shares for which you (or your organisation) are applying and the amount (in figures) of your (or your organisation's) payment, which must be in a form which will realise cleared funds for the full amount payable on application, without any deduction for bank commissions or other charges, by 3.00 p.m. (GMT) on 31st August 1995.

If your (or your organisation's) payment is being remitted by bank transfer, state "Yes" in the "Bank Transfer" section of Box 3B. If payment is to be made by another method, leave this box blank.

THE MINIMUM APPLICATION IS FOR TWENTY FIVE SHARES, A MINIMUM AMOUNT OF US\$16.75.

When the basis of allocation under the Offer is set, successful applicants will be allocated a number of Shares. Any balance of application monies owing will be refunded. For example, if you wish to purchase 100 Shares and your application is scaled down to 50 because of excess applications, you will be allocated 50 Shares and receive a refund of US\$33.50.

5 Tick the relevant box on the application form to indicate your citizenship (whether or not you are resident in Ghana) or the country of incorporation of your organisation.

6 WARNING

By signing an application form, you (or your organisation) will be applying for Offer Shares on the terms and conditions set out in the prospectus and in this form. Proceedings may be instituted against anyone knowingly making a false declaration. This applies whether the application is made solely or jointly with other persons.

7 MULTIPLE APPLICATIONS ARE NOT PERMITTED.

Please read the warning in Note 6 and the declaration in Box 6 carefully before you sign (or, if appropriate, make your thumb print) and date the form in Box 7.

The application form may be signed by someone else on your behalf if he/she is duly authorised to do so. An agent must enclose the original power of attorney (or a copy certified by a solicitor) appointing him/her unless he/she is a selling agent or financial intermediary and states the capacity in which he/she signs.

If you are applying for the benefit of someone under the age 18, you, rather than that person, must sign the application form.

NOTE: ALL APPLICATION FORMS MUST BE SIGNED AND DATED

8 FOR ILLITERATES

Applications by illiterates should bear their RIGHT thumb-print on the Application Form and should be signed by a witness who must first have read over the Application Form and explained its meaning and effect to the illiterate in a language that both the applicant and the witness understand well.

9 JOINT APPLICANTS

You may apply jointly with up to three other people, providing each applicant is a Qualifying Offer Applicant. They should complete and sign Box 8.

Powers(s) of attorney must be enclosed if anyone is signing on behalf of any joint applicant(s).

PHOTOCOPIES OF APPLICATION FORMS WILL NOT BE ACCEPTED

INSTRUCTIONS FOR RETURN OF YOUR APPLICATION FORM

IN GHANA

You must deliver your completed application form together with your payment in Ghana by 3.00 p.m. (GMT) on 31st August, 1995 to:

MERBAN STOCKBROKERS LIMITED
44 KWAME NKRUMAH AVENUE
P. O. BOX 401
ACCRA

or deliver it to:

CAL Brokers Ltd	Gold Coast Securities Ltd
Consodiscount Asset Mgt. Co. Ltd	National Trust Holding Co. Ltd
Databank Brokerage Ltd	SDC Brokerage Services Ltd
EBG Stockbrokers Ltd	Strategic African Securities Ltd
Financial Equities (Ghana) Ltd	

Or take it to any branch in Ghana of the following banks:

Social Security Bank Ltd	Merchant Bank (Ghana) Ltd
Agricultural Development Bank	Barclays Bank of Ghana Ltd
Ecobank Ghana Ltd	Ghana Commercial Bank Ltd
Ghana Cooperative Bank Ltd	Meridien BIAO Bank Ghana Ltd
National Investment Bank Ltd	Standard Chartered Bank (Ghana) Ltd
Bank for Housing and Construction	CAL Merchant Bank Ltd

RESIDENTS OF GHANA MUST NOT APPLY BY POST

OUTSIDE GHANA

You must either return your completed application form by hand or by registered post to one of the SSB Offer Receiving Agents above or to any other SSB Offer Receiving Agent otherwise notified to you.

For applications delivered by hand, your payment should accompany your application form and be in form which will realise cleared funds, for the full amount payable on application by 3.00 p.m. (GMT) on 31st August, 1995. For applications delivered by registered post, funds should be remitted by bank transfer to the following account: **MBG/SSB Share Offer, account number 36116283, Citibank N.A. 111 Wall Street, New York, NY 10043, USA**, for value no later than 3.00 p.m. (GMT) on 31st August, 1995.

Before completing this form, please carefully read the guide in Part 7

INDIVIDUALS

Please use BLOCK CAPITALS

1	<i>Surname</i> <i>Mr, Mrs Miss, Ms or title</i>
	<i>Forename(s)</i>
	<i>IN TRUST FOR</i>

2	A RESIDENTS OF GHANA	B RESIDENTS OF OTHER COUNTRIES
	<i>Address</i>	<i>Address</i>
	<i>P O Box Number</i>	
	<i>Town/Village</i>	
	<i>Region</i>	<i>Country</i>

3	A <i>Number of Shares Applied For</i>	B <i>Number of Shares Applied for</i>
	<i>Amount now payable:</i>	
<i>€</i>		<i>Bank Transfer</i>
		<i>US\$</i>

4	<i>Dividend payment details:</i>	<p style="text-align: center;"><i>Bank Stamp</i></p> <p style="text-align: center;">Databank Brokerage Ltd. SSNIT Tower Block, 5th Floor P. M. B., Ministries Accra</p>
	<i>Bank</i>	
	<i>Branch</i>	
	<i>Branch Code</i> <small>(If you do not know the branch code, ignore it)</small>	
	<i>Account Number</i>	

5 CITIZENSHIP: Ghanaian G Other O

6	<p>I/We hereby apply for shares in SSB on the terms and conditions set out in the prospectus. I/We declare that I/we am/are Qualifying Offer Applicant(s) and that to my/our knowledge there is no other application being made for my/our benefit (or that of any other person for whose benefit I/we am/are applying) for Shares in SSB for which I/we have applied on this form. I/We understand the warning in Note 6 of Part 7.</p>	<i>Thumb print/Signature</i>
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7	<i>Signature</i>	<i>Date</i> _____, 1995
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To be completed by receiving bank and then signed by applicant and retained by applicant as evidence of payment.

<i>Title</i>	<i>Surname</i>	<i>Forename(s)</i>	<i>Branch Code</i>	<i>Form Number</i>
<i>Address</i>			<i>Thumb print/Signature</i>	
<i>Country</i>		<i>Receiving Bank Stamp</i>		
<i>Amount Paid</i>	<i>Signature</i>			

Databank Brokerage Ltd.
SSNIT Tower Block, 5th Floor
P. M. B., Ministries
Accra

Joint applicants

The first applicant must complete Boxes 1, 2A, or 2B, 3A or 3B, 4 (if appropriate) and 5 and sign and date in Box 7. The names of any joint applicant(s) must be inserted below in [BLOCK CAPITALS] and they each must sign in the right hand column below against their name.

I/We join in this application and give the declaration set out in Box 6.

	Mr, Mrs Miss,Ms or title	Surname	Forename(s) in full	Signature
2nd joint applicant				
3rd joint applicant				
4th joint applicant				
			Branch Code	Form Number

FOR REGISTRAR'S USE ONLY

Shares Applied For:

Shares Alloted:

Amount Payable: €

Amount to be Returned: €

Cheque Number:

Date Paid:

Certificate Number:

Checked:

Certificates Sent:

Register Posted:

Checked:

Before completing this form please carefully read the guide in Part 7

ORGANISATIONS (CORPORATE BODIES, CHURCHES, TRUST FUNDS ETC.)

Please use BLOCK CAPITALS

1	NAME OF ORGANISATION

2	A ORGANISATIONS INCORPORATED IN GHANA	B ORGANISATIONS INCORPORATED IN OTHER COUNTRIES	
	Address		Address
	P O Box Number		
	Town/Village		
	Region		Country

3	A Number of Shares Applied For	B Number of Shares Applied for
Amount now payable:		Bank Transfer
€		US\$

4	Dividend payment details:	Bank Stamp Databank Brokerage Ltd. SSNIT Tower Block, 5th Floor P. M. B., Ministries Accra
	Bank	
	Branch	
	Branch Code	
	Account Number	

5 INCORPORATION Ghanaian G Other O

6	I/We hereby apply for shares in SSB on the terms and conditions set out in the prospectus. I/We declare that I/we am/are Qualifying Offer Applicant(s) and that to my/our knowledge there is no other application being made for my/our benefit (or that of any other person for whose benefit I/we am/are applying) for Shares in SSB for which I/we have applied on this form. I/We understand the warning in Note 6 of Part 7.	Stamp

7	Signature of Authorised Official	Date _____, 1995

To be completed by receiving bank and then signed by applicant and retained by applicant as evidence of payment.

Name of Organisation		Branch Code	Form Number
Address		Stamp	Receiving Bank Stamp Databank Brokerage Ltd. SSNIT Tower Block, 5th Floor P. M. B., Ministries Accra
	Country		
Amount Paid	Signature		

FOR REGISTRAR'S USE ONLY

Shares Applied For:

Shares Alloted:

Amount Payable: €

Amount to be Returned; €

Cheque Number:

Date Paid:

Certificate Number:

Checked:

Certificates Sent:

Register Posted:

Checked:

