



30 Years of Protecting Depositors in Nigeria





NIGERIA DEPOSIT INSURANCE CORPORATION

ANNUAL REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2019**



Nigeria Deposit Insurance Corporation

Protecting your bank deposits



Our Vision

To be one of the Best Deposit Insurers in the World by 2020



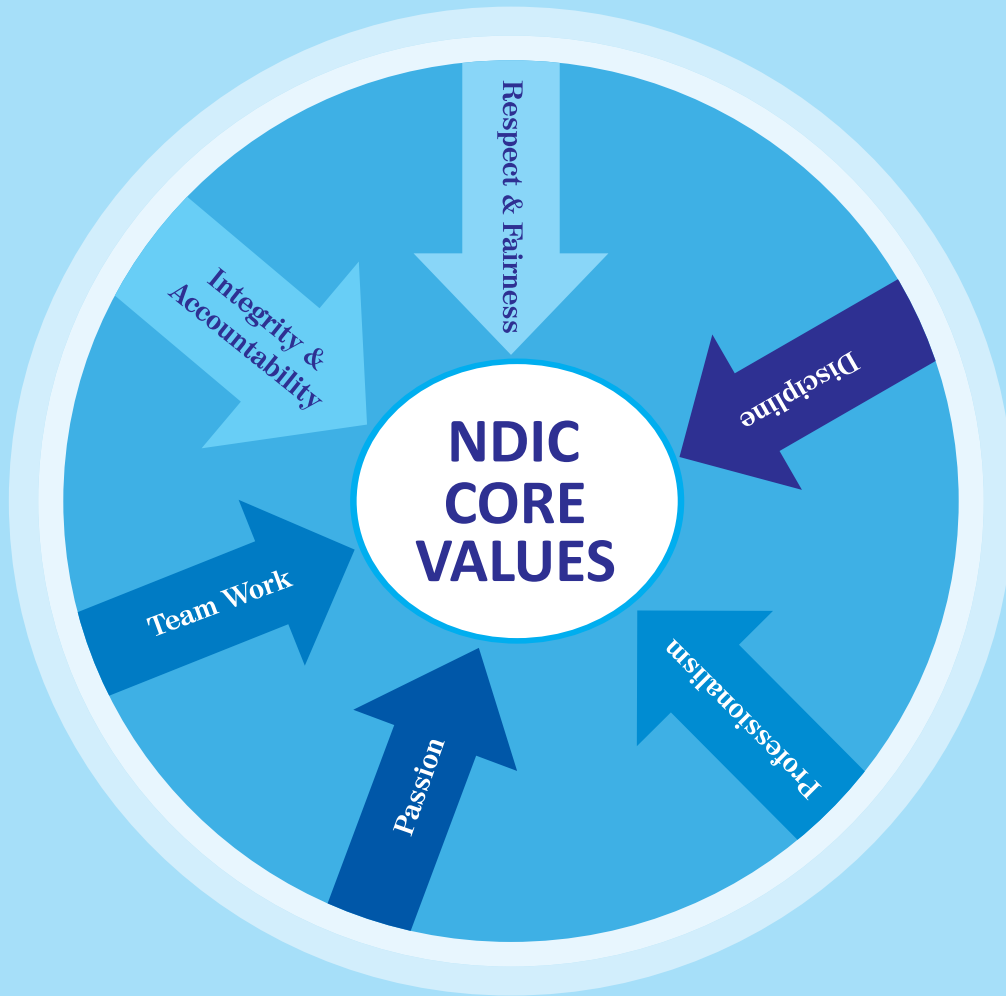
Our Mission

To protect depositors and contribute to the stability of the financial system through effective supervision of insured institutions, provision of financial and technical assistance to eligible insured institutions, prompt payment of guaranteed sums and orderly resolution of failed insured financial institutions.



Our Core Value

- ◆ Integrity & Accountability
- ◆ Respect & Fairness
- ◆ Discipline
- ◆ Professionalism
- ◆ Team Work and
- ◆ Passion



INDIC

Nigeria Deposit Insurance Corporation

Protecting your bank deposits

BOARD OF DIRECTORS



Mrs. Ronke Sokefun
Chairman



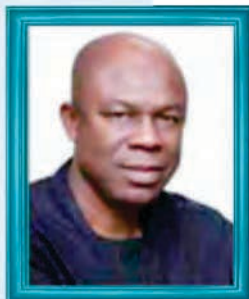
Alh. Umaru Ibrahim, FCIB, mni
MD/CEO



Prince Aghatise Erediauwa
ED (Operations)



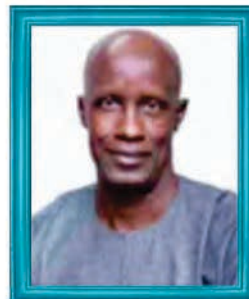
Hon. Omolola Abiola-Edewor
ED (Corporate Services)



**Mr Mustapha Adewale
Mudashiru**



Ms Diana Okonta



Mr Adewale W. Adeleke



Mr Garba Bello



**Brig. Gen. Josef O. J.
Okoloagu (Rtd.)**



Mrs Ya'ana Yaro



Mr Okokan E. Udo
FMF Representative



Mr Bello Hassan
CBN Representative

MEMBERS OF THE EXECUTIVE COMMITTEE



Alh. Umaru Ibrahim, FCIB, mni
Managing Director/Chief Executive

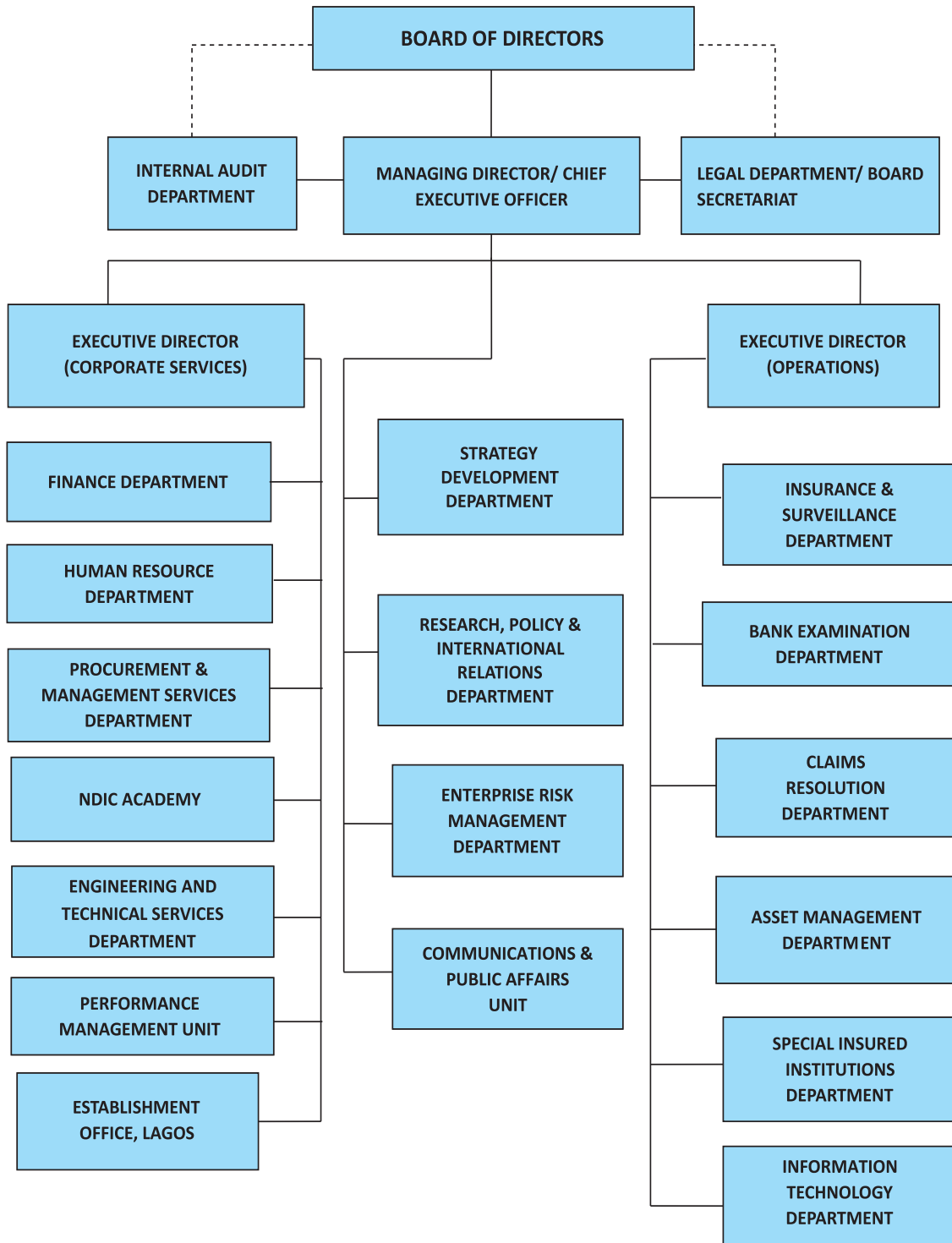


Prince Aghatise Erediauwa
Executive Director (Operations)



Hon. Omolola Abiola-Edewor
Executive Director (Corporate Services)

ORGANISATIONAL STRUCTURE



HEADS OF DEPARTMENT/UNIT/ ZONAL OFFICES

<i>Mr. B. D. Umar</i>	-	<i>Director, Asset Management</i>
<i>Mr O. O. Babatolu</i>	-	<i>Director, Bank Examination</i>
<i>Mrs. N. K. Ajigbewu</i>	-	<i>Director, Claims Resolution</i>
<i>Dr. S. A. Oluyemi</i>	-	<i>Director, Communications & Public Affairs</i>
<i>Mr. U. U. Maitamari</i>	-	<i>Director, Enterprise Risk Management</i>
<i>Mrs. A. O. Oluwabiyi</i>	-	<i>Director, Finance</i>
<i>Mrs. A. C. Onyekwere</i>	-	<i>Director, Human Resource</i>
<i>Mr. G. Y. Gana</i>	-	<i>Director, Insurance & Surveillance</i>
<i>Mr. A. G. Longe</i>	-	<i>Director, Internal Audit</i>
<i>Mr. B. A. Taribo</i>	-	<i>Director, Legal & Secretary to the Corporation</i>
<i>Mr. Y. S. Mohammed</i>	-	<i>Director, MD/CEO's Office</i>
<i>Dr. A. B. Okoro</i>	-	<i>Director, NDIC Academy</i>
<i>Mr. E. A. Esangbedo</i>	-	<i>Director, Performance Management</i>
<i>Mr. H. I. Ahmad</i>	-	<i>Director, Procurement & Management Services</i>
<i>Mr. M. M. Ibrahim</i>	-	<i>Director, Research, Policy & International Relations</i>
<i>Mr. J. J. Etopidiok</i>	-	<i>Director, Special Insured Institutions</i>
<i>Mr. K. O. Nwaigwe</i>	-	<i>Director, Strategy Development</i>
<i>Mr. C. A. Ehizokhale</i>	-	<i>Deputy Director, Engineering & Technical Services</i>
<i>Mr. M. O. Adewumi</i>	-	<i>Deputy Director, Establishment Office, Lagos</i>
<i>Mr. I. Uhunmwagho</i>	-	<i>Deputy Director, Information Technology</i>
<i>Mr. D. H. Aminu</i>	-	<i>Controller, Bauchi Zonal Office</i>
<i>Mr. J. A. Ikediashi</i>	-	<i>Controller, Benin Zonal Office</i>
<i>Mrs. V. Ogbo-Ikwue</i>	-	<i>Controller, Enugu Zonal Office</i>
<i>Mr. O. Alabi</i>	-	<i>Controller, Ilorin Zonal Office</i>
<i>Mr. B. A. Nuhu</i>	-	<i>Controller, Kano Zonal Office</i>
<i>Mr. I. E. Essien</i>	-	<i>Controller, Port Harcourt Zonal Office</i>
<i>Mr. J. T. Anifowose</i>	-	<i>Controller, Sokoto Zonal Office</i>
<i>Mr. M. A. Mohammed</i>	-	<i>Controller, Yola Zonal Office</i>

OFFICE ADDRESSES AND TELEPHONES

HEAD OFFICES

Plot 447/448 Constitution Avenue
Central Business District
P.M.B. 284, Abuja, Nigeria
Tel: 09-4601380-9
Fax: 09-4601426
Call Toll Free: 080063424357
E-mail: info@ndic.gov.ng
Website: www.ndic.gov.ng

LAGOS OFFICE

NECOM House, No. 15, Marina Street
Lagos Island, Lagos State
Tel: 01-2719010, 01-2719011

BAUCHI ZONAL OFFICE

Plot No 3, Abdulkadir Ahmed Road
P.M.B 207, Bauchi
Tel: 09020441970, 09020441971,
09020441972, 09020441975

BENIN ZONAL OFFICE

28A & B, Benoni Road
Off Airport Road, G.R.A.
P.M.B. 1043, Benin
Benin City
Tel: 08150999600, 08150999599,
08150999588

ENUGU ZONAL OFFICE

No. 10, Our Lords' Street
Independence Layout
P.M.B. 1210, Enugu
Tel: 07059763471

ILORIN ZONAL OFFICE

No. 23B, Ahmadu Bello Way
GRA, Ilorin
Tel: 08023123185, 09074788880
08187960908

KANO ZONAL OFFICE

Plot 458, Muhammad Muhammad Street
Off Maiduguri Road
Hotoro, GRA, Kano
Tel: 064-43128, 064-432072
08063932722

PORT-HARCOURT ZONAL OFFICE

No. 104, Woji Road,
Off Olu Obasanjo Road
GRA Port-Harcourt
Tel: 09090726737, 07081062700,
08084291777

SOKOTO ZONAL OFFICE

No. 2, Gusau Road
Opp. NNPC Mega Station, Sokoto
Tel: 07055769606, 09036453305,
09035795104, 09036251402, 08069619954

YOLA ZONAL OFFICE

No. 6, Numan Road, Jimeta – Yola
Adamawa
Tel: 08089814004, 08089814005
08089814006, 08089814007, 08037023360

ABBREVIATIONS USED IN THIS REPORT

S/N	ABBREVIATION	FULL MEANING
1	ADR	Alternative Dispute Resolution
2	AMCON	Asset Management Corporation of Nigeria
3	AMD	Asset Management Department
4	ARC	Africa Regional Committee
5	ASCE	Abuja Security & Commodities Exchange
6	ATM	Automated Teller Machine
7	BED	Bank Examination Department
8	BSC	Balanced Score Card
9	BGF	Bank Guarantee Fund
10	BOFIA	Banks and Other Financial Institutions Act
11	BZO	Benin Zonal Office
12	CBN	Central Bank of Nigeria
13	CIBN	Chartered Institute of Bankers of Nigeria
14	CRD	Claims Resolution Department
15	CAC	Corporate Affairs Commission
16	dEPM	Dynamic Enterprise Performance Management Software
17	DI	Deposit Insurance
18	DIF	Deposit Insurance Fund
19	DIS	Deposit Insurance System
20	D-SIB	Domestic-Systemically Important Bank
21	DMB	Deposit Money Bank
22	DMO	Debt Management Office
23	DPFB	Deposit Protection Fund Board
24	DFI	Development Finance Institution
25	DPAS	Differential Premium Assessment System
26	DPF	Deposit Protection Fund of Uganda
27	DSS	Directorate of State Security
28	EWS	Early Warning System
29	EDMS	Electronic Document Management System
30	e-FASS	Electronic-Financial Analysis and Surveillance System
31	e-FILMS	Electronic-Financial Institutions Liquidation Management System
32	EFCC	Economic & Financial Crimes Commission
33	ERM	Enterprise Risk Management
34	ERMS	Enterprise Risk Management System
35	EZO	Enugu Zonal Office
36	Failed Banks Act	Failed Banks (Recovery of Debts and Other Financial Malpractices in Banks Act) 1994
37	FDIC	Federal Deposit Insurance Corporation

38	FinA	Financial Analysis System
39	FIRS	Federal Inland Revenue Service
40	FMF	Federal Ministry of Finance
41	FMIU	Fraud, Monitoring and Investigation Unit
42	FICAN	Finance Correspondents Association of Nigeria
43	FSS 2020	Financial System Strategy 2020
44	FSRCC	Financial Services Regulation Coordinating Committee
45	FSN	Financial Safety Net
46	FRA	Fiscal Responsibility Act
47	GDPC	Ghana Deposit Protection Corporation
48	HKDPB	Hong Kong Deposit Protection Board
49	ICPC	Independent Corrupt Practices and Other Related Offences
50	IFI	Insured Financial Institution
51	IoD	Institute of Directors
52	ITDR	Information Technology Disaster Recovery
53	ITSSA	Information Technology Security Systems and Architecture
54	IADI	International Association of Deposit Insurers
55	IFRS	International Financial Reporting Standard
56	KDIC	Korea Deposit Insurance Corporation
57	KZO	Kano Zonal Office
58	MBAN	Mortgage Bank Association of Nigeria
59	MFB	Microfinance Bank
60	MLA	Money Laundering Act
61	M & A	Merger & Acquisition
62	MPC	Monetary Policy Committee
63	MPR	Monetary Policy Rate
64	MSME	Micro, Small and Medium Enterprise
65	NAICOM	National Insurance Commission
66	NBLR	Nigerian Banking Law Report
67	NDIC	Nigeria Deposit Insurance Corporation
68	NFIU	Nigerian Financial Intelligence Unit
69	NHF	National Housing Fund
70	NHIS	National Health Insurance Scheme
71	NIB	Non-Interest Bank
72	NIDIF	Non-Interest Deposit Insurance Fund
73	NJI	National Judicial Institute
74	NMRC	Nigeria Mortgage Refinance Company
75	NPL	Non-Performing Loan
76	NSE	Nigerian Stock Exchange
77	OFI	Other Financial Institution

78	OTA	Office of Technical Assistance
79	PENCOM	National Pension Commission
80	PFA	Pension Fund Administrator
81	PMS	Performance Management System
82	PMB	Primary Mortgage Bank
83	P&A	Purchase and Assumption
84	PPO	Public Policy Objective
85	RAE	Risk Asset Examination
86	RBE	Risk-Based Examination
87	RBS	Risk-Based Supervision
88	SB	Sustainable Banking
89	SIB	Systemically Important Bank
90	SBN	Savannah Bank of Nigeria
91	SEC	Securities and Exchange Commission
92	SFU	Special Fraud Unit
93	SGBN	Societe Generale Bank of Nigeria
94	SIIF	Special Insured Institutions Fund
95	TSA	Treasury Single Account



MESSAGE OF THE CHAIRMAN

It is with great pleasure that I present the Annual Report and Statement of Accounts of the Nigeria Deposit Insurance Corporation (NDIC) for the year ended 31st December, 2019. The 2019 reporting year marks the first full year of operation since the Honourable Minister of Finance, Hajiya Zainab Ahmed inaugurated the new Board of the NDIC that I have the honour of presiding as the Chairperson. The Report reviews important developments in the macroeconomic and socio-political environment that shaped the banking industry in Nigeria and the operations of the NDIC.

1.0 Macroeconomic/Socio-Political Environment

During the first quarter of the year, the nation's general elections held on 23rd February, 2019 that returned the incumbent President, Muhammadu Buhari, GCFR for another 4-year term. It is pleasing to note that the election marked the continuity of democracy since 1999 thereby deepening political process. The successful transition engenders political stability and international competitiveness of the Nigeria economy which is imperative and key to socio-economic development as it remains one of the foremost attractions for foreign capital and investments inflow.

The year also witnessed some major socio-economic events that include the signing of African Continental Free Trade Agreement (ACFTA) which allows for free movement of goods and services between member states in Africa, thereby

encouraging intra-african trade and regional integration. It is expected that Nigeria businesses, especially the banking industry that has significant cross border activity will leverage on the ACFTA to further expand their market share in the Sub-Saharan Africa.

In the fiscal space, it is worthy to note that the 2020 budget was submitted and passed by the National Assembly before the end of 2019 thereby returning the Federal Government to a normal budget cycle of January to December for the first time in 10 years. Furthermore, a new Finance Bill 2019 was passed to update, amend and increase the Federation's tax to Gross Domestic Product (GDP) ratio. In that regard, for instance, all bank accounts maintained for business activities must have Tax Identification Numbers. The bill also provided for other fiscal incentives in the capital market. In order to earn more income from oil and gas activities in the deep-water offshore segment, the Federal Government also reviewed the Production Sharing Contract Act 1995.

Despite the security situation of the country, the macroeconomic policies of the Government have been yielding positive results as the GDP grew in real terms by 2.27% (year-on-year) in



2019, which is higher than 1.97% growth rate recorded in 2018. The annual headline inflation rate reduced to 11.98% in December 2019 as against 12.2% in December 2018. The external reserves as at end of 2019 stood at US\$38.60 billion from US\$43.11 billion as at end of 2018. Also, Nigeria's Ease of Doing Business ranking improved from 146 in 2018 to 131 in 2019.

Furthermore, the monetary authorities responded by taking several measures to safeguard the macro-economy including intervening in the country's foreign exchange market; maintaining the Monetary Policy Rate (MPR) at 13.5%; the Cash Reserve Ratio (CRR) at 22.5%, and Liquidity Ratio at 30%, amongst others.

2.0 The Banking Industry In 2019

The year witnessed the reappointment of the Governor of the Central Bank of Nigeria (CBN), Mr. Godwin Emefiele to another 5-year term of office. He began that tenure by unveiling the CBN's 2019-2024 policy thrust aimed at improved access to credit, growth and diversification of the economy through a more interventionist strategy for the real sector of the economy.

In furtherance of the strategy, the CBN mandated commercial banks to target a minimum Loan-to-Deposit ratio of 60%, later revised to 65% with a variable CRR for non-compliance. That was aimed at encouraging banks to lend to real sector as opposed to continuous deployment of funds by banks into fixed income securities. The directive on Loans-to-Deposit ratio had a significant impact on lending activity in the economy as it increased credit to private sector, thereby boosting economic activities. In addition, in order to open up the banking space to fintech, the CBN granted an approval in principle to license payment service banks (PSBs) and super agents that may impact positively on financial inclusion and reduce the cost of doing business in Nigeria.

These developments impacted on the performance of the banking system and by implication on the activities of the NDIC. The banking system, in particular, posted appreciable profits and grew its lending portfolio significantly thus proving its resilience during the period under review. During the year under review, the CBN licensed two commercial banks and one non-interest bank namely: Globus bank, Titan Trust bank and Taj bank respectively. Overall, the banking industry was stable and safe while its performance and level of soundness were considered satisfactory.

3.0 NDIC's Key Developments

During the period under review, the NDIC celebrated the 30th Anniversary of its existence. The celebration was held from 18th to 24th October, 2019. The occasion provided the NDIC the opportunity to reflect on its scorecard in the last 30 years and how well it had fared in the discharge of its mandate, as well as the challenges it encountered with a view to re-strategizing for improved performance.

The NDIC had gone through a series of structural and operational reforms necessary to align its activities with global best practices and also give the right impetus to the realisation of its mandate. With the on-going reforms, the NDIC has been able to institute systems, processes and procedures that make it operationally ready to effectively discharge its mandate.

On the international scene, the NDIC was involved in several International Exchange and Cooperation activities, geared towards effective experience-sharing and capacity building. As the current Chairman of IADI's Africa Regional Committee (ARC), the NDIC participated at several IADI Executive Council (EXCO) Meetings and Conferences as well as provided Technical Assistance to several African deposit insurance agencies with a view to sharing information and experience on deposit insurance practices.



NDIC Board Chairperson, Mrs Ronke Sokefun presenting Vice President of the Federal Republic of Nigeria, Prof. Yemi Osinbajo, SAN, GCON with a gift during the NDIC Boards' courtesy visit to the Vice President at the Villa

An event of significant importance was the signing of Memorandum of Understanding (MoU) between the NDIC and Central Deposit Insurance Corporation of Taiwan (CDIC) as well as the Korea Deposit Insurance Corporation (KDIC) during the year under review. The MoU provides for effective international working relationship between the NDIC and the partner deposit insurers, towards enhancing mutual understanding that promotes the development of DIS in Nigeria, Korea and Taiwan.

4.0 Conclusion

I note with satisfaction that 2019 has been a remarkable year for the economy, the banking industry and financial regulatory agencies in Nigeria, especially the NDIC. I wish to commend members of the Board of the Directors, Executive Management and Staff of the NDIC for their invaluable contribution and cooperation without which the achievement would not have been attained. I urge us all to rededicate ourselves to the course of the NDIC and service of our fatherland.

Ronke Sokefun



REPORT OF THE MANAGING DIRECTOR/CEO

I have the honour of presenting to you the Annual Report of the Nigeria Deposit Insurance Corporation (NDIC) for the year ended 31st December, 2019. During the year under review, the NDIC celebrated its 30th Anniversary of effectively protecting bank depositors, contributing to financial system stability by making incidence of bank runs less likely and enhancing public confidence by orderly resolving failing and failed banks. As in the previous years, the NDIC continued to operate its broad mandate of deposit guarantee, bank supervision, failure resolution and bank liquidation according to international best practices and in compliance with all applicable laws. The Report presents highlights of key initiatives, the financial and non-financial achievements in 2019 and future prospects.

1.0 Deposit Guarantee

Deposit Guarantee, a primary and unique mandate of the NDIC, was discharged through the payment of insured sums to depositors of closed insured financial institutions. As at 31st December, 2019, the NDIC paid a cumulative sum of N8.26 billion as insured amount to 443,723 depositors of closed DMBs compared to the cumulative sum of N8.25 billion paid as insured amount to 442,999 depositors of closed DMBs in 2018. Also, the NDIC made a total payment of N3.34 billion to 89,718 insured depositors of closed MFBs as at 31st December, 2019, as against the sum of N2.97 billion paid to 83,415 depositors of closed MFBs as at 31st December, 2018. Similarly, the cumulative payment made to insured depositors of closed



PMBs increased from N70.53 million paid to 869 depositors in 2018, to N78.24 million paid to 932 depositors in 2019.

2.0 Bank Supervision

Banking supervision is one of the key activities of the NDIC for protecting depositors as well as promoting the safety and stability of the banking system. In 2019, the NDIC continued to monitor the insured financial institutions through both On-site Examination and Off-site Surveillance. In its bid to further restore and sustain public confidence, the NDIC and CBN jointly conducted Risk-Assets Examination and Risk-Based Examination of DMBs to ascertain their true financial condition and take prompt corrective action where necessary.

The NDIC and CBN team examined the risk assets of twenty seven (27) DMBs (including a Non-interest Bank) with the objective of assessing the quality of their risk assets, adequacy of loan loss provisions and capital ratios, level of their safety and soundness, and compliance with the relevant provisions of BOFIA, 1991 (as amended).

There was no Maiden Examination in the year despite licensing three new banks (Taj bank, Titan trust bank and Globus bank). In addition, the NDIC and CBN conducted Risk-Based Examination on 26 DMBs in the year under review. The NDIC also conducted fifty three (53) Special Investigations arising from petitions and complaints from the banking public and other stakeholders.

Furthermore, in collaboration with other member agencies of the FSRCC, namely: NAICOM, PENCOM and SEC, the NDIC and CBN conducted Consolidated Risk-Based Examination of three (3) Financial Holding Companies - FBN Holdings Plc, FCMB Holdings Plc and Stanbic-IBTC Holdings Plc. With respect to special insured institutions, the NDIC conducted Risk-Based Examination of 249 MFBs and ten (10) PMBs during the year under review.

The NDIC also performed its off-site monitoring activities through analysis of returns rendered by banks via the Financial Analysis System (FinA). Specifically, the NDIC assessed the financial conditions and performance of the insured banks on monthly basis by analysing Call Reports rendered through FinA.

3.0 Failure Resolution

Consistent with the previous years, the NDIC shared the responsibility of bank failure resolution with the CBN during the year under review. There was no revocation of operating license of any DMB in 2019. However, Access Bank and Diamond Bank merged to form a new Access Bank.

Similarly, there was no revocation of operating licences of MFBs and PMBs in 2019. Nevertheless, six (6) MFBs voluntarily closed shop and ten (10) MFBs operated skeletal services.

4.0 Bank Liquidation

In line with its mandate as the Liquidator of failed insured institutions, the NDIC ensured effective closure of the affected institutions and promptly reimbursed their depositors during the year under review. The liquidation activities included the payment of insured deposits, liquidation dividends as well as payment to creditors and shareholders of the banks in-liquidation. These activities covered a total of 425 institutions, comprising 49 DMBs, 325 MFBs and 51 PMBs. In carrying out its responsibilities as Liquidator, the NDIC made a total payment of ₦117.42 billion to depositors, creditors and shareholders as at 31st December 2019. A breakdown of the payment made to insured and uninsured depositors indicated the sum of ₦109.01 billion, ₦3.34 billion and ₦4.55 million had been paid to depositors of defunct DMBs, MFBs and PMBs, respectively. Creditors and Shareholders of banks in-liquidation had also been paid the sum of ₦1.27 billion and ₦3.71 billion, respectively.

Specifically, the NDIC had paid the sum of ₦8.26 billion as at 31st December, 2019, as insured amount to 443,723 depositors of closed DMBs against ₦8.25 billion paid to 442,999 depositors in the previous year. As at 31st December, 2019, the sum of ₦366.92 million was paid to 6,303 insured depositors of MFBs in-liquidation as against the sum of ₦89.24 million paid to 1,804 depositors of closed MFBs as at 31st December, 2018. For the closed PMBs, the sum of ₦7.71 million was paid to 63 depositors as insured deposits in 2019, which was higher than the ₦2.13 million paid to 29 depositors in 2018.

The Total Loans and Advances owed to the DMBs in-liquidation stood at ₦202.18 billion as at 31st

December, 2019. The cumulative recovery from those debtors was ₦29.89 billion in 2019, compared to ₦29.01 billion in 2018. From the sale of disposable physical assets of closed DMBs, the sum of ₦21.65 billion was realised as at 31st December, 2019, compared to ₦21.40 billion in 2018.

As a result of recoveries, the total payment to Depositors, Creditors and Shareholders of the closed DMBs, MFBs and PMBs as at 31st December, 2019 was ₦117.42 billion compared to ₦116.258 billion paid as at 31st December, 2018.

5.0 Deposit Insurance Fund Management

As in the previous year, the Differential Premium Assessment System (DPAS) was adopted by the NDIC in its premium computation for DMBs and PMBs, while flat-rate approach was used for the MFBs, during the year under review.

As at 31st December 2019, the NDIC's investment and funding position stood at ₦1.41 trillion (Net of Target Funding Provision). That is broken down into Deposit Insurance Fund (DIF) of ₦1.20 trillion compared to ₦1.10 trillion as at 31st December, 2018; Special Insured Institutions Fund (SIIF) for MFBs and PMBs of ₦111.02 billion compared to ₦109.88 billion in 2018; and Non-Interest Deposit Insurance Fund (NIDIF) of ₦1.50 billion compared to ₦0.99 billion in 2018.

6.0 Financial Performance

The NDIC implements its financial policies by ensuring adequate funding; as well as effective and efficient management of resources in compliance to all relevant and applicable laws. The NDIC maintained comprehensive financial records, accurate and reliable information on its financial activities in a timely, efficient and transparent manner. That was achieved through effective budget planning based on Performance Based Budgeting System (PBBS) and prompt investment of the Deposit Insurance Funds in eligible

securities with safety and liquidity as its guiding principles.

In 2019, the NDIC filed and remitted all Taxes deducted (Stamp Duty, VAT and WHT) to the appropriate tax authorities and also remitted the sum of ₦74.55 billion to the Consolidated Revenue Fund (CRF) in compliance with Fiscal Responsibility Act 2007.

7.0 Financial Inclusion

The National Financial Inclusion Strategy (NFIS) which was initiated in 2012 was revised in 2018. The major aim of the revised strategy is to reduce the proportion of financially excluded adult Nigerians from its baseline figure of 46.3% in 2010 to 20% by 2020. Consequently, the NDIC implemented initiatives including electronic and print media channels to educate the public on its activities and improve financial literacy. Some of the channels employed in 2019 included: implementation of the pass-through deposit insurance; provision of financial and technical support for the introduction of deposit insurance courses in tertiary institutions and participation at major trade fairs to promote DIS and financial inclusion.

Other initiatives included: targeted financial inclusion activities for the youths such as sensitisation of NYSC members; collaboration with the Chartered Institute of Bankers of Nigeria (CIBN) for the introduction of DIS in the curriculum of the institute, participation in World Savings Day for secondary schools nationwide and the development and critique of curriculum on financial education for primary and secondary schools nationwide.

8.0 Public Awareness Initiatives

To be effective, the stakeholders have to be aware of the benefits and limitations of the DIS, as well as the activities of the NDIC. Therefore, the NDIC embarked on a number of public awareness

activities in 2019 for the effective discharge of its functions and to enhance the effectiveness of the payment system. Some of the activities were: radio and TV depositors awareness jingles in local languages; press conferences/briefings; monitoring and engagement through social media; and several in-house publications. Other strategies adopted included: sponsorship of sensitisation seminars and workshops such as the Annual Workshop for Business Editors and Finance Correspondents Association of Nigeria (FICAN) and sensitisation seminar for the Bar and Bench, as well as 24-hour toll-free NDIC Helpdesk to guide the depositors and address their concerns.

“A notable public awareness event was the 30th Year Anniversary of the NDIC. The one-week nationwide event included the publication of a book titled “30 Years of Deposit Insurance in Nigeria” which was launched by His Excellency, Prof Yemi Osinbajo (SAN), GCON, and Vice President Federal Republic of Nigeria during the 30th Anniversary Celebration of the NDIC on 21st October, 2019.”

A notable public awareness event was the 30th Year Anniversary of the NDIC. The one-week nationwide event included the publication of a book titled “30 Years of Deposit Insurance in Nigeria” which was launched by His Excellency, Prof Yemi Osinbajo (SAN), GCON, and Vice President Federal Republic of Nigeria during the 30th Anniversary Celebration of the NDIC on 21st October, 2019. The Public Lecture and Book Launch had in attendance the President of the Senate, Federal Republic of Nigeria, His Excellency, Ahmad Lawan, several Distinguished Senators of the Federal Republic of Nigeria, Honourable Ministers, Heads of Agencies and Royal Fathers such as the Ooni of Ife and the Emir of Kazaure. Other public awareness activities to mark the 30th year celebration included a Health Walk in Abuja and the Anniversary Dinners in Abuja and Lagos.

9.0 International Exchange and Cooperation

In 2019, the NDIC participated in several IADI

activities such as the 57th IADI Executive Council Meeting and International Conference in Almaty, Kazakhstan from 25th February - 1st March, 2019, the 59th Executive Council (EXCO) and the 9th joint FSI-IADI conference which was held from 2nd - 5th September, 2019 in Basel, Switzerland. The NDIC also participated at several IADI-Africa Regional Committee (ARC) events and also hosted members of staff from Uganda, Ghana, and Tanzania Deposit Insurance agencies as well as staff of International Monetary Fund (IMF) and West African Monetary Union (WAMU).

10.0 Corporate Social Responsibility

During the period under review, the NDIC sustained its Corporate Social Responsibility (CSR) projects so as to enhance public awareness in its activities while also making the academic environment conducive for learning. Accordingly, in 2019, the NDIC sponsored sixteen (16) projects in educational institutions nationwide at the cost of ₦360.66million in various locations in the country including support to the National Institute for Policy and Strategic Studies (NIPSS), Kuru, Jos towards the establishment of its Centre for Financial Economics.

11.0 Staff Capacity Building

The NDIC places a great premium on capacity building so as to maintain a pool of competent, skilled and highly motivated staff. In that regard, staff were trained locally in Nigeria and attended events abroad that would enable them cope with the emerging challenges in the financial system.

12.0 Challenges Posed by COVID-19 Pandemic

The COVID-19 Pandemic has adversely affected



R-L: Alh. Umaru Ibrahim, FCIB, mni, MD/CEO Nigeria Deposit Insurance Corporation; His Excellency, the Vice President, Federal Republic of Nigeria, Professor Yemi Osinbajo (GCFR); Charman NDIC Mrs. Ronke Sokefun at the occasion of the NDIC 30th Anniversary Lecture and Book Presentation at Transcorp Hilton, Abuja, on 21st October, 2019

the global socio-economic landscape and put pressures on both policy makers and banking supervisory authorities across the globe. This had spurred a number of mitigating initiatives to combat the potential negative socio-economic impacts especially on households and business units.

International regulatory requirements in areas such as capital and liquidity standards and loan provisioning are being adjusted and implementation of new regulatory requirements delayed. The Basel Committee's oversight body, the Group of Central Bank Governors and Heads of Supervision (GHOS), has also endorsed a set of measures to provide additional operational capacity for banks and supervisors to respond to the immediate financial stability priorities resulting from the impact of Covid-19 on the global banking system. The measures endorsed by the GHOS comprise; the deferment of Basel 111 reforms by 1 year to Jan 2023 and the extension of the accompanying transitional arrangements for

the output floor to 1 Jan 2028. Others include deferment of the implementation dates of both the revised market risk framework and the revised Pillar 3 disclosure requirements also by one year to 1 Jan 2023.

Other regulatory and policy initiatives include; temporarily reducing countercyclical capital buffers, the lowering of liquidity coverage ratios, and changes to provisioning standards; instituting deferral agreements on certain types of loans so that deposit-taking institutions can continue to treat the loans as performing under regulatory capital requirements; postponement of non-critical reporting (and consultations on future regulations) for regulators and other safety net participants; the postponement of planned system-wide stress testing/simulations as well as the coordination of standard-setting bodies (SSBs) by the Financial Stability Board (FSB) to monitor and share information on a timely basis to assess and address financial stability risks from COVID-19.

In tandem with the other standard setters the Islamic Financial Services Board (IFSB) has also issued technical guidance relating to the extraordinary measures when calculating capital requirements of IIFS, in line with the standards prescribed by the International Accounting Standards Board (IASB) and the Basel Committee on Banking Supervision (BCBS). The guidance issued focused on the treatment of payment moratoriums, government guarantees in capital requirement determinations, Changes in Expected Credit Loss accounting (provisioning), proper accounting disclosures regarding profit-sharing investment accounts and transfers to Shareholders' funds.

For the Capital market, the IFSB recommended that market regulators may emphasise the importance of providing appropriate and timely information to clients and potential clients, with regard to the firm and its services as well as the shari'ah compliant financial instruments offered to assist in informed investment decisions.

Coming to the International Association of Deposit Insurers (IADI), the Secretariat at the BIS Basel Switzerland in March 2020, surveyed the impact of COVID-19 pandemic crisis on members and their respective financial sectors in order to understand the measures taken by members and other regulatory authorities to address the crisis. 37 submissions were received from members and the information was utilised along with the results from previous surveys on the pandemic collected from the IADI Asia-Pacific Regional Committee and the Bank Guarantee Fund of Poland to develop an overview of COVID-19 impacts, policy responses and measures undertaken by members.

The NDIC in collaboration with both the CBN and the Bankers Committee had responded with well-co-ordinated initiatives to support the economy to and the banking system to mitigate the impact of COVID-19 on insured deposit taking financial

institutions. A series of virtual meetings were held, that outline measures adopted and implemented to strengthen banking sector resilience during the pandemic.

The NDIC recognised that banks would be challenged by deteriorating capital adequacy, rising non-performing loans, liquidity and credit crunch, amongst others, but the impact of Covid 19 pandemic on the industry may not manifest due to lagging data until the Q2 & Q3 of 2020.

The Corporation is never-the-less very mindful of the probable worsening impact of COVID-19 on the DMDs, MFBs, PMBs, NIBs etc. It is therefore set to review the templates for the provision of Financial and Technical assistance to deserving deposit taking institutions.

On the operational perspective, we would scale up the corporation's IT Infrastructure and leverage our Enterprise-wide Risk Management framework (ERMF) to improve on our operational readiness, debt recovery process, timely and efficient depositor reimbursement processes, the prosecution of parties at fault under any failed insured institution, amongst other regulatory measures.

The Corporation's Business Continuity Plan (BCP) was also called up, in order to ensure that critical activities and functions were undertaken and maintained during the period of lockdown imposed by the Federal Government of Nigeria. It also undertook a series of webinar seminars on deposit insurance issues to keep staff abreast of global developments during the lockdown. Invitations to the Webinars were also extended to all IADI-Africa Regional Committee members, who fully participated.

In line with best practice and prior to the emergence of the Covid-19 pandemic, the Corporation had engaged EFINA to conduct of its

public awareness survey to gauge the level of awareness and understanding of the role of NDIC in the provision of deposit insurance coverage to insured depositors in the six geopolitical regions of the country. This activity was temporarily elongated due to the COVID-19 pandemic.

In view of the lingering uncertainties surrounding the duration of the COVID 19 pandemic, the NDIC along with other regulatory and supervisory authorities will continue to monitor developments in public health and the measures taken by the Presidential Task Force (PTF) on COVID 19 in Nigeria as well as the evolving dynamics of the global/domestic economies to identify deeper vulnerabilities requiring appropriate policy mitigation. In this regard, the corporation in collaboration with the CBN and other stakeholders is working to activate the framework of a systemic crisis management committee as part of a coordinated response, to preserve the resilience and stability of our financial system should the need arise.

13.0 Future Outlook

I am confident that the NDIC will continue to be an active financial safety net participant in the country by ensuring the effective discharge of its mandate. It would therefore strengthen all aspects of its supervisory functions, adopt the least cost-effective method of failure resolution and ensure prompt depositor reimbursement in the event of bank failure. To sharpen its supervisory activities, the NDIC would further focus on enhancing its skills in the following competences: Basel Capital Accord 11/III, Recovery and Resolution Planning (RRP), Stress testing and Fin-Tech, amongst others.

It would also contribute to policies and measures that minimize the failure of insured deposit-taking financial institutions in Nigeria while enhancing collaboration with its domestic partners as well as foreign institutions and associations.

14.0 Conclusion

Over the past year, the Nigerian banking system, based on most regulatory metrics, was considered to be safe, sound and stable with the NDIC playing a key role in promoting systemic stability through the protection of depositors, bank supervision and failure resolution.

The Board, Management and staff will continue to fulfil the mission and mandate of the NDIC of maintaining public confidence and stability in the nation's financial system. It would continue to partner and collaborate with relevant local and international agencies in the promotion of financial system stability.

I sincerely express my gratitude to the Federal Ministry of Finance, especially the Honourable Minister of Finance for the support rendered in the course of discharging our mandate during the year. I also wish to appreciate and commend the staff of the NDIC for their dedication, loyalty and commitment to the organisation.

The understanding and cooperation of the NDIC Board during the year is appreciated. Indeed, without the support of all stakeholders, the modest achievements recorded during the year under review would not have been possible. Given the same support and cooperation in 2020, I believe the achievements of 2019 would be surpassed as we remain focused on the effective discharge of our mandate.



Umaru Ibrahim, FCIB, mni

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SECTION 1

MANDATE, CORE VALUES
AND STRATEGIC PLAN





MANDATE, CORE VALUES AND STRATEGIC PLAN

1.0 Introduction

The NDIC is an agency of the Federal Government of Nigeria established by NDIC Act No. 16 of 2006 (re-enacted after the repeal of the NDIC Act No. 22 of 1988). It is solely responsible for administering Deposit Insurance System (DIS) in Nigeria.



As one of the components of the financial safety-net arrangement in the nation, the NDIC protects depositors and guarantees the settlement of insured funds when the license of a deposit-taking financial institution is revoked by the Central Bank of Nigeria (CBN), thereby enhancing financial system stability.

The NDIC also promotes public confidence in the financial system by insuring eligible deposit liabilities of all licensed deposit-taking financial institutions. The agency also provides insurance cover for subscribers of Mobile Money Operators (MMOs), thereby engendering confidence and thus encouraging savings and promoting financial inclusion.

1.1 Public Policy Objectives

The NDIC was established to meet the following Public Policy Objectives (PPOs):

- Protecting depositors by providing an orderly means of reimbursement in the case of imminent or actual failure of insured financial institution;
- Contributing to financial system stability by making incidence of bank runs less likely; and
- Enhancing public confidence by providing a framework for orderly resolution and exit of failing and failed insured institutions.

1.2 NDIC Mandate

DEPOSIT GUARANTEE

NDIC guarantees payments to depositors, in the event of failure of an insured financial institution. up to the maximum of N500,000 for Deposit Money Banks (Commercial & Merchant Banks)/Non-interest Banks/Primary Mortgage Banks/Subscribers of Mobile Money Scheme. The maximum coverage limit for MFBs remained at N200,000 per depositor per MFB.

BANK SUPERVISION

The NDIC, in collaboration with the CBN and other Safety-net participants, is authorized by law to monitor the health of insured financial institutions through off-site surveillance and on-site examination.

The NDIC performs the oversight role in order to reduce the potential risk of failure and ensure that unsafe and unsound banking practices do not go unchecked, preserve the integrity of, and promote public confidence, in the banking system.

DISTRESS RESOLUTION

The NDIC, as a risk minimizer, has a full suite of early intervention and resolution powers to ensure that failing and failed insured institutions are resolved in a timely and efficient manner. The resolution powers may take the form of financial assistance (loans, guarantee for loans, accommodation bills) and technical assistance (assumption of management and control of a bank, changes of management, assisted merger or acquisition by another viable bank).

BANK LIQUIDATION

The NDIC, is empowered by law in Nigeria to act as the liquidator of closed insured financial institutions. That involves the orderly and efficient closure of failed insured financial institutions with minimum disruption to the payment system, prompt payment of insured sums, cost-effective realization of assets and settlement of claims of uninsured depositors, creditors and where possible, shareholders. Consequently, it is important to note that depositors have priority of claim over other claimants.

1.3 NDIC Core Values

1	INTEGRITY & ACCOUNTABILITY	<p>The NDIC is committed to doing what is right and just at all times. In that regard, NDIC employees are required to:</p>	<ul style="list-style-type: none"> i. Adhere to the highest ethical standards in performing their duties; ii. Act and negotiate in good faith and in the best interest of the NDIC; and iii. Display the highest level of integrity.
2	RESPECT AND FAIRNESS	<p>The Management, in partnership with the employees ensure that:</p>	<ul style="list-style-type: none"> i. Employees treat each other with mutual respect; ii. Employees are given equal opportunities and treated with fairness; iii. Employees' career advancement is based on merit; and iv. Work environment is conducive for the employees.
3	DISCIPLINE	<p>All NDIC employees are required to:</p>	<ul style="list-style-type: none"> i. Exhibit a clear understanding of their responsibilities, powers and duties and discharge same in a responsible and professional manner; ii. Demonstrate a high degree of tact and discretion and be circumspect in their dealings with the stakeholders of NDIC; and iii. Employ utmost decorum, courtesy, politeness and consideration and yet maintain firmness in all dealings with colleagues and other NDIC stakeholders.
4	PROFESSIONALISM	<p>The NDIC employees are required to be good professionals and demonstrate a high level of professionalism in performing their duties. In that regard, they are required to:</p>	<ul style="list-style-type: none"> i. Improve their skills and performance; ii. Endeavour to attain excellence in all aspects of their work; iii. Aspire to exceed set targets; iv. Seek innovative and creative solutions to problems; v. Abide by all codes of conduct and professional ethics/ good corporate governance at all times; vi. Be objective and factual in their work presentation and also be constructive in their criticism; vii. Promote and reinforce cooperation with other relevant agencies locally and internationally; viii. Acknowledge the contributions of others; and ix. Provide and solicit support to and from colleagues.
5	TEAMWORK	<p>The NDIC employees under the team based culture of service delivery, are required to:</p>	<ul style="list-style-type: none"> i. Deploy their skills, competences and knowledge in providing business solutions, ii. Endeavor to seek knowledge and improve the requisite skills for their workstations, iii. Imbibe interpersonal skills that promote team spirit and harmony, iv. Provide and solicit support to and from colleagues, v. Play by the rule(s) and code of conduct(s) governing the team, group/and or their workstation, vi. Be mission driven and demonstrate clear knowledge of their job roles.
6	PASSION	<p>All NDIC employees are required to be passionate in carrying out their duties and are expected to:</p>	<ul style="list-style-type: none"> i. Be motivated, driven and enthusiastic in all aspects of their work; ii. Be dedicated and proactive; iii. Be responsive in facing and tackling challenges; and iv. Improve and gain skills in both areas of strength and otherwise

1.4 Implementation Status of Key Strategic Initiatives/Projects

In 2019, the NDIC's five (5) year Strategic Plan 2016 – 2020 was reviewed with significant changes to key elements of the plan to address emerging issues and proffer appropriate strategic response.

The revised Strategic Plan was approved by the Board of Directors at its 106th meeting of September, 2019. The review focused on gaining more traction by evaluating the fundamentals of the strategy which included the Vision, SWOT, Assumptions, Strategic Theme, Strategic Objectives as well as the Initiative Portfolio.

A review of the 2016-2020 Strategic Plan was conducted by Phillips Consulting Limited. The review was segmented into four (4) phases: Pre-Retreat, Retreat, Stakeholder Engagement and Post-Retreat. That was done through activities that included diagnostics of performance, focused interviews and stakeholder engagement workshops.

Following the conclusion of the review of the 2016-2020 Strategic Plan, seven (7) strategic elements were changed as follows:

1. **NDIC Vision:** “To be the Best Deposit Insurer in the World by 2020” was changed to “To be one of the Best Deposit Insurers in the World by 2020”.
2. **NDIC Core Values:** One of the Core Values, namely: “Honesty” was replaced with “Integrity and Accountability”.
3. **Strategic Theme:** One of the four themes namely “Operational Readiness” was replaced with “Operational Resilience” which connotes the ability of the NDIC to continue its mission in the face of disruption.

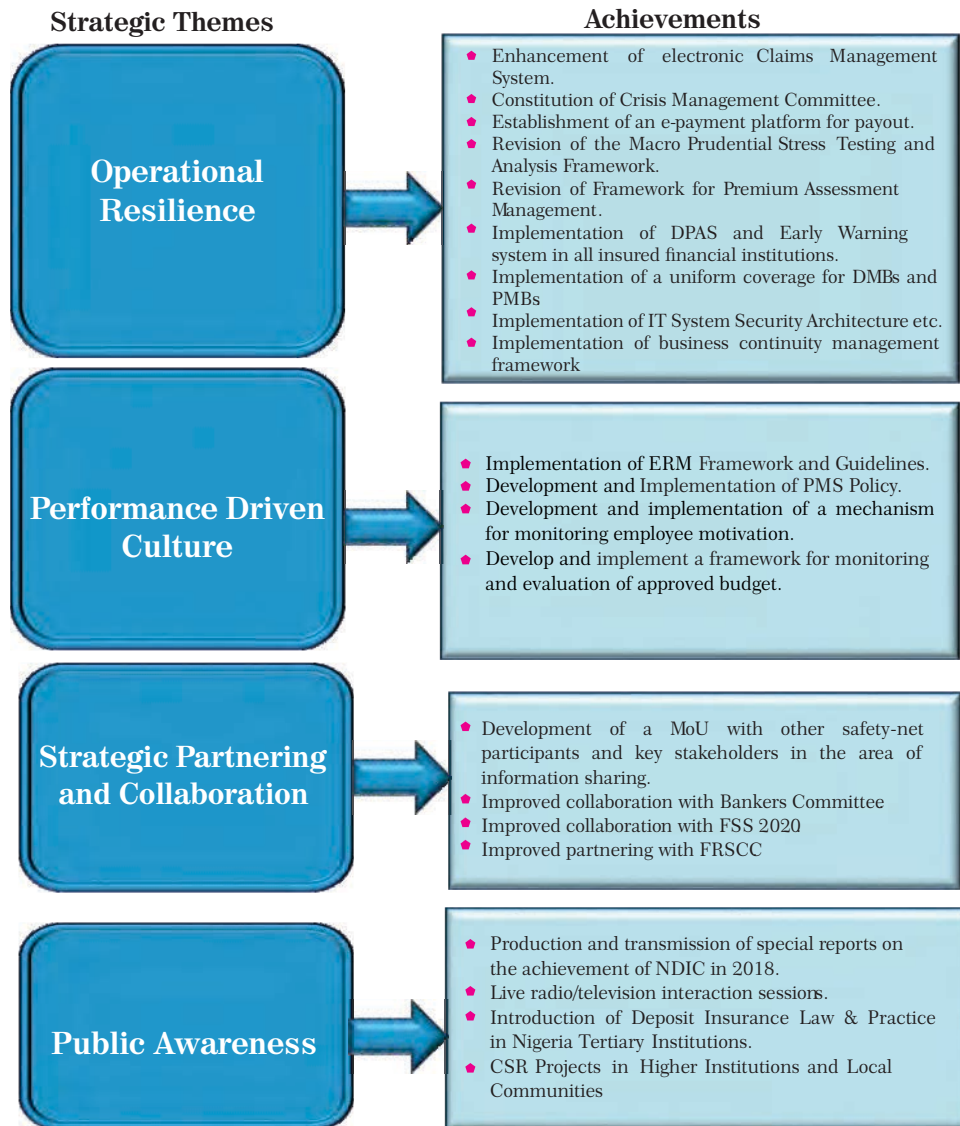
4. **Strategic Objectives:** It was recommended that two strategic objectives under the stakeholder perspective, namely: Enhance Depositors' Confidence and Enhance Public Awareness of DIS be merged into one objective which is: Improve Public Awareness and Depositors' Confidence in DIS, reducing the number of strategic objectives from 13 to 12.
5. **SWOT:** The dynamic nature of the NDIC's operating environment necessitated the review of the current SWOT (Strength, Weakness, Opportunity, and Threat). Thus, the SWOT was updated in the revised Strategic Plan.
6. **Strategic Initiatives:** The 47 strategic initiatives were reviewed downward to 22, as those already achieved were removed. The remaining 22 initiatives were distributed across Departments for effective implementation in 2020.
7. **RACI:** The NDIC adopted the RACI (Responsible, Accountable, Consulted and Informed) execution model to ensure tracking, monitoring and evaluation of progress of the strategic initiatives.

The revised strategy became fully operational in the fourth quarter of 2019. Table 1.1 and Chart 1.1 show the revised strategic themes and results.

TABLE 1.1: STRATEGIC THEMES AND EXPECTED RESULTS

S/N	Strategic Theme	Expected Results
1	Operational Resilience	Enhanced ability to fulfill NDIC’s mandate in terms of organizational capacity, processes, technology and financial strengths.
2	Performance Driven Culture	Emergence of a performance-driven organization that focuses on excellence, employee satisfaction, individual and collective accountability.
3	Collaboration	Clear understanding of our mission by stakeholders who are expected to partner with us to enhance efficiency, productivity and achieve our goals.
4	Public Awareness	Enhanced stakeholders understanding of the benefits and limitations of Deposit Insurance System (DIS).

CHART 1.1: NDIC STRATEGIC THEMES AND ACHIEVEMENTS



SECTION 2

**DEPOSIT INSURANCE COVERAGE
AND FUNDS MANAGEMENT**





DEPOSIT INSURANCE COVERAGE AND FUNDS MANAGEMENT

2.0 Introduction

In 2019, as in previous years, the NDIC continued with its strategy that ensured the adequacy of funding for administering the Deposit Insurance System in Nigeria in line with its statutory mandate of enhancing public confidence and entrenching financial system stability. That involved availability of adequate funding to cover operating and administrative expenses, as well as to guarantee prompt reimbursement of depositors in the unlikely event of bank failure.

This section discusses the insured coverage levels, fund management arrangements within the NDIC, growth in the Deposit Insurance Fund, the estimated insurance fund risk exposure, as well as the premium assessment rates applied to deposit-taking financial institutions in 2019.

2.1 Deposit Insurance Coverage

The NDIC periodically reviews the coverage limits to align with its public policy objectives of protecting majority of depositors and maintaining the stability of the nation's financial system. During the period under review, there was no significant change(s) in the industry's deposit structure, the size of the DIF, as well as the funding requirements to necessitate the review of the coverage level. The coverage level for the DMBs, NIBs and PMBs and subscribers of MMOs remained at N500,000 per depositor per bank, while that of the MFBs remained at N200,000 per

depositor per bank. In 2019, the NDIC finalised arrangements to formally extend DIS to three (3) newly licensed Payment Services Banks (PSBs), and corresponding coverage level was established at N500,000 per depositor per PSB, like the Pass-Through deposit insurance extended to subscribers of MMOs.

Table 2.1 shows the total number of accounts in DMBs increased by 14.71% from 112,005,516 accounts recorded in 2018 to 128,478,107 in 2019. That can be partly attributed to intensive public-private sector drive to enhance financial inclusion, as well as other social welfare schemes designed by the Federal Government of Nigeria which require that participants open accounts in formal financial institutions.

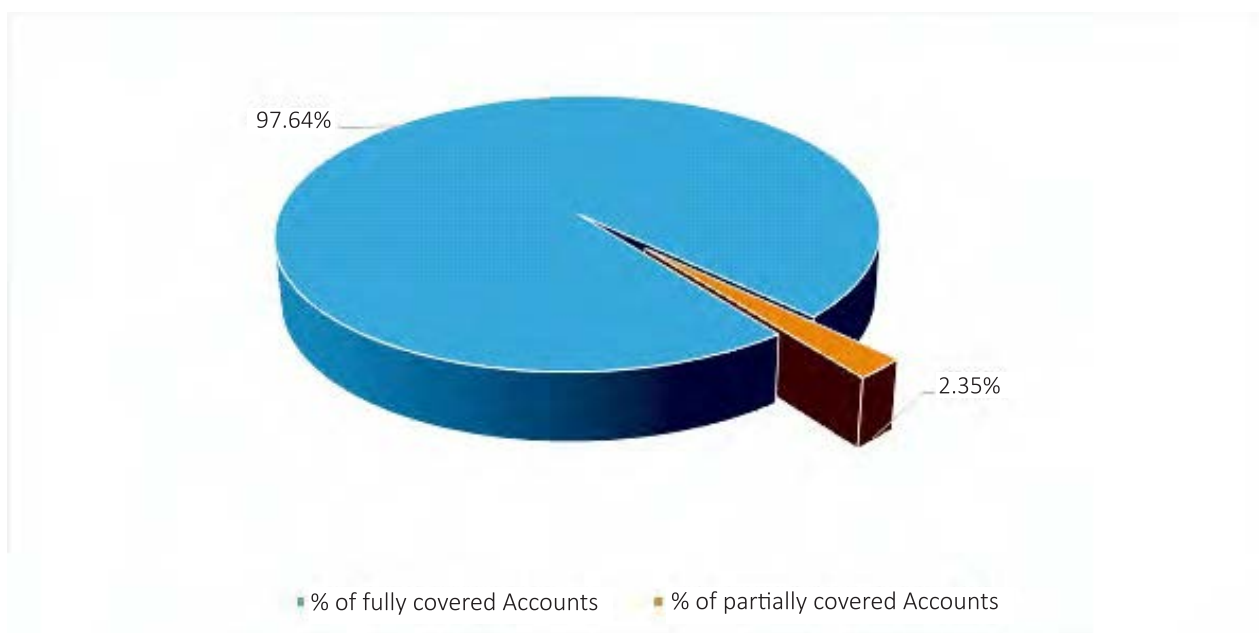
For the period under review, the number of fully covered accounts at N500,000 in DMBs rose by 14.77% to 125,452,260 from 109,305,169 in 2018, while the portion of partially covered accounts at N500,000 increased to 3,025,8477 accounts in 2019 from 2,700,347 in 2018, which marks an increase of 12.05%. Shown in Chart 2.1 is the percentage of full and partial deposit insurance coverage of total accounts in DMBs at N500,000. The chart aptly confirms that, 97.64% of total accounts are fully covered, however its down by 5 basis points from 97.59% recorded in 2018, leaving 2.36% of accounts partially covered as at 31st December, 2019.

TABLE 2.1: DEPOSIT INSURANCE COVERAGE FOR DMBs

Categories	2015	2016	2017	2018	2019
Total number of Accounts	67,014,595	83,016,654	99,114,035	112,005,516	128,478,107
Total number of Accounts fully covered at ₦500,000	64,760,480	82,571,145	96,760,687	109,305,169	125,452,260
% of fully covered Accounts	96.64	99.46	97.63	97.59	97.64
Total number of accounts partially covered at ₦500,000	2,254,115	2,257,786	2,353,348	2,700,347	3,025,847
% of partially covered accounts	3.36	0.54	2.37	2.41	2.36
Total Deposits fully covered at ₦500,000 (₦ Billion)	1,535.08	1,407.91	1,601.12	1,968.60	2,105.98
Total deposits partially covered at ₦500,000 (₦ Billion)	1,127.06	1,278.61	1,176.67	1,350.17	1,980.00

Source: Insurance and Surveillance Department, NDIC

CHART 2.1: FULL AND PARTIAL COVERAGE AT N500,000 AS AT 31ST DECEMBER 2019



2.2 Insurance Fund Management

The NDIC Act 2006 Section (13) (1) authorises the NDIC to invest funds not immediately required in highly secured Federal Government securities or in such other securities, as would be determined by the Board from time to time. To that end, the NDIC's investment policy clearly specifies guidelines in terms of portfolio composition, target rates and investment limits to guard against undue risks

arising from macroeconomic distortions and/ or inability to reinvest matured investments, as well as ensure that the respective investment maturity profiles are in consonance with the projected cashflow of the Deposit Insurance Fund. The goal is to safeguard the safety and liquidity of the NDIC's Insurance Funds through investment in risk-free liquid instruments like Treasury Bills and FGN bonds.

Section 12(1) of the NDIC Act 2006 mandates the NDIC to establish a General Reserve Fund to which it transfers its Net Operational Surplus before tax, if the Reserve Fund is less than ten (10) times the Authorised Capital.

However, following the enactment of the Fiscal Responsibility Act 2007, the remittances of Operating Surplus to the General Reserve Fund was impaired, since the Fiscal Responsibility Act requires the NDIC to remit 80% of its Operating Surplus to the Federal Government's Consolidated Federation Account.

2.3 Deposit Insurance Premium

The NDIC uses the Differential Premium Assessment System (DPAS), effectively adopted in January 2008, in premium assessment for DMBs,

NIBs and PMBs. The NDIC, which practices the ex-ante system, also retained total deposits as assessment base for premium calculation, and as suggested by the IADI Core Principles for Effective DIS.

The maximum rate applied to the DMBs remained unchanged at 59 basis points (bps) in 2019, up from 56 bps applied in 2017, while the minimum rate applied declined marginally by one (1) bps from 36 bps in 2018 to 35 bps in 2019, as shown in Table 2.2.

The mean premium rate applied to DMBs rose slightly by one (1) basis point from 0.45% in 2018 to 0.46% in 2019. The premium rates charged by the NDIC continues to reflect prevailing economic realities in a bid to reduce premium burden on insured financial institutions.

TABLE 2.2: PREMIUM RATES APPLIED TO DMBS, 2015-2019

Categories	2015	2016	2017	2018	2019
Maximum Rate Paid (%)	0.54	0.52	0.56	0.59	0.59
Minimum Rate Paid (%)	0.40	0.35	0.35	0.36	0.35
Mean Rate Paid (%)	0.40	0.43	0.46	0.45	0.46

Source: Insurance and Surveillance Department, NDIC

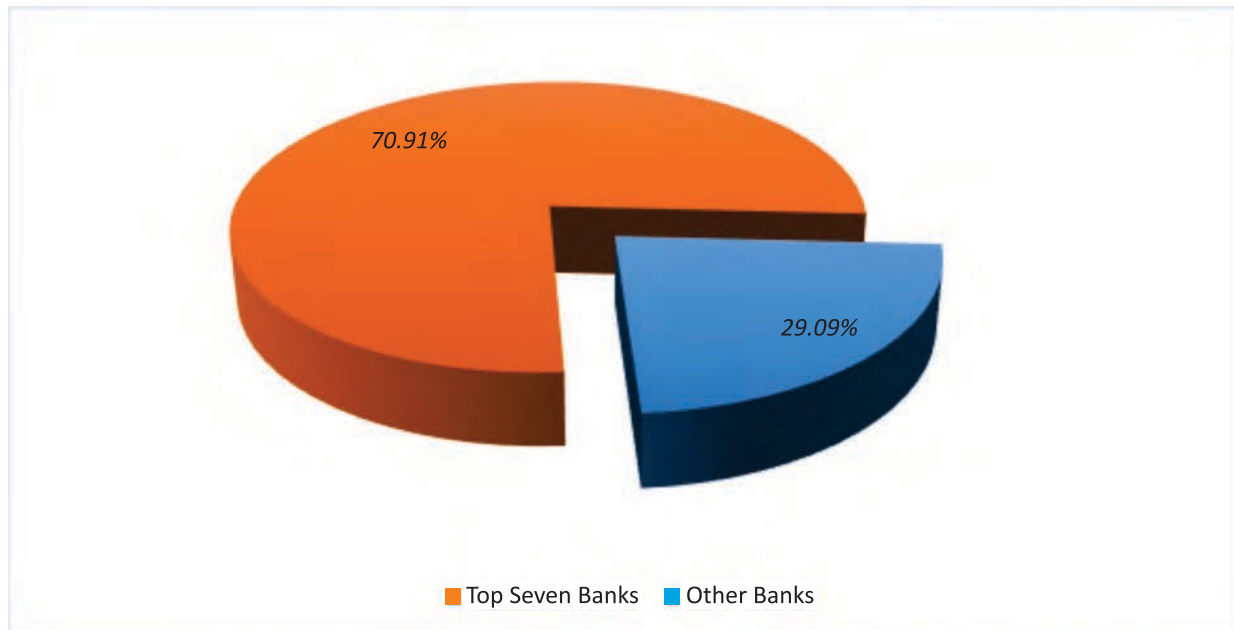
For the PMBs, the minimum rate applied was 0.35%, while the maximum and mean rates applied were 0.52% and 0.45%, respectively in 2019. In the case of MFBS, the flat-rate premium assessment method was employed in the year under review.

2.4 Estimated Insurance Fund Risk Exposure

The NDIC's level of risk exposure, as depicted by the amount of insured deposits in the industry at ₦500,000 per depositor per DMB, stood at ₦3.62

trillion in 2019, representing 15.03% of industry total deposits of ₦24.09 trillion. The insured deposits of the top seven (7) DMBs in the nation's banking industry accounted for 70.91% of the total insured deposits, while the remaining 20 DMBs (excluding non-interest bank and window) accounted for 29.09% as presented in Chart 2.2.

CHART 2.2: SHARE OF DMBs INSURED DEPOSITS

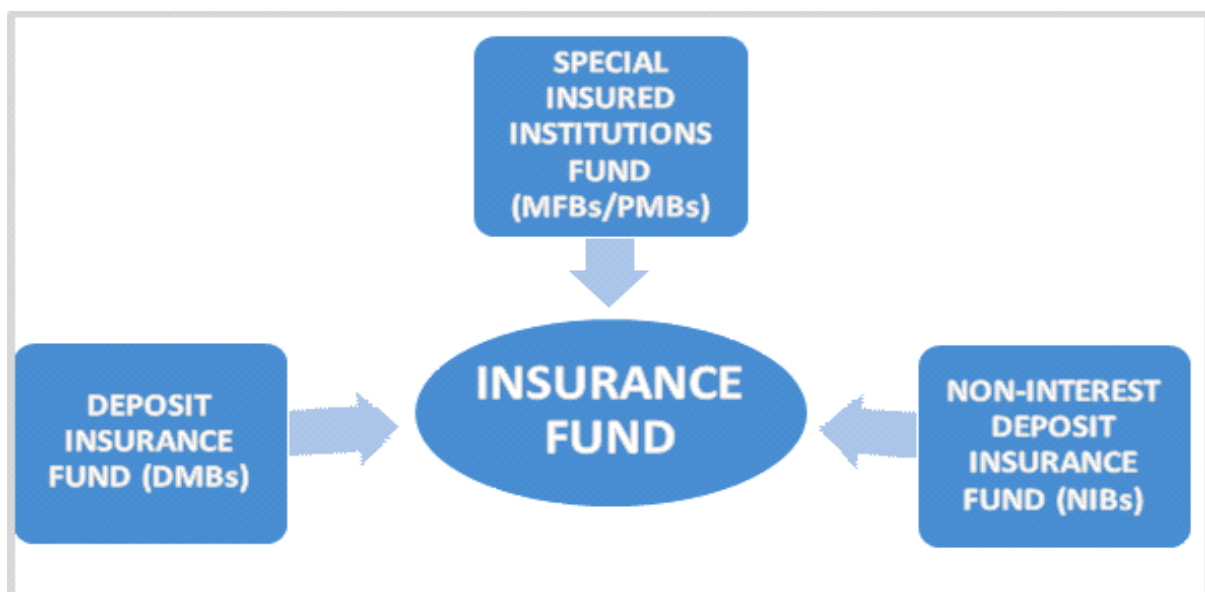


2.5 Deposit Insurance Fund and Funds Management

2.5.1 Deposit Insurance Fund (DIF)

During periods of banking crisis, and consequent failure, the Deposit Insurance Fund (DIF) is often applied to reimburse depositors of any failed financial institution in line with the NDIC's mandate. The NDIC maintains three (3) different funds for DMBs, MFBs/PMBs and NIB, respectively. Chart 2.3 presents the structure of the NDIC's Insurance Fund as at 31st December, 2019.

CHART 2.3: BASIC STRUCTURE OF NDIC INSURANCE FUND



In 2019, the sum of ₦105.59 billion was collected as premium from the DMBs. Similarly, the sum of ₦496.88 million was collected from the NIBs, while ₦1.10 billion was collected from the MFBs and

PMBs as at 31st December, 2019. Table 2.3 shows the trend of NDIC's cumulative Insurance Fund from 2015 to 2019.

TABLE 2.3: CUMULATIVE INSURANCE FUND

S/N	Particulars	2015 ₦ Billion	2016 ₦ Billion	2017 ₦ Billion	2018 ₦ Billion	2019 ₦ Billion
1	Deposit Insurance Fund (DIF)	725.58	827.89	955.18	1,095.23	1,201.34
2	Special Insured Institutions Fund (SIIF)	77.49	91.59	99.24	109.88	111.02
3	Non-Interest Deposit Insurance Fund (NIDIF)	0.24	0.43	0.69	0.99	1.50

Source: Insurance and Surveillance Department, NDIC

The table shows the three (3) Deposit Insurance Funds managed by the NDIC and their respective balances as at 31st December, 2019. The balance in the DMB's Deposit Insurance Fund segment stood at N1,201.34 billion, compared to N1,095.23 billion as at 31st December, 2018, representing a growth

rate of 9.69%. The Special Insured Institutions Fund (SIIF) and Non-Interest Deposit Insurance Fund (NIDIF) grew by 1.04% and 51.21% from N109.88 billion and N999.94 million as at 31st December, 2018, to N111.02 billion and N1.50 billion, respectively as at 31st December, 2019.

SECTION 3

SURVEILLANCE OF INSURED
FINANCIAL INSTITUTIONS





SURVEILLANCE OF INSURED FINANCIAL INSTITUTIONS

3.0 Introduction

In line with its mandate as a risk minimiser, the NDIC engages in supervision of banks through continuous monitoring of their health status to reduce the probability of failure and curtail banking malpractices.

The supervisory role played by the NDIC fosters integrity of the banking system and enhances public confidence in the industry. In 2019, the NDIC continued with its 'On-site Examination' and 'Off-site Surveillance' of insured institutions which were carried out in collaboration with the CBN.

3.1 On-Site Examination of Deposit Money Banks

In its bid to further restore and sustain public confidence, the NDIC and CBN jointly conducted Risk Assets Examination and Risk-Based Examination of DMBs to ascertain their true financial condition and take prompt corrective action where necessary. In 2019, the NDIC also conducted fifty-three (53) special investigations arising from petitions and complaints from the banking public and other stakeholders. The details of the examinations conducted are presented in table 3.1.

TABLE 3.1: DMBs EXAMINED AND CUSTOMERS' COMPLAINTS INVESTIGATED

Year	Joint CBN/NDIC Routine/RBS of DMBs (Including NIBs)	Joint FSRCC Consolidated RBS Examination of Financial Holding Companies	Joint CBN/NDIC Maiden Exam.	Joint CBN/NDIC Risk Assets Assessment	Special Investigations/ Verifications
2019	26	3	-	27	53
2018	26	3	1	26	50
2017	25	3	-	26	30
2016	23	3	1	23	38
2015	24	1	-	24	47

Source: Bank Examination Department, NDIC

Table 3.1 shows that, in 2019, the NDIC/CBN team examined the risk assets of twenty-seven (27) DMBs (including a Non-interest Bank) with the objective of assessing the quality of their risk assets, adequacy of loan loss provisions and capital ratios, level of their safety and soundness, and compliance with the relevant provisions of BOFIA, 1991 (as amended). There was no Maiden Examination in the year under review despite having three banks licensed within the year, due to nascency of their operations.

The NDIC, in collaboration with the CBN also jointly conducted Risk-Based Examination of 26 DMBs and Consolidated Risk-Based Examination of three (3) Financial Holding Companies in 2019, in collaboration with other member agencies of the FSRCC such as NAICOM, PENCOS and SEC. The information gathered from the joint On-site Examinations revealed the weaknesses in bank operations listed in Box 3.1.

A total of fifty-three (53) petitions/complaints were lodged by banks' customers in 2019. The complaints were investigated and resolved to ensure customers' continuing satisfaction and confidence in the banking system. The nature of customer complaints included ATM frauds, unauthorised fund transfers, conversion of cheques and suppression of deposits.

BOX 3.1

- Non-implementation of Examiner's recommendations;
- Non-compliance with codes of Corporate Governance;
- Contravention of banking rules and regulations;
- Poor internal controls;
- Poor risk management practices;
- Inadequate loss provisioning;
- Non-performing insider-loans;
- Poor loan underwriting & administration procedures; and
- Loan and deposit concentrations.

3.2 Off-Site Surveillance of DMBs

In 2019, the NDIC performed its Off-site Surveillance activities through analysis of returns rendered by banks via the Financial Analysis System (FinA). The NDIC assessed the financial conditions and performance of the insured banks on monthly basis by analysing Call Reports rendered through FinA. The evaluation of the financial conditions culminated in the performance rating of each bank which formed the basis for remedial supervisory action and other recommendations that could influence banking policy.

Twenty-seven (27) DMBs including two (2) Non-Interest Banks and two (2) Non-Interest Windows in operation rendered returns to the NDIC in 2019. Financial analysis of these returns indicated that four (4) banks had capital below their regulatory thresholds while only one had its liquidity ratio below the 30% threshold.

3.3 Supervision of Special Insured Financial Institutions

Similarly, the NDIC conducted On-site Examination and Off-site Surveillance of licensed MFBs and PMBs in 2019, in line with its mandate.

3.3.1 On-Site Examination of MFBs

In 2019, the NDIC examined 249 MFBs. The examination, carried out by the NDIC, focused on the review of MFBs' Operations, their Board and Management Oversight, Risk Management Practices, Internal Control Systems, and the level of compliance with applicable laws, rules and regulations. The outcome of the examination revealed that weaknesses in MFB's operations in the previous years (as shown in Box 3.2) still persisted in 2019.

BOX 3.2

The challenges observed from the examined MFBs were mainly:

- The adoption of inappropriate business model by most microfinance banks
- Undercapitalization
- Huge operational expenses
- Poor asset quality
- Non-performing insider-related credits
- Poor internal controls and record keeping
- Inappropriate staffing/Weak Board oversight/poor corporate governance practices
- Inadequate compliance with laws and regulations, lack of succession and strategic plans and poor implementation of examiners' recommendations.

3.3.2 On-Site Examination of PMBs

Ten (10) PMBs were examined in 2019. The Risk-Based Examination of their risk assets, Board and Senior Management oversight functions, risk management practices as well as financial reporting and funds management showed that

many of these banks were still besieged with weaknesses (shown in Box 3.3) that had endured in the past years.

Table 3.2 provides the number of MFBs and PMBs examined in the past five (5) years.

BOX 3.3

The challenges observed from the examined PMBs were mainly:

- Huge stock of non-current assets held for sale;
- Weak capital base; difficulties in accessing NHF/NMRC and other long term funds;
- Poor asset quality;
- Poor risk management practices;
- Failure/difficulties in honouring customers' withdrawal requests;
- Weak corporate governance;
- Weak internal control systems;
- Frauds and forgeries; and
- Foreclosure challenges.

TABLE 3.2: MFBs AND PMBs EXAMINED BY NDIC

Year	MFBs Examined	PMBs Examined	Total
2019	249	10	259
2018	294	10	304
2017	300	10	310
2016	350	10	360
2015	205	6	211

Source: Special Insured Institutions Department, NDIC

3.3.3 Off-Site Surveillance of MFBs & PMBs

During the year under review, the NDIC also conducted Off-Site Surveillance of MFBs and PMBs to complement the On-site Risk-Based Examinations. The Off-site Surveillance involved detailed investigation of their activities as described below.

- i. Quarterly analysis of periodic call reports received from banks to categorize them according to their soundness;
- ii. Provision of Early Warning Signals of potential problems;
- iii. On-site deposit verification and premium assessment;
- iv. Assessment, collection and administration of deposit insurance premiums;
- v. Monitoring of compliance with prudential standards and investigation of customers' complaints;
- vi. The issuance of clearance on "fit and proper"

- persons on prospective Directors of institutions;
- vii. Capacity building for PMBs/MFBs operators; and
 - viii. Special meetings with Management of troubled institutions.

The administration of premium for PMBs and MFBs is confronted with challenges that include delayed payment of premium, under payment of premium and premium collection constraint due to problems of returned cheque. Also, an additional challenge is lack of timely submission of Certified Statement of Deposit Liabilities by External Auditors on which assessable premiums are computed.

3.4 Capacity Building for Operators

The NDIC offered technical assistance to CIBN and MBAN/MDC in the area of curriculum development for Mortgage Bankers. The NDIC conducted sensitization workshop each for two hundred and sixty-three (263) MFBs Operators on “Movable Collaterals” in Akwa-Ibom, Lagos and Abuja.

The workshops aimed at enhancing the capacity of these banks to lend to MSMEs. It also conducted a training on Differential Premium Assessment System (DPAS) for forty (40) MFBs comprising twenty (20) National MFBs and twenty (20) large State MFBs.

3.5 Mobile Money Operators (MMOs)

The MMOs subsector of the Banking Industry expanded in 2019 with the number of operators rising from twenty three (23) in 2018 to twenty nine (29) in 2019, following licensing of six MMOs during the year by the CBN.

The MMOs in Nigeria comprised twenty seven (27) active MMOs and two inactive MMOs. Two (2) active MMOs were separately acquired in the year by two Fintech Companies. Twelve active MMOs were bank-led in 2019, compared to nine (9) in

2018; while fifteen (15) were not controlled by DMBs, as against 14 in the previous year. Only nineteen (19) operators rendered returns in 2019. Other operators that did not file returns in the year included the six (6) newly licensed, two (2) newly acquired and the two (2) inactive MMOs.

Total deposits of the MMOs that filed returns in 2019 increased by 120.75% from N5.30 billion in 2018 to N11.7 billion in 2019. The insured deposit component rose by 345% to N5.2 billion from N1.50 billion in the previous year, which implied that the NDIC's risk exposure in the year significantly rose by N3.70 billion. The uninsured deposit in 2019 was N6.5 billion, compared to N3.8 billion in 2018.

3.6 NDIC and Sustainable Banking

In 2019, the NDIC continued to deepen its sustainable banking practice through the promotion of inclusive finance, collaboration with other stakeholders to promote and expand Sustainable Banking space, continuous training and capacity building for staff, as well as integration of Sustainable Banking in the NDIC's entire processes.

The NDIC in 2019, had more of its Departments operating on solar powered renewable energy in its efforts to promote Sustainable Banking principles, and therefore reduce negative impacts of its operations on the environment. In addition, the NDIC installed motion-sensitive electrical lightings/appliances in stairways and other areas of low traffic to ensure efficient energy consumption. It also installed automated hand-wash basin sensors for proper water management.

Furthermore, the NDIC in 2019 initiated the policy that would significantly reduce paper waste by engaging the services of a company in the business of converting waste to wealth. The company would convert waste paper to tissue rolls, jumbo rolls and kraft paper, thereby creating value, reducing waste and keeping the environment clean.



NDIC

NDIC

SECTION 4

RESOLUTION AND MANAGEMENT
OF FAILED INSURED FINANCIAL
INSTITUTIONS



RESOLUTION AND MANAGEMENT OF FAILED INSURED FINANCIAL INSTITUTIONS

4.0 Introduction

One of the principal functions of the NDIC is the effective and orderly resolution of failed insured financial institutions in order to bring relief to depositors and ensure the stability of the financial system. The NDIC discharges bank failure resolution function in collaboration with the CBN.

In line with its mandate as the Liquidator of failed insured institutions, the NDIC ensured effective closure of the affected institutions and prompt reimbursement of their depositors during the year under review. The liquidation activities of NDIC covered a total of 425 institutions, comprising 49 DMBs, 325 MFBs and 51 PMBs. The liquidation activities included the payment of insured deposits and liquidation dividends to depositors as well as payment to creditors and shareholders of the banks in-liquidation. This section provides information on claims administration and bank failure resolution activities of the NDIC on failed insured institutions (DMBs, PMBs and MFBs) in 2019.

4.1 Failure Resolution Activities

4.1.1 Liquidation Activities of DMBs

Payments to depositors of Fortune International Bank and Triumph Bank Plc. could not commence in the year under review due to pending litigation.

In the same vein, the legal action in respect of the revocation of the licence of Peak Merchant Bank Ltd was yet to be resolved as at 31st December, 2019.

4.1.2 Liquidation Activities of MFBs and PMBs

The liquidation activities of 325 Microfinance Banks (MFBs) and 51 Primary Mortgage Banks (PMBs) continued in 2019. That involved the 138 MFBs and 5 PMBs, whose licenses were revoked by the CBN between 8th October and 3rd December, 2018.

4.2 Claims Settlement and Administration

The NDIC continued to discharge its obligation of reimbursing depositors and the settlement of claims of creditors and shareholders of closed insured institutions in 2019.

4.2.1 Payment of Insured Deposits to Depositors of DMBs

In 2019, the NDIC paid ₦11.35 million to 724 depositors of 20 closed DMBs (Commercial and Merchant Banks) out of the 49 closed DMBs. Table 4.1 shows the breakdown of the payments according to the banks.

TABLE 4.1: INSURED DEPOSITORS OF DMBs PAID IN 2019

S/N	Bank Name	No. of Insured Depositors Paid	Total Insured Paid (₦)
1	ABC Merchant Bank	1	50,000.00
2	African Express Bank	6	71,210.54
3	Allied Bank of Nigeria	4	150,018.81
4	Allstates Trust Bank	142	3,808,048.88
5	Assurance Bank	15	701,710.06
6	City Express Bank	10	414,469.46
7	Commercial Trust Bank	1	50,000.00
8	Continental Merchant Bank	2	73,208.50
9	Gulf Bank	3	103,105.51
10	Hallmark Bank	60	1,961,614.27
11	ICON Merchant Bank	6	267,230.93
12	Liberty Bank	12	440,800.22
13	Mercantile Bank of Nigeria	243	839,675.24
14	Metropolitan Bank	2	29,196.93
15	North South Bank Ltd.	3	150,000.00
16	Pan African Bank Ltd.	202	2,035,373.17
17	Pinacle Commercial Bank	1	1,000.17
18	Rims Merchant Bank	1	15,085.10
19	Trade Bank	9	141,628.60
20	United Commercial Bank	1	50,000.00
TOTAL		724	11,353,376.39

Source: Claims Resolution Department, NDIC

Cumulatively, the NDIC paid the sum of ₦8.26 billion as at 31st December, 2019, as insured amount to 443,723 depositors of closed DMBs (see Appendix 4). That is compared to the payment of ₦8.25 billion to 442,999 depositors as at 31st December, 2018.

4.2.2 Payment of Insured Deposits to Depositors of Closed MFBs

The NDIC continued with the payment of insured deposits to depositors of closed MFBs. For the

period under review, the sum of ₦366.92 million was paid to 6,303 insured depositors of MFBs in liquidation as against the sum of ₦89.24 million paid to 1,804 depositors of closed MFBs in 2018. Table 4.2 shows the details of the payments.

TABLE 4.2: INSURED AMOUNT PAID TO DEPOSITORS OF CLOSED MFBs IN 2019

S/N	NAME OF MFB	TOTAL NO. OF DEPOSITORS VERIFIED	TOTAL INSURED SUM PAID (₦)
1	ABATETE MFB	437	21,906,549.98
2	ABIRIBA MFB	1	200,000.00
3	ABOKIE MFB	79	2,601,207.99
4	ACHEAJEBWA MFB	12	1,239,526.88
5	ADAIGBO MFB	124	9,234,182.47
6	AFOTAMODI-OGUNOLA MFB	170	9,161,303.33
7	AGBARHO MFB	93	7,156,280.53
8	AJAYE -JEBWO MFB	11	717,711.55
9	AJEKO MFB	6	282,772.14
10	AJIYA MFB	46	3,485,838.53
11	ALACHE MFB	26	1,616,760.74
12	ALOAYE MFB	47	442,277.56
13	AMURO MFB	27	1,547,966.36
14	AROCHUKWU MFB	18	604,697.83
15	AVYI MFB	122	8,112,085.55
16	AYETE MFB	197	21,286,369.71
17	BAKASSI MFB	5	181,200.00
18	BUNZA MFB	11	20,531.81
19	CAPITAL	1	200,000.00
20	CHIGBE-YAJI MFB	59	3,143,556.29
21	CITADEL MFB	4	480,600.00
22	COMMONWEALTH MFB	87	9,651,643.38
23	CONFLUENCE MFB	68	4,513,478.39
24	DAILY CAPITAL MFB	1	200,000.00
25	DECENCY MFB	126	10,363,662.59
26	EAGLE MFB	25	1,121,137.00
27	EBU MFB	28	1,411,327.76
28	FCE OBUDU MFB	259	20,413,232.79
29	FIRST GLOBAL MFB	4	475,594.92
30	FORTIS MFB	945	64,627,129.78
31	GAINS MFB	15	1,463,615.95
32	GARU MFB	319	14,080,880.48
33	GBOKO MFB	29	3,036,080.61
34	GUDDIRI MFB	49	1,129,574.30
35	HAMDALA MFB	51	693,519.64
36	HARVEST MFB	51	806,770.00
37	HILLSPRING (GWOROK) MFB	40	1,724,254.01
38	HITECH MFB	3	177,950.82
39	IDEATO-SOUTH MFB	273	11,845,117.73

40	IHECHIOWA MFB	2	66,312.30
41	IJOMU-ORO MFB	40	1,634,611.98
42	INRI MFB	216	6,171,248.91
43	INTEGRATED	5	809,452.79
44	IROLU-REMO MFB	40	1,110,336.46
45	ISU MFB	74	5,595,996.78
46	IVIE MFB	13	932,292.65
47	KABBA MFB	387	22,888,071.17
48	KPACHARKA MFB	89	2,768,630.69
49	LAPAI MFB	25	736,339.88
50	LEAP MFB	31	1,252,469.10
51	MASOYI MFB	25	409,396.82
52	MBA MFB	46	1,616,108.92
53	MUTUNCHI MFB	19	988,612.72
54	NEU-KOM MFB	24	434,548.61
55	NEW HEIGHT MFB	6	545,601.04
56	NEW IMAGE MFB	1	200,000.00
57	OGIDI MFB	46	2,674,378.82
58	OHAMBELE MFB	107	7,680,986.36
59	OMU MFB	110	4,825,811.97
60	ORAEZUE MFB	50	1,620,292.66
61	OTUN-EKITI MFB	4	92,918.81
62	PEOPLES MFB	35	2,464,912.51
63	SADAU MFB	7	111,877.40
64	SANGA MFB	63	3,810,626.71
65	SAVIOUR MFB	37	1,767,376.00
66	SKY-LINE MFB	36	2,744,698.63
67	TATTALI MFB	35	2,281,500.34
68	TAURA MFB	20	1,837,242.12
69	TIME MFB	1	46,540.41
70	TOKI RAINBOW MFB	56	1,470,218.73
71	TRANSWEALTH MFB	23	280,436.59
72	UBULU MFB	357	20,906,058.72
73	UGBOJU MFB	3	164,428.00
74	ULAYIN MFB	63	2,038,692.28
75	UNIQUE TRUST MFB	1	33,360.00
76	UNITED MFB	120	8,413,838.33
77	VANTAGE MFB	85	6,055,703.11
78	YERWA MFB	8	296,261.00
79	ZUMWA MFB	124	5,788,975.95
	TOTAL	6,303	366,923,555.67

Source: Claims Resolution Department, NDIC

Cumulatively, the NDIC paid ₦3.34 billion as insured deposits to 89,718 depositors of closed MFBs as at 31st December, 2019, as against the sum of ₦2.97 billion paid to 83,415 depositors of closed MFBs as at 31st December, 2018 (See Appendix 2).

4.2.3 Payment of Insured Deposits to Depositors of Closed PMBs

The NDIC paid the sum of ₦7.71 million to 63 depositors of closed PMBs as insured deposits in 2019, as shown in Table 4.3. That is higher than the ₦2.13 million paid to 29 depositors in 2018.

TABLE 4.3: PAYMENT OF INSURED DEPOSITS OF CLOSED PMBs IN 2019

S/N	NAME OF PMB	NUMBER OF DEPOSITORS PAID	INSURED AMOUNT PAID (₦)
1	ACCORD SAVINGS AND LOANS LIMITED	3	1,050,834.23
2	AHOCOL SAVINGS AND LOANS LIMITED	9	153,806.22
3	JUBILEE BUILDING SOCIETY	2	256,500.00
4	MORTGAGE PHB	2	400,000.00
5	TMC SAVINGS AND LOANS	47	5,848,675.96
TOTAL		63	7,709,816.41

Source: Claims Resolution Department, NDIC

Table 4.4 shows that the NDIC made a cumulative payment of ₦78.24 million to 932 depositors of closed PMBs as at 31st December, 2019.

That is higher than the total payment of ₦70.53 million paid to 869 depositors as at 31st December, 2018.

TABLE 4.4. PAYMENT OF INSURED DEPOSITS OF CLOSED PMBs AS AT 31ST DECEMBER, 2019

S/N	Name of PMB	No. of Depositors At Closure	Total Deposit At Closure (₦)	Total Insured Deposit At Closure (₦)	Total Uninsured Deposit (₦)	Number of Depositors Paid	Insured Amount Paid (₦)
1	Allwell Savings and Loans	8	900,152.82	739,080.70	161,072.12	7	729,080.70
2	Credence Savings and Loans	204	6,613,740.40	2,576,813.01	4,036,927.39	0	0
3	Furture View Mortgages	18	213,477.39	213,477.39	0	0	0
4	Niger House Building Society	390	1,288,867.72	638,867.72	650,000.00	10	365,110.55
5	Sakkwato Savings and Loans	2,457	47,781,817.65	13,963,406.21	33,818,411.44	13	925,901.52
6	Benhouse Savings and Loans	5,725	37,890,343.93	19,166,959.57	18,723,384.36	21	1,303,555.24
7	Euro-Bane Savings and Loans	2,748	290,610,426.18	15,879,618.66	274,730,807.52	65	8,348,466.64
8	First Capital Savings & Loans	143	2,613,927.44	2,345,311.95	268,615.49	57	1,431,383.21
9	Harvard Trust Savings and Loans	10,004	299,400,466.37	89,899,696.65	209,500,769.72	371	28,989,926.43
10	Jubilee Building Society	776	78,439,689.07	39,124,628.57	39,695,628.76	169	15,242,447.98
11	Lagoon Homes Savings and Loans	13,511	857,379,992.71	96,295,383.42	761,084,609.29	108	8,961,149.58
12	Leverage Home Savings & Loans	1,792	75,555,506.25	23,103,654.50	52,451,851.75	9	1,707,397.26
13	Mortgage PHB	10,437	1,296,858,796.41	139,090,807.22	1,157,767,989.19	28	2,850,254.48
14	Post Service Savings and Loans	13,856	466,274,788.73	151,048,608.85	315,226,179.88	0	0
15	Ahocol Savings And Loans Limited					24	489,528.44
16	TMC Savings and Loans					47	5,848,675.96
17	Accord Savings and Loans					3	1,050,834.23
TOTAL		62,069	3,461,821,993.07	594,086,314.42	2,867,735,678.65	932	78,243,712.22

Source: Claims Resolution Department, NDIC

4.2.4 Payment of Liquidation Dividends to Uninsured Depositors of MFBs

In 2019, the NDIC declared its first dividend for the category of MFBs in-liquidation. Depositors of the defunct Hebron MFB had 100% dividends declared for their uninsured portions, hence all depositors that come forward will be reimbursed their closing balances in full. During the period of review, ₦1,217,562.00 was paid to uninsured depositors of Hebron MFB.

4.2.5 Payment of Liquidation Dividends to Uninsured Depositors of PMBs

In 2019, the NDIC also declared its first dividend for the category of PMBs in-liquidation. Depositors of

the defunct Lagoon Homes Savings & Loans and Mortgage PHB were paid 4% and 58%, respectively, of their uninsured deposits. Also, the sum of ₦6,308,601.08 was paid to uninsured depositors of PMBs as at 31st December, 2019.

4.2.6 Payment of Liquidation Dividends to Uninsured Depositors of DMBs

The NDIC paid the sum of ₦357.85 million to uninsured depositors of 21 DMBs in-liquidation during the period under review as shown in Table 4.5.

TABLE 4.5: LIQUIDATION DIVIDENDS PAID TO UNINSURED DEPOSITORS OF DMBs IN 2019

S/N	Bank Name	Total Uninsured Paid (₦)
1	ABC Merchant Bank	5,656,113.71
2	Allied Bank of Nigeria	1,754,069.08
3	Commerce Bank Plc	6,458,550.73
4	Commercial Trust Bank	101,217.55
5	Cooperative & Commerce Bank	319,134.16
6	Financial Merchant Bank	5,604,875.11
7	ICON Merchant Bank	6,118,148.73
8	Mercantile Bank of Nigeria	523,570.00
9	Merchant Bank of Africa	2,742,497.80
10	North South Bank Ltd.	5,589,141.17
11	Pan African Bank Ltd.	61,394,345.52
12	Pinacle Commercial Bank	1,077,291.97
13	Progress Bank of Nigeria	433,465.61
14	United Commercial Bank	104,721.26
15	African Express Bank	497,085.29
16	Allstates Trust Bank	119,734,977.79
17	Assurance Bank	189,597.78
18	City Express Bank	55,035,814.11
19	Gulf Bank	16,002.89
20	Hallmark Bank	83,683,338.43
21	Trade Bank	818,920.38
	TOTAL	357,852,879.07

Source: Claims Resolution Department, NDIC

The total payment made by the NDIC as liquidation dividends to uninsured depositors of closed DMBs as at 31st December, 2019 was ₦100.75 billion.

4.2.7 Payments to Shareholders of Banks in-liquidation

The NDIC paid a total of ₦413.00 million to 41 shareholders of Alpha Merchant Bank, Pan African Bank and Rims Merchant Bank in 2019, as shown in Table 4.6.

TABLE 4.6: TOTAL AMOUNT PAID TO SHAREHOLDERS IN 2019

S/N	Name Of Bank	Number Of Shareholders Paid	Amount Paid To Shareholders ₦
1	Alpha Merchant Bank Limited	38	202,101,968.00
2	Pan African Bank Limited	2	200,000,000.00
3	Rims Merchant Bank Limited	1	10,900,000.00
Total		41	413,001,968.00

Source: Claims Resolution Department, NDIC

The sum of ₦3.71 billion had been paid cumulatively as liquidation dividends to 720 shareholders of 6 DMBs in-liquidation as at 31st December, 2019, as against ₦3.30 billion paid to 679 shareholders of DMBs in-liquidation as at 31st December, 2018. The total liquidation dividends declared for shareholders of DMBs-in-liquidation stood at ₦4.82 billion as at 31st December, 2019 as shown in Table 4.7.

TABLE 4.7: LIQUIDATION DIVIDEND PAID TO SHAREHOLDERS AS AT 31ST DECEMBER, 2019

S/N	Name Of Bank	Number of Shareholders Paid	Amt. Declared for Shareholders of DMBs In-Liquidation (₦ million)	Amt. Paid to Shareholders of DMBs In-Liquidation (₦ million)
1	Alpha Merchant Bank Limited	526	2,044.23	1,349.32
2	Nigeria Merchant Bank Limited	2	720.00	620.00
3	Pan African Bank Limited	4	1,060.55	1060.55
4	Rims Merchant Bank Limited	58	274.97	195.46
5	Cooperative and Commerce Bank	16	390.70	193.71
6	Continental Merchant Bank	114	328.25	294.37
Total		720	4,818.70	3,713.41

Source: Claims Resolution Department, NDIC

4.2.8 Banks for which NDIC has Declared Full Payment of both Insured and Uninsured Deposits as at 31st December, 2019

The NDIC, through its continuous and diligent liquidation activities, had so far realized assets which had enabled it make full payment to depositors of 17 out of the 49 DMBs and one MFB in-liquidation namely, Hebron MFB. Thus, the NDIC had successfully paid all the depositors of the 17 defunct DMBs and Hebron MFB that had made claims for their payment. Table 4.8 shows the list of banks that the NDIC has declared 100% liquidation dividends (full payment).

TABLE 4.8: BANKS WITH 100% DIVIDEND DECLARED FOR DEPOSITORS AS AT 31ST DECEMBER, 2019

S/N	Bank In Liquidation	Cumulative Dividend to Date (%)
1	ABC Merchant Bank Limited	100.00
2	Alpha Merchant Bank Plc	100.00
3	Amicable Bank of Nig. Limited	100.00
4	Commercial Trust Bank Limited	100.00
5	Continental Merchant Bank Plc	100.00
6	Cooperative & Commerce Bank Plc	100.00
7	Eagle Bank	100.00
8	Financial Merchant Bank Limited	100.00
9	Icon Limited (Merchant Bankers)	100.00
10	Ivory Merchant Bank	100.00
11	Kapital Merchant Bank Limited	100.00
12	Mercantile Bank of Nig. Plc	100.00
13	Merchant Bank of Africa Limited	100.00
14	Nigeria Merchant Bank Plc	100.00
15	Pan African Bank Limited	100.00
16	Premier Commercial Bank Limited	100.00
17	Rims Merchant Bank Limited	100.00
18	Hebron Microfinance Bank	100.00

Source: Claims Resolution Department, NDIC

4.2.9 Banks for which Payment to Depositors was put on hold due to Litigations or Challenges caused by their Management and Owners

It is instructive to note that payments to depositors of Fortune International Bank, Triumph Bank Ltd, Peak Merchant Bank, Peak Savings and Loans and Ufuma MFB, were put on hold due to litigation challenges that impeded their operating licence. The court cases were yet to be determined as at 31st December, 2019.

Similarly, the Management/Owners of some banks whose licences were revoked by the CBN were yet to render account/stewardship of the affairs of their bank to the NDIC. Thus, the NDIC was not provided with the required documents needed to prepare the deposit register which is essential to pay insured depositors of the closed banks. As a consequence, the payment to the insured depositors of the affected banks was put on hold pending the availability of the required documents.

The 21 MFBs and 24 PMBs for which payment to insured depositors was put on hold due to challenges caused by their Management and Owners are listed in Tables 4.9A and 4.9B.

TABLE 4.9A: CLOSED MFBs WITH INSURED DEPOSIT PAYMENT ON HOLD

S/N	Closed Banks	Date of Licence Revocation
1	Cubic MFB	24-Sep-10
2	Galaxy MFB	24-Sep-10
3	Homeland MFB	24-Sep-10
4	Mustason MFB	24-Sep-10

S/N	Closed Banks	Date of Licence Revocation
5	New Gate MFB	24-Sep-10
6	Primate MFB	24-Sep-10
7	South West MFB	24-Sep-10
8	Avalon MFB	4-Feb-14
9	Citiserve MFB	4-Feb-14
10	Compass MFB	4-Feb-14
11	Crystal Gold MFB	4-Feb-14
12	EDS MFB	4-Feb-14
13	Enterprise MFB	4-Feb-14
14	Freegate MFB	4-Feb-14
15	Funds Matrix MFB	4-Feb-14
16	Interglobal MFB	4-Feb-14
17	Keystone MFB	4-Feb-14
18	Kings MFB	4-Feb-14
19	SVP MFB	4-Feb-14
20	Traders MFB	4-Feb-14
21	Accalaim Homes and Loans	6-Aug-12

Source: Claims Resolution Department, NDIC

TABLE 4.9B: CLOSED PMBs WITH INSURED DEPOSIT PAYMENT ON HOLD

S/N	Closed Banks	Date of Licence Revocation
1	CB Homes Savings and Loans	6-Aug-12
2	Coastal Homes Savings and Loans	6-Aug-12
3	Crest Mortgage Savings and Loans	6-Aug-12
4	Estoport Building Society	6-Aug-12
5	Guardian Trust Savings and Loans	6-Aug-12
6	Home Trust Savings and Loans	6-Aug-12
7	Horizon Building Society	6-Aug-12
8	Imani Savings and Loans	6-Aug-12
9	Mars Home Investment Savings and Loans	6-Aug-12
10	Melrose Savings and Loans	6-Aug-12
11	New Capital Savings and Loans	6-Aug-12
12	Omono Building Society	6-Aug-12
13	Owners Home Savings and Loans	6-Aug-12
14	Perennial Building Society	6-Aug-12
15	Primrose Savings and Loans	6-Aug-12
16	Secure Savings and Loans	6-Aug-12
17	Urban Shelter Savings and Loans	6-Aug-12
18	Alliance and General Mortgage Ltd	5-Jan-15
19	Consolidated Estate Building Society	5-Jan-15
20	First Amalgamated Building Society	5-Jan-15
21	Global Building Society (Confluence Savings & Loans)	5-Jan-15
22	Home Foundation Savings & Loans	5-Jan-15
23	Multibanc Savings and Loans	5-Jan-15
24	Password Savings and Loans	5-Jan-15

Source: Claims Resolution Department, NDIC

4.2.10 Payment/Reimbursement to CBN in Respect of Banks for which it made Advance Payment to their Private Depositors

Following the successful banking industry consolidation exercise in 2005 and the subsequent closure of the DMBs that could not meet the ₦25 billion recapitalisation by the CBN in January 2006, the CBN gave full guarantee for the payment of uninsured private deposits in the banks in order to minimize the negative impact arising from the closure of these banks on the safety of the Nigerian banking industry, as well as the fact that their closure and subsequent liquidation was policy-induced. These banks' licences were revoked in 2006.

The guarantee allowed all private depositors in the affected banks, who came forward to file their claims up to 28th February, 2012, had their deposits paid in full by the CBN. The CBN by its right of subrogation is expected to recoup money paid in full for the uninsured private sector deposits from

the proceeds of assets of such banks. Thus, in 2018, the NDIC paid the total sum of ₦858.14 million to the CBN being the Liquidator of City Express Bank.

4.2.11 Summary of Payments to Depositors, Creditors and Shareholders of Closed Institutions as at 31st December, 2019

The NDIC in carrying out its responsibilities as Liquidator, had made cumulative payments amounting to ₦117.424 billion as at 31st December 2019, to depositors, creditors and shareholders of closed insured institutions. A breakdown of the payment made to insured and uninsured depositors indicated the sum of ₦109.01 billion, ₦3.34 billion and ₦4.55 million had been paid to depositors of defunct DMBs, MFBs and PMBs, respectively. Creditors and Shareholders of banks in-liquidation had also been paid the sum of ₦1.27 billion and ₦3.71 billion, respectively. The breakdown is as shown in Table 4.10.

TABLE 4.10: BREAKDOWN OF CUMULATIVE PAYMENTS AS AT 31ST DECEMBER, 2019

	DMBs (₦ million)	MFBs (₦ million)	PMBs (₦ million)	TOTAL (₦ million)
INSURED PAYMENTS	8,263.77	3,340.78	78.24	11,682.79
UNINSURED PAYMENTS	100,746.22	1.22	6.31	100,753.75
CREDITORS	1,274.12	-	-	1,272.47
SHAREHOLDERS	3,713.41	-	-	3,713.41
TOTAL	113,997.52	3,342.00	84.55	117,424.07

Source: Claims Resolution Department, NDIC

4.3 Asset Management Activities

The NDIC, in 2019, had continued to ensure the orderly and efficient conversion of assets of closed banks to cash for the payment of liquidation dividends to uninsured depositors, creditors and shareholders. The assets of 49 DMBs in-liquidation, 325 MFBs in-liquidation and 51 PMBs in-liquidation, were converted to cash through the recovery of their risk assets, sales of physical assets and realisation of investments.

4.3.1 Management and Recovery of Risk Assets

The Management of the risk assets of failed financial institutions involved an effective and efficient recovery of loans and advances owed to the financial institutions in-liquidation. The realisation of risk assets of banks-in-liquidation facilitates the discharge of NDIC's responsibilities for the payment of liquidation dividends to uninsured depositors, settlement of other

creditors and recovery of liquidation expenses.

During the year under review, various strategies were applied in the debt recovery efforts of the NDIC that included direct recovery drive where debtors were engaged by NDIC staff to ensure the payment of their outstanding debts. The NDIC also engaged the services of Debt Recovery Agents (DRAs) and external solicitors to recover debts. Litigation strategy was mainly applied to recalcitrant debtors, insider-related debts, and contentious loan facilities with substantial balances. Facilities related to criminal prosecution were also addressed through the legal processes.

To improve its debt recovery, the NDIC continued to collaborate with AMCON and other agencies of the Federal and State Governments, who had in previous years acquired physical and risk assets of banks in-liquidation.

Table 4.11 shows the breakdown of loans & advances, and recoveries for DMBs in-liquidation as at 31st December, 2019. As at closure, the total loans & advances owed to the DMBs in-liquidation stood at N202.18 billion. The cumulative recovery from those debtors were N29.89 billion as at 31st December 2019, compared to N29.01 billion as at 31st December, 2018.

TABLE 4.11: SUMMARY OF RECOVERIES ON LOANS FOR THE CLOSED DMBs AS AT 31ST DECEMBER, 2019

S/N	Banks in Liquidation	Total Loans & Advances as at Closure (₦ Million)	Cumulative Recoveries as at December 2019 (₦ Million)
1	Abacus Merchant Bank Ltd	1,218.38	41.81
2	ABC Merchant Bank Ltd	598.89	77.96
3	African Express Bank Ltd	11,013.71	4,120.54
4	AIB	11,794.29	391.57
5	Allied Bank Nig. Plc	3,106.71	444.13
6	Allstates Trust Bank Plc	24,836.91	4,640.68
7	Alpha Merchant Bank Plc	2,222.55	1421.33
8	Amicable Bank Plc	344.9	28.8
9	Assurance Bank Ltd	5,535.31	427.61
10	Century Merchant Bank Ltd	832.4	31.66
11	City Express Bank Plc	14,017.99	1,145.90
12	Commercial Trust Bank Ltd	652.58	157.39
13	Commerce Bank Ltd	2,505.22	312.59
14	Continental Merchant Bank Plc	2,490.11	453.89
15	Co-operative & Commerce Bank Plc	2,468.56	632.6
16	Credite Bank Nigeria Ltd	479.61	29.27
17	Crown Merchant Bank Ltd	394.43	13.99
18	Eagle Bank Ltd	226.13	11.39
19	Fin. Merchant Bank Ltd	331.09	150.65
20	Fortune Bank	19,690.08	4.19
21	Great Merchant Bank Ltd	390.17	17.19
22	Group Merchant Bank Ltd	738.33	36.82
23	Gulf Bank Ltd	22,112.65	529.74
24	Hallmark Bank Plc	11,286.00	3,722.58
25	Highland Bank Plc	131.09	21.03
26	ICON Merchant Bank Ltd	1,220.71	237.4

S/N	Banks in Liquidation	Total Loans & Advances as at Closure (₦ Million)	Cumulative Recoveries as at December 2019 (₦ Million)
27	Ivory Merchant Bank Ltd	1,457.49	57.56
28	Kapital Merchant Bank Ltd	209.91	273.41
29	Lead Bank Plc	13,023.39	2,399.53
30	Liberty Bank Plc	5,252.52	246.91
31	Lobi Bank Ltd	539.1	85.31
32	Merchant Bank of Africa Ltd	2,159.37	258.95
33	Mercantile Bank Plc	1,569.73	261.94
34	Metropolitan Bank Ltd	7,575.94	1,375.41
35	Nig. Merchant Bank Plc	2,218.22	262.98
36	North-South Bank Plc	830.19	42.95
37	Pan African Bank Ltd	1,426.62	669.53
38	Peak Merchant Bank	5,474.97	44.35
39	Pinacle Commercial Bank Ltd	1,276.71	158.03
40	Premier Commercial Bank Ltd	916.19	37.5
41	Prime Merchant Bank Ltd	871.64	52.8
42	Progress Bank Plc	2,109.70	493.73
43	Republic Bank Ltd	239.76	35.69
44	Rims Mer. Bank Ltd	1,189.30	109.36
45	Royal Merchant Bank Ltd	1,132.05	58.65
46	Trade Bank Plc	10,626.16	3,659.95
47	United Com Bank Ltd	1,144.16	186.24
48	Victory Merchant Bank Ltd	301.56	21.1
49	Triumph Bank	0	0
	Miscellaneous	0	0.2
	GRAND TOTAL	202,183.48	29,894.79

Source: Asset Management Department, NDIC

A breakdown of the total loans & advances and their recoveries for the 124 MFBs in-liquidation are shown in Appendix 3. As at 31st December 2019, a sum of ₦142.53 million out of the ₦18.71 billion owed to the 124 MFBs had been recovered from the MFBs' debtors as against the recovery of ₦125.84 million from 89 MFBs as at 31st December, 2018.

Furthermore, the sum of ₦8.19 billion was owed to the 8 PMBs in-liquidation as shown in Table 4.12. As at 31st December 2019, the cumulative loan recovered from debtors of those PMBs, stood at ₦304.04 million, compared to ₦290.43 million recorded as at 31st December, 2018. That indicated a total risk asset recovery of ₦13.61 million during the year under review.

TABLE 4.12: SUMMARY OF RECOVERIES FOR PMBs (IN-LIQUIDATION) AS AT 31ST DECEMBER, 2019

S/N	Primary Mortgage Banks In-Liquidation	Total Loans & Advances At Closure (₦ Million)	Cumulative Recoveries As At 31 st December 2019 (₦ Million)
1	EUROBANC	743.28	2.81
2	LAGOON HOMES	2,283.15	68.8
3	PHB MORGAGES	3,471.13	226.75
4	POST SERVICE HOMES	773.33	5.68
5	LEVERAGE HOMES	59.14	0.00
6	OMEGA HOMES	206.73	0.00
7	FIRST CAPITAL	10.89	0.00
8	HAVARD TRUST S&L	641.32	0.00
	GRAND TOTAL	8,188.97	304.04

Source: Asset Management Department, NDIC

4.3.2 Realization of Physical Assets

The NDIC had continued to manage the physical assets of failed insured banks through effective and efficient conservation and disposal system. The NDIC engages services of reputable professional estate surveyors and valuers to assess all the properties of the closed institutions and to guide the disposal of the physical assets. That is done to ensure transparency, integrity and accountability in its disposal process. Also, the sales of closed banks' physical assets continued to be advertised. High-value items, such as buildings, motor vehicles, plants and machinery were sold to interested members of the public through sealed competitive bidding process, while the chattels

were sold by public auction with the aid of professional auctioneers.

Table 4.13 shows the proceeds from the sale of physical assets of closed DMBs as at 31st December, 2019. Cumulatively, the sum of ₦21.65 billion was realised from the disposal of physical assets of closed DMBs as at 31st December, 2019, compared to ₦21.40 billion in 2018. Out of the aggregate amount realised in 2019, ₦17.63 billion, ₦1.43 billion and ₦2.59 billion were realised from the sale of landed property, vehicles/generators and chattels, of the closed DMBs in-liquidation, respectively.

TABLE 4.13: SUMMARY OF PROCEEDS FROM THE SALE OF PHYSICAL ASSETS OF DMBs IN-LIQUIDATION AS AT 31ST DECEMBER, 2019

S/NO	BANK	Landed Property (₦ Million)	Vehicles/Gen. Set (₦ Million)	Chattels (₦ Million)	Total (₦ Million)
1	Abacus Merchant Bank Ltd.	-	2.71	3.66	6.37
2	ABC Merchant Bank Ltd	-	3.83	3.40	7.23
3	Afex Bank Plc	225.13	-	127.75	352.88
4	Allstates Trust Bank Plc	3,476.28	36.67	17.67	3,530.62
5	Allied Bank Plc	697.02	64.78	39.84	801.64
6	Alpha Merchant Bank Plc.	122.24	0.11	0.71	123.06
7	Amicable Bank of Nig. Plc	8.00	7.14	17.68	32.82
8	Assurance Bank Ltd.	1,297.80	456.61	0.50	1,754.91
9	Century Merc. Bank Ltd.	-	7.10	10.51	17.61
10	City Express Bank Plc	557.00	14.42	316.52	887.94
11	Commerce Bank Ltd.	151.14	42.57	31.28	224.99
12	Commercial Trust Bank Ltd.	36.08	10.30	25.38	71.76

13	Continental Merc. Bank Plc.	984.33	11.57	22.36	1,018.26
14	Co-operative & Commerce Bank Plc.	726.72	13.10	33.02	772.84
15	Credite Bank Nigeria Ltd.	15.00	14.09	14.89	43.98
16	Crown Merchant Bank Ltd.	15.00	6.06	3.80	24.86
17	Eagle Bank	885.00	0.49	-	885.49
18	Financial Merchant Bank Ltd.	-	-	10.33	10.33
19	Great Merchant Bank Ltd.	4.27	1.88	0.96	7.11
20	Group Merchant bank Ltd.	-	2.16	4.68	6.84
21	Gulf Bank	314.28	2.71	177.04	494.03
22	Hallmark Bank Plc	1,927.50	4.80	1,317.51	3,249.81
23	Highland Bank of Nig. Plc	12.97	5.54	7.99	26.50
24	ICON Ltd. [Merchant Bankers] Ltd	667.45	3.47	20.88	691.80
25	Ivory Merchant Bank Ltd	56.00	3.76	1.53	61.29
26	Kapital Merchant Bank Ltd.	-	41.36	0.24	41.60
27	Lead Bank Plc	847.26	202.56	-	1,049.82
28	Liberty Bank Plc	796.00	0.59	90.00	886.59
29	Lobi Bank of Nig. Ltd.	83.11	3.90	11.71	98.72
30	Mercantile Bank of Nig. Plc.	387.81	6.99	42.27	437.07
31	Metropolitan Bank Limited	517.40	0.72	85.00	603.12
32	Merchant Bank of Africa Ltd.	287.04	1.87	16.87	305.78
33	Nigeria Merchant Bank Ltd.	123.55	4.89	0.50	128.94
34	North-South Bank Nig. Plc.	213.00	1.20	16.39	230.59
35	Pan African Bank Ltd.	338.81	6.52	5.04	350.37
36	Peak Merchant Bank	6.61	1.55	1.65	9.81
37	Pinacle Commercial Bank Ltd.	-	12.19	18.42	30.61
38	Premier Merchant Bank Ltd.	37.43	3.98	9.90	51.31
39	Prime Merchant Bank Ltd.	-	2.28	5.39	7.67
40	Progress Bank of Nig. Plc	136.13	15.50	40.11	191.74
41	Republic Bank Limited	170.00	0.10	6.38	176.48
42	Rims Merchant Bank Ltd.	402.40	3.11	1.43	406.94
43	Royal Merchant Bank Ltd.	-	2.84	3.88	6.72
44	Trade Bank Plc	1,103.97	376.82	1.39	1,482.18
45	United Commercial Bank Ltd.	-	29.13	15.68	44.81
46	Victory Merchant Bank Ltd.	-	0.31	6.63	6.94
	Miscellaneous	-	-	0.62	0.62
	TOTAL	17,629.73	1,434.28	2,589.39	21,653.40

Source: Asset Management Department, NDIC

As at 31st December 2019, the amount realised from the sales of physical assets of MFBs in liquidation stood at ₦473.12 million compared to the cumulative sum of ₦391.25 million realised as at 31st December, 2018, which implied an increase of ₦81.87 million in 2019. Specifically, ₦192.36 million, ₦27.71 million and ₦253.05 million were realised from sales of landed property/rent residue, vehicles/generating set and chattels, respectively (see Appendix 4).

The cumulative sum of ₦80.23 million was realised from the disposal of physical assets of closed PMBs as at 31st December, 2019 when compared to the proceeds of ₦78.17 million as at 31st December, 2018. Out of that amount, ₦51.00 million, ₦0.30 million and ₦28.93 million were realised from sales of landed property/rent, vehicles/generating set and chattels, respectively. Table 4.14 shows the proceeds from the sale of physical assets of closed PMBs.

TABLE 4.14. SUMMARY OF PROCEEDS FROM THE SALE OF PHYSICAL ASSETS OF PMBs IN-LIQUIDATION AS AT 31ST DECEMBER, 2019

S/N	PMB's In-Liquidation	Landed Property/Rent (₦ Million)	Vehicles/Gen. Set (₦ Million)	Chattels (₦ Million)	Total (₦ Million)
1	CREDENCE PMI	-	-	1.45	1.45
2	CYMON SAVINGS & LOANS	-	-	2.38	2.38
3	EURO BANK S&L	-	-	2.81	2.81
4	FIRST CAPITAL SAVINGS	-	-	0.03	0.03
5	HAVARD TRUST SAVING	-	-	1.17	1.17
6	JUBILEE BUILDING SOCIETY	-	-	0.36	0.36
7	LAGOON SAVINGS AND LOAN	-	-	8.73	8.73
8	LEVERAGE SAVINGS & LOAN	-	-	1.24	1.24
9	MORTGAGES PHB	51.00	0.30	6.72	58.02
10	OMEGA S&L	-	-	1.74	1.74
11	HARMONY S & L	-	-	0.04	0.04
12	ACCORD SAVINGS AND LOANS	-	-	2.06	2.06
13	BENHOUSE BUILDING SOCIETY	-	-	0.19	0.19
	TOTAL	51.00	0.30	28.93	80.23

Source: Asset Management Department, NDIC

4.3.3 Realization of Investments

The NDIC had so far realised the investments in thirteen (13) DMBs and two (2) MFBs in-liquidation as shown in table 4.15. The cumulative investments realised from the affected banks had remained at ₦4.62 billion as at 31st December, 2019, the same as at 31st December, 2018. The proceeds comprised ₦4,620.32 million and ₦2.96 million realised from the sale of investment in the DMBs and MFBs in-liquidation, respectively.

TABLE 4.15. CUMULATIVE REALISATION ON INVESTMENT OF DMBs AND MFBs AS AT 31ST DECEMBER, 2019

SN	Banks Name	Cumulative Realisation from 2008 to Dec 2019 (₦' Million)
DMBs		
1	Afex Bank Ltd	1.55
2	AIB	12.93
3	Allstates Trust Bank Plc	445.34
4	City Express Bank Plc	995.40
5	Gulf Bank Ltd	1.50
6	Hallmark Bank Plc (Homes)	1,242.97
7	Lead Bank Plc	893.39
8	Liberty Bank	9.88
9	Metropolitan Bank Ltd	260.26
10	Nig. Merchant Bank Plc	0.16
11	Republic Bank Ltd	2.36

SN	Banks Name	Cumulative Realisation from 2008 to Dec 2019 (₦' Million)
12	Rims Merchant Bank Ltd	52.28
13	Trade Bank Plc	702.30
	Sub-Total	4,620.32
MFBs		
1	IHITTE MFB	2.16
2	AKESAN MFB	0.80
	Sub-Total	2.96
	GRAND TOTAL	4,623.28

Source: Asset Management Department, NDIC

The NDIC realised the sum of N1,257.25 million from the disposal of risk assets, physical assets and investments for the DMBs, MFBs and PMBs in-liquidation during the year under review. The share of risk assets out of that amount was 73%, while that of physical assets and investment disposal stood at 23% and 0%, respectively. Presented in Table 4.16 and Charts 4.1 & 4.2 is the quarterly receipts of the assets of closed insured financial institutions.

TABLE 4.16: QUARTERLY RECEIPTS OF DMBs, MFBs AND PMBs IN 2019

S/N	ACTIVITIES	1 st Quarter (₦' Million)	2 nd Quarter (₦' Million)	3 rd Quarter (₦' Million)	4 th Quarter (₦' Million)	TOTAL (₦' Million)
1	Risk Assets	34.33	81.57	624.81	175.34	916.05
2	Physical Assets	17.26	101.87	175.53	46.54	341.2
3	Investments	Nil	Nil	Nil	Nil	Nil
	TOTAL	51.59	183.44	800.34	221.88	1,257.25

Source: Asset Management Department, NDIC

CHART 4.1: TOTAL RECOVERIES IN 2019

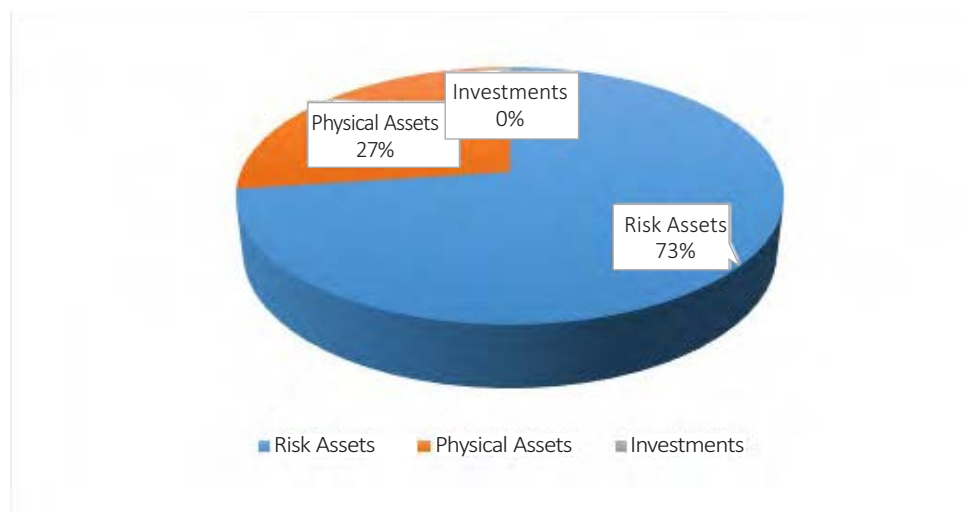
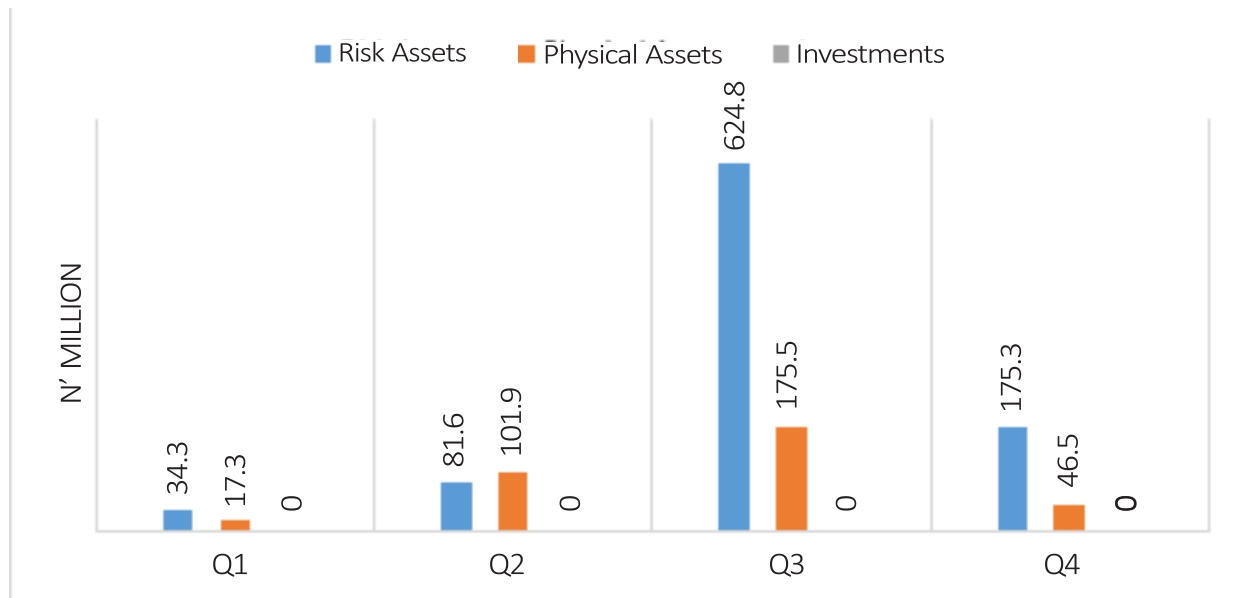


CHART 4.2: QUARTERLY RECEIPTS OF DMBS, MFBS AND PMBS IN 2019



4.3.4 Data Management and Administration

The NDIC continued to issue Letters of Clearance to customers of DMBS in-liquidation after all debts had been fully paid as part of its collaborative efforts and contribution to a safe and sound banking industry. Such clearance effectively enabled delisting of the affected DMBS customers from the Credit Risk Management System (CRMS) and Credit Bureau Systems used to track and monitor a borrower or potential borrowers' credit history by CBN and licenced private credit bureaus in Nigeria. The NDIC regularly maintains and frequently updates "Risk Assets" Registers of all DMBS in-liquidation with information on recoveries, interest waivers and write-offs on accounts of debtors.

Also, in compliance with the CBN policy circular, the NDIC in collaboration with two credit bureaus uploaded the risk asset register of all closed DMBS to their credit risk management platforms and is in the process of uploading the risk asset registers of all MFBS and PMBS into their credit risk management platform.

4.2.5 Major Challenges Faced in Asset Management Activities in 2019

The recovery of risk assets, sales of physical assets and realisation of investments of failed insured banks had not been easy. Some of the challenges encountered in the realisation of assets of bank-in-liquidation comprised:

- i. Inadequate documentation of borrowers' information by failed banks;
- ii. Unwilling attitude of high-net-worth debtors of failed banks to liquidate their debts;
- iii. Prevalence of uncollateralised loans;
- iv. Difficulty in identifying assets of judgment debtors;
- v. Protracted legal processes due to frequent adjournment of cases;
- vi. Large outstanding insider-related debts usually characterised by poor documentation and insider abuse;
- vii. Difficulties to repay loans induced by economic realities, policy inconsistencies as well as issues relating to moral hazards; and
- viii. Delayed revocation of the licences of MFBS and PMBS, which made it difficult to trace some records and certain persons behind the failure of those institutions.

SECTION 5

CORPORATE SUPPORT
INFRASTRUCTURE





CORPORATE SUPPORT INFRASTRUCTURE

5.0 Introduction

This section presents the activities of support departments and autonomous units whose accomplishments helped in the attainment of the NDIC's vision and mission in 2019.

5.1 Information Technology Department

In continuation of the Department's vision to be the centre of excellence within the NDIC and the entire public sector in Nigeria, work tools were continually refreshed at physical infrastructure, software and human capital levels. The following were key achievements of the Department in 2019:

- i. The Failed Banks Database System (FBDS) project became operational in 2019. FBDS is a one-stop solution for managing claims resolution, assets and bank liquidation processes. Its full implementation is significant to realizing the mandate of the NDIC and would be integrated with NDIC mobile app to bring depositor information and the verification process closer to stakeholders.
- ii. To reinforce security around the NDIC's IT infrastructure, a data loss prevention solution was deployed. The solution ensures confidentiality, integrity and availability of information across the enterprise network. The solution provides complete visibility and control across the largest range of data loss channels. It is built to identify any type of

sensitive data based on the data classification criteria of the Corporation, and can easily manage data loss policies and incidences across every channel.

- iii. The NDIC, in conjunction with CBN and the National Association of Microfinance Banks (NAMB), ensured that more MFBs were enrolled to the Unified Information Technology (NAMBUIT) core and agent banking application. Also, technical parameters were agreed and successfully tested with payment-system valued-added service providers for integration with NAMBUIT. This revolutionary system would open up the Microfinance space for more financial services provision, and aggressively drive the financial inclusion strategy of the NDIC and CBN.

5.2 Enterprise Risk Management Department

The Enterprise Risk Management Department (ERMD) is charged with the responsibility of coordinating the implementation of NDIC's Enterprise Risk Management (ERM) Framework, Business Continuity Management (BCM) Framework and Document Management policies. During the year under review, the Department continued with the performance of its core function of coordinating the implementation of NDIC's ERM Framework by identifying, assessing, controlling,

treating and reporting all significant risks that were likely to hamper the achievement of NDIC's mandates. Furthermore, in order to monitor the effectiveness of control measures put in place to mitigate the identified risks, the Department conducted Enterprise Risk Monitoring exercises across NDIC's departments, units and offices and subsequently issued feedback reports on the outcome together with recommendations for implementation.

The Department also presented the Risk Forecast for 2019 and its implications on the achievement of NDIC's mandates to Senior Management. ERMD also continued with its rendition of the Quarterly Update of the Risk Profile of the NDIC to Senior Management and Board Committee on IT & Corporate Strategy. Similarly, the Department continued the Monthly and Quarterly Risk Analysis of all departments, units and offices and provided feedback on risks facing business units that require urgent attention. Risk Assessment of the NDIC's projects in Lagos (Lagos Office at Ikoyi & NDIC Training School in Lekki) and the alternate site in Abuja was also conducted.

Furthermore, during the period under review, the Department conducted a Business Impact Analysis (BIA) and Risk Assessment (RA) across the NDIC. In addition, the ERMD updated the Business Continuity Plans (BCPs) for all departments, units and offices in accordance with the results of the BIA conducted.

As a result of the ISO 22301:2012 Certification, the Department went through another rigorous Surveillance Audit of the Management System by the British Standards Institution (BSI) in May, 2019. It is worthy to note that no Non-conformity was raised on BCMS. However, six (6)

Opportunities for Improvement (OFI) were raised which were reflected in the Corrective and Preventive Action (CAPA) Plan for appropriate action.

The Department, in conjunction with Internal Audit Department (IAD) and ITD, carried out a review of the NDIC's Records & Archives Management Policy and Electronic Document Management Policy. The Department, in conjunction with its partners began the process for the development of Risk Appetite, Risk Tolerance Limits and Key Risk Indicators Framework and Guidelines for the NDIC. In addition, the Department in conjunction with the NDIC Academy organized two (2) runs of 4-day training on Enterprise Risk Management in Lagos and Abuja for staff across the NDIC.

“The NDIC also signed an agreement for the installation of Net Dimension Software by Philips Consulting for the automation of the Performance Management System at the employee level.”

5.3 Performance Management Department

The Performance Management Unit was upgraded to the status of a full-fledged Department by the Board at its 102nd meeting of 27th February, 2019. In 2019, the Performance Management System of the NDIC was automated, following a successful installation of Quickscore software by Balanced Scorecard West Africa.

The NDIC also signed an agreement for the installation of Net Dimension Software by Philips Consulting for the automation of the Performance Management System at the employee level. That has been installed and configuration was on going as at 31st December, 2019. Philips Consulting Ltd and Balance Scorecard West Africa are to ensure seamless integration of both software.

The Department also carried out planning exercise for the 2019/2020 performance cycle, coordinated the 2019 confirmation appraisal of twenty-two (22) new staff, compiled and circulated the four (4)

years' appraisal score of staff eligible for 2019 promotion/conversion for verification and authentication. ERMD also conducted 2018/2019 Mid-Cycle and End of year Performance Appraisal exercise for staff of the NDIC and the Department's in-house knowledge sharing sessions for staff.

5.4 Internal Audit Department

During the year under review, the Internal Audit Department (IAD) continued to provide advisory and assurance services to the Board and Management through the Board Audit Committee on adequacy and effectiveness of risk management and internal controls of the NDIC.

The Department ensured that the NDIC's assets were safeguarded and the incidence of fraud minimized, through the enforcement and regular update of the control mechanisms put in place.

The Department continued to verify all payments made to the NDIC's staff and third parties in order to ensure compliance with all laid down policies and procedures. In addition, the Department carried out the inspection of all supplies and contract jobs for the NDIC.

The Department, as in previous years, continued with its routine quarterly cash counts and verification of the NDIC's assets. In addition, the Department carried out comprehensive Mid-Year and End of Year Audit Review of the activities of all Departments, Units, Zones and Lagos Office. Also, it conducted the Bi-annual Audit of the three (3) ISO Standards (BCMS-22301, ISMS-27001 and SMS-20000).

The Department also reviewed its Internal Audit Charter to align its activities with the current issues and dynamics of the operating environment. The Department attended the 2019 Institute of Internal Auditors (IIA)'s National Conference; trainings on "Corporate Governance, Risk Management & Internal Controls" by IIA; "Report Writing for Internal Auditors" organized by

Afenoid Enterprise Ltd and various courses organized by Bureau for Public Procurement (BPP) Research Centers in FUT, Owerri and ABU, Zaria. The Anti-Corruption and Transparency Unit (ACTU) of the NDIC, domiciled in the IAD was reconstituted and inaugurated. The ACTU conducted sensitization seminars for all staff of the NDIC, amongst other activities.

5.5 Legal Department

The Legal Department is charged with the responsibility of providing guidance in legal matters and corporate secretarial services to the Executive Committee and Management on issues affecting the NDIC's operations.

In 2019, the Department managed a total of 13 criminal prosecutions pending in various courts, and 22 ongoing investigations with the Financial Malpractices Investigation Unit (FMIU). The Department successfully secured conviction in one of its cases – FRN VS Simon Akinteye. The Department successfully perfected title to properties acquired by the NDIC and those of banks in-liquidation, and maintained safe custody of the NDIC's security documents and Common Seal.

In its bid to ensure effective collaboration with other stakeholders including the members of the National Assembly and Judiciary, the Department conducted various seminars, trainings and workshops on key legal issues on Deposit Insurance Law and Practice.

5.6 Strategy Development Department

The Strategy Development Department (SDD) drives the corporate strategy of the Corporation. It is charged with the responsibility of driving the future-oriented plans of the NDIC to meet the emerging challenges in the banking industry in particular, and the financial sector in general. The Department is concerned with ensuring that all activities and functions of the various

departments/units/zones are aligned to the Corporate Strategy and that they are geared towards achieving the NDIC's Vision, Mission and Mandates.

The following are the notable achievements of the Department during the year under review:

- i) The mid-term review of the NDIC's Strategic Plan, 2016-2020 was carried out with significant changes to key elements of the plan to address emerging issues and proffer appropriate strategic response. One major change of note was the NDIC vision revised to: "To be one of the best deposit insurers in the world".
- ii) Quarterly strategy monitoring and collection of performance data.
- iii) Capacity building on dEPM system.
- iv) Bi-annual assessment of efficiency activities.
- v) Execution of FSS 2020 activities for 2019.
- vi) Coordinated process Improvement projects.
- vii) Collaborated with relevant Departments on ISO Certification Project.
- iv. Provided logistics support for EXCO and Departmental meetings held in Lagos.
- v. Monitored the work progress during the renovation of Mamman Kotangora House.
- vi. Coordinated NDIC 30th Anniversary Services held at Lagos Central Mosque and the Holy Cross Cathedral (Catholic) Church, respectively.
- vii. Ensured adequate security by coordinating with the Nigerian Police Force and LASTMA Personnel for the NDIC 30th Anniversary Gala Night held at Lagos Intercontinental Hotel, VI. Lagos.
- viii. Liaised with various Consultants, Agencies, Contractors, Service Providers and Lagos State Government on the on-going NDIC building projects and other services.

5.7 Establishment Office

The Establishment Office (ESTAB) is charged with providing support services to departments and units in the Lagos Office. The Office is mandated to carry out the functions of Procurement and Management Services, Human Resources and Engineering & Technical Services in the Lagos Office.

During the year under review, the office performed the following functions:

- i. Provided and maintained office accommodation, as well as security and cleaning services.
- ii. Installed additional CCTV cameras to enhance the security surveillance at NECOM House
- iii. Provided support services to all the departments and units in Lagos Office for efficiency.

5.8 Finance Department

The Department implements all approved financial policies of the NDIC, ensuring adequate funding as well as effective and efficient management of resources. It is responsible for maintaining comprehensive financial records and the provision of accurate and reliable information on NDIC's financial activities to Senior Management and other stakeholders in a timely, efficient and transparent manner. Other activities include budget planning based on Performance Based Budgeting System (PBBS) and prompt investment of the Deposit Insurance Fund in eligible securities with safety and liquidity as its guiding principles.

In 2019, the Department engaged in the following activities, amongst others:

- i. Filed and remitted all Taxes deducted (Stamp Duty, VAT and WHT) to the appropriate tax authorities.
- ii. Remitted the sum of ₦74.55 billion to the Consolidated Revenue Fund (CRF) in compliance with the Fiscal Responsibility Act 2007.
- iii. As at 31st December 2019, managed the

NDIC's Insurance Funds which stood at N 1.411 trillion. (DIF N 1.201 trillion; SIIF- N 111.017 billion and NIDIF- N 1.497 billion (Net of Target Funding Provision).

- iv. Hosted auditors from the office of Accountant-General of the Federation (OAGF) and Office of Auditor-General of the Federation (OAuGF), who carried out audit and inspection exercises to affirm the Corporation's continuous adherence to rules and regulations governing its operations.
- v. Hosted External Auditor, Messrs. PricewaterhouseCoopers (PwC) to conclude the final audit of the NDIC's Financial Statements for the year ended 31st December, 2018.
- vi. Commenced the Interim Audit of the NDIC's 2019 Financial Statements in November 2019.
- vii. Prepared the NDIC's 2020 Annual Budget which was defended before the relevant Committees of the National Assembly.
- viii. Successfully enhanced the Business Intelligence Module of the Infor dEPM (Dynamic Enterprise Performance Management) budgeting software.
- ix. Submitted the NDIC's three (3) year 2019 – 2021 Medium Term Expenditure Framework (MTEF) to the Budget-Office of the Federation.

5.9 Engineering and Technical Services Department

The Engineering and Technical Services Department (ETSD) provides services in the area of engineering and technical works, which include but not limited to managing building projects; maintenance of office buildings, equipment, plant and machinery; property valuation; and staff housing loan assessment.

The major achievements of the Department in 2019 were:

- i. Monitored the progress of construction of the

three major building projects at Abuja, Ikoyi and Lekki at varying degree of completion.

- ii. Reviewed the design and Bill of Engineering Measurements and Evaluation (BEME) of the site infrastructure of the NDIC's land at Wasa, Abuja in readiness for a tendering process.
- iii. Successfully completed the fence and a gatehouse of the 10 hectares parcel of land at Ibeju Lekki, Lagos during the period under review.
- iv. Successfully reviewed the designs of the proposed Bauchi Zonal Office and secured the approval of the Federal Executive Council (FEC) for the award of the contract for the construction of the office.
- v. Developed User Requirement Document (URD) for design of the proposed International Learning and Research Centre (ILARC) at Wasa project site, Abuja.
- vi. Ensured improved assets and facilities management processes, e-Facility System Management solution had been deployed in the department. It is expected that the new system would motivate staff and improve productivity.
- vii. Completed installation of Alternative Energy Source (solar power) at Sokoto, Benin and Enugu Zonal Offices.

5.10 Procurement and Management Services Department

In 2019, the Procurement and Management Services Department (PMSD) undertook various activities in line with its mandate, mandate of the NDIC and the Public Procurement Act (PPA) 2007.

During the year under review, the Department provided adequate procurement and logistic support services to Departments/units and Zonal Offices of the NDIC in the areas of goods, works, and consultancy services using qualified and suitable contractors.

It also ensured competitiveness, prudence and

cost effectiveness in all tender processes.

Additionally, the Department took delivery of nine (9) new motor vehicles in order to support operational activities of the NDIC. The PMSD had continued to improve the NDIC's operational activities through the procurement of several office equipment such as printers, laptops, desktops, IT consumables and photocopiers in line with the strategic thrust of operational resilience and performance driven culture in business process as enshrined in the NDIC's Strategic Plan (2016–2020).

5.11 Human Resource Department

The Human Resource Department (HRD) has the primary responsibility of managing NDIC's human capital towards the achievement of its corporate objectives. During the year under review, the Department continued in its pursuit of excellence and has continuously aligned its activities with HR best international practice by sustaining a dynamic workforce capable of coping with the present and future challenges of promoting a sound, stable and efficient financial industry. The total staff strength of the NDIC as at 31st December, 2019 was one thousand, four hundred and forty-five (1,445).

The major activities of the Department during the year under review were as follows:

- i. Executed all approved welfare policies in a holistic and proactive manner for the benefit of staff.
- ii. Coordinated the election of Joint Consultative Committee (JCC) Executive Committee members.
- iii. Facilitated 2019 Health Talk in ten (10) locations of the NDIC and Health Walk in Abuja.
- iv. Ensured that the NDIC met its obligation to the National Health Insurance Scheme (NHIS).
- v. Facilitated 2,499 capacity development

programmes.

- vi. Facilitated enrolment of twenty-nine (29) staff into CB/MBA.
- vii. Ensured the NDIC complied with the Federal Government directives on compulsory 1% annual training contribution to Industrial Training Fund. As at the end of 2019, NDIC was up to date on its contribution to ITF.
- viii. Held two (2) sessions of Women Empowerment workshop in Abuja and Lagos. The purpose of the workshop was to equip female employees with skills needed to assist them perform optimally as well as manage other issues that could hinder their performance.
- ix. Coordinated knowledge sharing sessions across the NDIC and Expert Interviews for exiting staff.

5.12 NDIC Academy

The Academy executed all the approved 27 courses in 2019. It conducted 4,031 training sessions as against 3,353 in 2018, representing a 20% increase. Out of the trainings, 104 training sessions were for Executive Staff, 3,832 training sessions were for Senior Staff, while 66 training sessions were for Junior Staff.

The academy also trained 29 participants from various local and foreign agencies including CBN, SEC, AMCOM, FMF, EFCC, ICPC, and DIS agencies from IADI Africa region, amongst others.

SECTION 6

PUBLIC AWARENESS AND
CORPORATE SOCIAL
RESPONSIBILITY





DEPOSIT INSURANCE COVERAGE AND FUNDS MANAGEMENT

6.0 Introduction

Public awareness plays a significant role in deepening financial inclusion and engendering public confidence in the financial system. As such, it has been recognised as a critical activity in implementing and achieving an effective Deposit insurance system (DIS) across all jurisdictions. The NDIC places great emphasis on public awareness as one of the four (4) cardinal themes of its revised 2016 – 2020 Strategic Plan. That is because a robust public awareness on the benefits and limitations of the DIS occupies a strategic position in the effective discharge of the NDIC's mandate.

The aim of public awareness is to engender public confidence in the DIS, ensure safety and soundness of the financial system, and thus contribute to financial system stability which aligns with the NDIC's Public Policy Objectives. It is in that regard that a deposit insurer often conducts survey to gauge the level of perception of the public to its DIS. This section focuses on public awareness initiatives and corporate social responsibility projects embarked upon by the NDIC in 2019.

6.1 Public Awareness Initiatives

In 2019, the NDIC implemented a number of initiatives aimed at educating the public on its activities and achievements to further promote the

public confidence and contribute to financial system stability. Some of these initiatives were as follows:

- i. Participated in Abuja, Enugu, Kaduna and Kano International Trade Fairs.
- ii. Participated in the 2019 Financial Literacy Day with the theme: "Learn, Save, Earn" to promote financial inclusion and financial literacy.
- iii. Participated in the 2019 World Savings Day with the theme: "Savings Give Life a Lift". As a school mentoring programme, the NDIC used the medium to educate 3,799 students drawn from 44 secondary schools across the Federation.
- iv. Hosted the 16th edition of the Annual Workshop for Business Editors and Finance Correspondents Association of Nigeria (FICAN) in Yola, Adamawa State with the theme: "Nigerian Banking System Stability: Tackling Emerging Issues". The workshop was attended by 170 participants from various organisations, comprising 58 members of Abuja FICAN Chapter, 64 members from Lagos Chapter of FICAN, 11 Business Editors, 10 from the Coalition of Civil Society Group and 20 staff of the NDIC.
- v. Hosted the 3rd Editors Forum in Lagos with the theme: " Nigerian Banking System Stability: Tracking Emerging Issues". A total

of thirty-Seven (37) participants from various organizations, comprising 28 Business Editors and Media Consultants as well as 9 staff of the NDIC were in attendance.

- vi. Hosted 372 students from educational institutions, primary and secondary schools on academic visits, including students from Internally Displaced Camps.
- vii. Established information desk at strategic events such as university convocation ceremonies, professional association AGMs and conferences, and exhibitions
- viii. Transmitted depositor protection awareness on television, radio jingles, nationwide newspaper adverts and press releases in print media.
- ix. Transmitted weekly documentary series titled “NDIC Calling” on the network service of the NTA, including television special reports on NDIC's major activities.
- x. Participated in the consideration of Auditor General of the Federation Annual Reports for 2014 – 2017 Financial Years by the House of Representatives on Public Accounts Committee.
- xii. Participated in Investigative Hearing on SIM Swap Fraud by the House of Representatives Ad-hoc Committee on Increasing Incidents of SIM Swap Fraud.
- xiii. Facilitated courtesy visits to the Vice President, Federal Republic of Nigeria, Professor Yemi Osibanjo, SAN, GCON; President of the Senate, Distinguished Senator Ahmad Lawan and the Speaker of the House of Representatives, Rt. Hon. Femi Gbajabiamila
- xiv. Coordinated the sendforth of a former Board Member of the NDIC, Mr. Festus Keyamo, SAN, presently the Minister of State for Labour.

6.2 Commemoration of NDIC's 30th Anniversary Celebration

The NDIC marked its 30th Anniversary from 18th –

24th October, 2019 with series of commemorative events. The theme of the celebration was “30 Years of Protecting Depositors in Nigeria”. The major highlights of the event were as follows:

- i. Presentation of book titled “30 years of Deposit Insurance in Nigeria” was held on 21st October, 2019 at the Transcorp Hilton hotel, Abuja. The book was launched by the Vice President, Federal Republic of Nigeria, His Excellency, Professor Yemi Osinbajo, SAN, GCON.
- ii. A Special lecture titled: “Emerging Risks and Corporate Governance Issues in Banking” was delivered by Mr. Aigboje Aig-Imoukhuede.
- iii. The 30th anniversary dinner sessions were held at the International Conference Centre, Abuja, and the Continental Hotel, Lagos, on 21st October and 24th October, 2019 respectively.
- iv. Other events that marked the anniversary included the anniversary Press Briefing, Juma'at Prayers, Church Thanksgiving Services, Health and Awareness Walk and Novelty Football Match between the NDIC and the Debt Management Office (DMO).

It is worthy to note that the 30th Anniversary celebration recorded 503 online posts, 283,000 expressions and, mention/analysis in 55 print and 15 electronic media. Furthermore, depositor protection awareness Anniversary jingles were transmitted on 60 radio & television stations across the country.

6.3 Help Desk

The NDIC Help Desk continued to educate and enlighten depositors as well as attend to enquires and issues raised by customers of banks and the general public. The Help desk received 521 calls from the general public in 2019. The summary and analysis of the calls received are presented in Table 6.1.

TABLE 6.1: SUMMARY OF CALLS RECEIVED AT THE HELP DESK

S/N	BANKS	2017	%	2018	%	2019	%
1	Deposit Money Banks	66	21.35	83	26.60	123	23.6
2	Closed Deposit Money Banks	35	11.35	40	12.82	37	7.10
3	AMCON Acquired Banks	8	2.59	4	1.29	3	0.58
4	Primary Mortgage Banks	53	17.15	6	1.92	9	1.73
5	Microfinance Banks	32	10.36	24	7.69	34	6.53
6	Closed Microfinance Banks	57	18.45	90	28.85	208	39.92
7	General	58	18.77	65	20.83	107	20.54
	TOTAL	309	100	312	100	521	100

Source: Strategy Development Department, NDIC

Table 6.1 indicates that 245 calls were received in respect of closed banks representing 47.02% of the total calls received in 2019, while 169 calls were received in respect of insured banks in operation. In addition, 107 general calls were received, representing 20.54% of the total calls received during the year.

Furthermore, a total of 5,060 e-mails which centred on complaints and petitions against DMBs, PMBs and MFBs, were received by the Help Desk during the year under review. All the complaints were forwarded to the appropriate departments for investigation and resolution.

6.4 Social Media Campaign

The adoption of social media provided a platform for the NDIC to escalate the awareness of deposit insurance in Nigeria in 2019. A total number of 214 posts were made in the period under review.

An increase in the followers visit to NDIC's sites on major media platforms was experienced in the year under review. The number of followers on Facebook, Twitter, Instagram and LinkedIn increased by 49.9%, 10.3%, 53.7% and 71.7% respectively, the highlights is presented:

Facebook

Total Number of Followers: 7,690

Total Number of Likes: 3,478

Total Number of Impressions: 149,821

Twitter

Total Number of Followers: 2,807

Total Number of Likes: 707

Total Number of Impressions: 119,600

Instagram

Total Number of Followers: 1,401

Total Number of Likes: 3,347

Total Number of Impressions 53,574

LinkedIn

Total Number of Followers: 9,354

Total Number of Likes: 693

Total Number of Impressions: 35,778

6.5 Corporate Social Responsibility

As part of its Corporate Social Responsibility (CSR) strategy, the NDIC sponsored a number of projects in educational institutions nationwide; this was geared towards enhancing public awareness, in line with its strategic objectives.

In 2019, the NDIC expended the sum of ₦360.66million on sixteen (16) projects in various locations as presented in Table 6.2.

TABLE 6.2: CORPORATE SOCIAL RESPONSIBILITY in 2019

S/N	Name of Institutions	Description of Project	Location	Project Amount (₦)	Project Approved Date	Remark
1	Ijakpa Primary School	Appraisal of Project.	Effurun, Delta State.	30,000,000.10	06/11/2019	100% disbursed in 2019
2	Uwelle Amakofa, Community School	Construction of four(4) Classroom Block with an office, VIP toilet and drilling of borehole	Ukehe, Igbo etiti LGA Enugu State	30,000,000.00	30/10/2019	100% disbursed in 2019
3	Comprehensive High School, Ayetoro	Renovation and fencing of a proposed ICT/CBT centre with supply of furniture.	Yewa North Local Government Area, Ogun State.	37,340,300.00	30/10/2019	100% disbursed in 2019
4	Akija Community Development Clinic	Construction, Furnishing and supply of hospital equipment	Sokoto	29,558,518.50	16/10/2019	100% disbursed in 2019
5	Model Secondary School, MPU	Construction of 360 meter fence and gate house.	Aninri, Enugu State	21,572,550.00	19/09/2019	100% disbursed in 2019
6	Idah Secondary Commercial College	Construction of ICT centre.	Idah Kogi State.	14,991,000.00	30/07/2019	100% disbursed in 2019
7	Ramos Creek Junior Secondary School	Renovation of 5 units of classroom with 2 units of library and toilet block.	Oriagbene, Bomadi LGA, Delta State.	10,913,729.67	26/06/2019	100% disbursed in 2019
8	Hadiza Imam Centre	Support to Institutions	Kano	6,814,027.50	24/06/2019	100% disbursed in 2019
9	Government Girls Secondary School	The Construction of e-library.	Kawo, Kaduna.	18,687,650.00	31/05/2019	100% disbursed in 2019
10	Mubawuar Secondary School	Construction of block of 3nos classrooms	Ihugh, Benue State	29,891,558.47	23/05/2019	100% disbursed in 2019

11	Government Secondary School	Building Blocks of three (3) classrooms, renovation of two classrooms and sinking of three (3) VIP toilets.	Gombi, Adamawa State.	14,639,907.77	22/05/2019	100% disbursed in 2019
12	Government Technical College	Construction of standard and well equipped automobile workshop.	Kauranamo da, Zamfara State.	14,790,767.25	30/04/2019	100% disbursed in 2019
13	Idah Secondary Commercial College	Construction of ICT centre.	Idah, Kogi State.	7,495,500.00	23/04/2019	100% disbursed in 2019
14	Government Secondary School, Gombi	Support to Institutions of Higher Learning	Gombi, Adamawa State	29,379,815.55	20/02/2019	100% disbursed in 2019
15	Government Secondary School	Proposed Construction of E-Learning	Kawo, Kaduna	42,757,811.25	20/02/2019	100% disbursed in 2019
16	Ramos Creek JuniorSecondary School Oriagbene	Renovation of 5 units of classrooms with 2 units of library toilet blocks.	Bomadi LGA, Delta State	21,827,459.35	15/02/2019	100% disbursed in 2019
	TOTAL			360,660,595.41		

Source: Engineering and Technical Services Department, NDIC

SECTION 7

REVIEW OF THE PROPOSED
AMENDMENT TO THE NDIC ACT 2006





REVIEW OF THE PROPOSED AMENDMENT TO THE NDIC ACT 2006

7.0 Introduction

The amendment of the NDIC Act No. 16 of 2006 had become imperative to strengthen the NDIC's supervisory capabilities and address ensuing challenges in the areas of liquidation of failed insured institutions. It would also facilitate compliance with the IADI Core Principles for Effective Deposit Insurance Systems (DISs).

During the year under review, the proposed amendment to the NDIC Act 2006 was being reviewed by the NDIC's Board of Directors for submission to the 9th National Assembly. The process for the amendment of the NDIC Act was first initiated during the 7th National Assembly (2011-2015) and the Bill was resubmitted to the 8th National Assembly (2015-2019) having addressed all areas of concern with the CBN. However, the Bill could not be passed before the expiration of the 8th National Assembly's tenure.

Some of the issues contained in the proposed amendment include:

7.1 Correction of Editorial Errors

The proposed amendment seeks to correct identified editorial and grammatical errors in the NDIC Act of 2006. The NDIC had earlier published a corrigendum which contains corrections to some of the identified errors. The relevant provisions of the proposed amendment would include both the

corrigendum and other corrections to the Act.

7.2 Composition of the Management Committee

The proposed amendment seeks to reconcile the error with respect to provisions on the Composition of the Board and constitution of the Management Committee in the absence of a Board for the NDIC. The Board composition allowed for two (2) Executive Directors while the constitution of the Management Committee made reference to only one (1) Executive Director.

7.3 Public Policy Objectives

IADI Core Principle 1 requires that Public Policy Objectives (PPOs) of a deposit insurance system of any country be formally specified and made public through legislation. In compliance with the principle, the proposed amendment to the NDIC Act 2006 seeks to formulate and incorporate an explicit statement of PPOs. The introduction of PPOs for the operation of the DIS in Nigeria will serve as a veritable guide for the NDIC's policy thrusts and operations.

7.4 Mandate of the Corporation

In line with the recommendation of IADI, the proposed Act clearly provided and formally specified the mandate of the NDIC in its enabling Act. The provision was embedded in a way that

acknowledges the CBN as the lead supervisor in the Nigerian banking system, and that the supervision of insured institutions would be carried out in collaboration with the CBN.

7.5 Composition of the Board

The provision of section 5(5) of the NDIC Act 2006 makes the Chairman and Members of the Board of Directors “Part-Time Members”. That implies that the Managing Director and the two (2) Executive Directors, who are also members of the Board, are equally part-time Members. The proposed amendment clarifies that, only the Chairman and other members of the Board appointed from the six (6) geo-political zones of the country shall be Part-Time Members. The CBN is to be represented on the Board by two (2) officers not below the rank of a Director (one of whom must be the Director of Banking Supervision) and the Federal Ministry of Finance is to be represented by the Director, Home Finance.

7.6 Interim Management Board

The proposed amendment makes provision for a situation where the tenure of the Board expires and there is an unavoidable delay in constituting a new Board. It is proposed that, the Minister of Finance shall in consultation with the Governor of CBN constitute an Interim Management Board (IMB) for the NDIC to be made up of the Permanent Secretary, Federal Ministry of Finance, who shall be the Chairman, the Managing Director/CEO, the 2 Executive Directors of NDIC and 2 representatives of CBN not below the rank of a Director, one of whom shall be the Director of Banking Supervision.

7.7 Removal of a Board Member

In order to promote good corporate governance in NDIC, the proposed amendment provides that a member of the Board shall only be removed in compliance with the provisions of the enabling law.

7.8 Vacancy in the Composition of Board Membership

The amendment, as proposed, requires that, in the event of a Board Member vacating office for any reason, another person shall be appointed to fill the vacant sit and such appointee shall come from the same geo-political zone of the retiring Board member.

7.9 Conflict of Interest

The proposed amendment would formalize NDIC's commitments to transparency, accountability and probity. The NDIC Board of Directors and staff are bound by the proposed Act to exhibit high standards of professional conduct in the discharge of their responsibilities. That is in compliance with IADI Core Principle 3, which requires the deposit insurer to be operationally independent, transparent, accountable and insulated from undue political and industry influence.

7.10 General Reserve Fund

The General Reserve Fund cushions the threat posed to the Deposit Insurance Fund by incidence of bank failure. The growth of the General Reserve Fund was in recent times hampered by the Fiscal Responsibility Act 2007, which requires that 80% of NDIC's Operating Surplus be remitted to the Consolidated Revenue Fund (CRF) Account.

The proposed amendment seeks to restore the ability of NDIC to rapidly build up the General Reserve Fund by clarifying the constituents of the net operating surplus, in order to create sufficient buffer to address anticipated risks in accordance with international best practices.

7.11 Expanding Incidence for Payment of Insured Deposits

The amendment, as proposed, expands the crystallization of the NDIC's liability in the payment of insured deposits to include when a bank licence is revoked or in the event of suspension of payment and inability of a bank to

meet up with its obligations to depositors as a result of illiquidity.

Experience has shown that, an insured institution may actually be solvent but illiquid and therefore suspends payment or is unable to meet its obligations to its depositors' as at when due, thereby causing hardship to depositors even when its operating licence has not been revoked.

7.12 Supervision of Related Entities of Insured Institutions

Some banks in Nigeria have become more complex and less transparent with some of them having overseas branches/affiliates/subsidiaries/associates through which depositors' funds could be siphoned. The proposal seeks to ensure Consolidated Supervision of the banking groups where NDIC shall have access to the books and affairs of all the related entities of insured DMBs or obtain information from relevant sector regulator of the regulated entity to enable consolidated assessment of the banking group's financial activities.

7.13 Special Examination

Conducting Special Examinations requires the approval of the Board. There may be times when issues on ground demand immediate action, that the Board's approval may not readily be obtained. The proposed amendment therefore seeks to substitute the word "Board" in the extant Act with the words "Management of the Corporation", so as to ensure speedy conduct of Special Examinations when required.

7.14 Prompt Corrective Action

The amendment aims at ensuring compliance with IADI Core Principle 13, which states that a deposit insurer should be part of the framework that provides for the early detection and timely intervention and resolution of troubled insured institutions.

The proposal seeks to reinforce the collaborative role of NDIC and CBN (as the lead regulator) to ensure the implementation of the NDIC's recommendations contained in Examination Reports and take any enforcement action against a bank for none or partial implementation of such recommendations.

7.15 Insured Institutions Resolution Fund

Following the 2005 banking sector consolidation, some of the DMBs have grown so large that failure of any one of them could pose a serious threat to the Insurance Fund. Therefore, the need for a Statutory Contingency Plan to address Open Bank Resolution in order to reduce the risk of failure becoming imperative.

The proposed amendment therefore sought to establish an Insured Institution's Resolution Fund (IIRF) that would be used as an Open Bank Resolution Option for resolving distress in large insured institutions while the Insurance Fund should primarily be reserved for effecting closed bank resolution. The amendment being sought aims to comply with IADI Core Principles 2 and 9 that provide for the deposit insurer to have powers and availability of adequate funding mechanisms to fulfil its mandate, respectively.

7.16 The NDIC as a Conservator

The Banks and Other Financial Institutions (BOFIA) Act 1990 (as amended) has provisions empowering the NDIC to assume control of certain category of failing insured institutions. However, the NDIC Act of 2006 has no provision stipulating its status in such circumstances. The experience of the NDIC in such matters had shown that its status should be likened to that of a Conservator.

Accordingly, a distressed insured institution which the NDIC had assumed control of, should be protected from attachment of its assets and that of NDIC against the liabilities of such institution. There is the need to prohibit the attachment of

assets of the NDIC for liabilities of a failing or failed insured institution because the NDIC is acting as a Conservator or Liquidator of such institution. In addition, the NDIC's statutory mandate in the area of supervisory intervention has been enhanced to ensure that shareholders do not interfere when the NDIC is carrying out Open Bank Resolution measures aimed at restructuring distressed insured institutions in the larger interest of the depositors of such institutions.

7.17 Winding-Up Rules

The NDIC Act excluded the application of the companies winding up rules in the liquidation of insured institutions, which is understandable given the specialised insolvency legal framework required for such institutions. However, no other Rules were provided thereby leaving a lacuna in the framework.

The proposed amendment seeks to empower NDIC to make the regulations, guidelines and rules to govern the winding up, liquidation, and dissolution of insured institutions.

7.18 Stay of Pending Suits

The proposed amendment seeks to permit the NDIC, having commenced liquidation or assume the role of a conservator of an insured institution, to apply and the Court to grant stay of any pending suit, application, proceedings, execution, attachment, or action instituted against insured institutions or the NDIC, whether or not a leave had earlier been granted to commence or proceed with such action or matter.

Whenever the revocation of the licence of an insured financial institution and the NDIC's status as Provisional Liquidator are being challenged in court, several other suits are also instituted by landlords, judgment creditors, and other claimants against the failed insured institution and NDIC. The suits invariably drag the NDIC into defending the failed insured institution even when its status

as Liquidator remains tenuous.

7.19 Interest on Judgment Sum

The NDIC, as Liquidator, is often faced with admitting to proof claims filed by judgment creditors in respect of insured institutions under liquidation, based on judgment sums issued by the courts. While judgment debts constitute proper claims in the class of other creditors (they are ranked after preferred creditors and depositors in the case of insured institutions), the issue of interest payment on the judgment sums beyond the date of revocation of the licence of such institutions, remains a challenge.

This is as a result of misunderstanding as to the nature of a claim under an insolvency regime. This has led some courts to award interest on a judgment sum to be calculated even after the licence of the insured institution has been revoked and liquidation of such institution has actually commenced, contrary to the norms and practice of insolvency law. The proposed amendment seeks to ensure that, such challenge is addressed by prohibiting calculation and payment of interest on judgment sum after the licence of the debtor insured institution has been revoked and liquidation has commenced.

7.20 Proceedings of the Board

Rule 2 in the Schedule to the Act governing proceedings at Board meetings provides that, the Chairman must be present before a quorum can be formed. That provision conflicts with Rule 3(2) which empowers any other Director to act as Chairman in his/her absence at a Board meeting. In addition, the requirement that both ex-officio members must be present to form a quorum results in aborted meetings if only one of them is present.

The proposed amendment to Rule 3 of the Schedule corrects the above anomaly by removing the requirement for the Chairman to be present before a quorum can be formed and also making the

presence of one ex-officio member sufficient for the formation of a quorum.

7.21 Payment of Insured Deposits while Action Challenging Revocation is pending in Court

The proposed amendment seeks to empower NDIC to pay insured deposits irrespective of the filing of such an application in court, to challenge the revocation of licence. Where the licence of the institution is restored, or for an institution that is insolvent but still has its licence, the NDIC would have a right of subrogation. In the event that payment of such insured deposits was an error in law, the aggrieved party would have remedy in damages.

The amendment would ensure prompt payment of depositors of failed insured institutions, while litigation challenging revocation of the failed institution's operating licence is ongoing.

7.22 Interim Dividend Payment

The new provision sought to enable NDIC to make advance payment on uninsured deposits of an insured bank in-liquidation if certain stipulated conditions were met, without waiting until after realisation of the failed insured institution's assets. This is in line with global best practice.

7.23 Restriction on Mortgage of Assets

The provision prohibits failing/failed insured institutions from mortgaging, pledging, selling or disposing of any land, building or interest in any real property without the consent of the NDIC. This would enable the NDIC keep track of the assets of failing/failed insured institutions so as to avoid the associated difficulties in the realisation of such assets during liquidation.

7.24 Dealing with Parties at Fault in Bank Failure

In order to enable the NDIC comply with the IADI Core Principle 12, the proposed amendment sought to provide the NDIC with adequate powers

to seek legal redress against those parties at fault in bank failure.

Some of the areas of focus under this provision are as follows:

(a) Liability of Directors, Shareholders and Officers

The proposed amendment seeks to make Directors, majority shareholders, employees, auditors of bank personally liable in monetary damages for contributing to failure of an insured institution including gross negligence, breach of duty of care, duties as trustees of bank's assets, unlimited/personal liability on directors for grant of unauthorized credit facilities, as well as Ensuring Compliance with Banking Legislation, Regulations and Guidelines.

(b) Criminal Prosecution of Directors and Officers of Insured Institutions

The proposed amendment seeks to empower the Board of Directors of the NDIC to prosecute Directors and Officers of insured institutions for violation of other laws governing banking operations apart from the NDIC Act. That is in realisation of the fact that, it is not only a contravention of the NDIC Act that could cause bank failure.

(c) Civil Penalty

The proposed amendment seeks to subject convicted erring officials to civil penalty that would be related directly to the amount involved in the provisions of the violated law.

7.25 Powers of the Corporation

- a) To Act as Liquidator
- b) Self-Appointment as Liquidator
- c) Issuance of 90 days notice by CBN to Critically Undercapitalised Insured Institutions.

The proposed amendment seeks to strengthen the

appointment of NDIC as Liquidator, self-appointment and appointment following 90 days notice as obtained in other jurisdictions. That would enable the NDIC carry out its liquidation activities effectively.

Until now, Section 40 of NDIC Act had provided for the appointment of the NDIC as Provisional Liquidator immediately the licence of an insured institution is revoked with powers conferred on a liquidator under CAMA. However, that provision has not proved helpful in addressing the problem of inability of the NDIC to reimburse depositors promptly after an insured institution's closure.

The status of a Provisional Liquidator appears to be that of a preserver of the assets of the company facing liquidation pending the determination of the winding up petition. Thus, the provisional

liquidator may not have the power to dispose of assets, compromise debts and or pay-out claims and so the extant provision on appointment of the NDIC as provisional liquidator does not really address the objectives for which it was intended.

7.26 Right of Lien and Disposal

The aim of this amendment is to empower the NDIC by giving it the right of lien over any collateral in its custody pledged as security for a loan by a debtor of a failed insured institution under liquidation.

SECTION 8

RESEARCH ACTIVITIES,
INTERNATIONAL EXCHANGE
AND COOPERATION



RESEARCH ACTIVITIES, INTERNATIONAL EXCHANGE AND COOPERATION

8.0 Introduction

The NDIC undertakes research activities to improve its operations and institutional relationship building in order to develop and strengthen existing links with local and international partners. The research activities, international exchange as well as cooperation with local and international institutions in 2019 are discussed in this section.

8.1 Research Activities

In 2019, the Research, Policy and International Relations Department (RPIRD) conducted various research activities deemed necessary for the effective operation and improvement of DIS in the rapidly changing economic environment and financial market. Some of the activities carried out in 2019 include:

i. NDIC Quarterly Publication

The NDIC Quarterly Publication is an in-house journal where research activities conducted by the staff and external stakeholders on issues related to insured member institutions, the Nigerian financial system as well as the economy is published on quarterly basis. The Journal has an Editorial Board that is made of 11 members: five (5) of the membership is internal and the remaining six (6) are external. The external members comprise three (3) Professors and three others (two of which are former Directors of NDIC). The

Q3 2018, Q4 2018, Q1 2019 and Q2 2019 quarterly editions of the NDIC Quarterly Journal were written, compiled, edited and published in 2019. Some of the papers published are as follows:

- a) The Impact of Cybercrime on Nigerian Economy and Banking System;
- b) Determinants of E-Banking adoption in Lagos State; and
- c) Determinants of Financial Sector Development in Nigeria.

ii) Book on 30 Years of Deposit Insurance in Nigeria

The NDIC in 2019 published a book on “30 Years of Deposit Insurance in Nigeria” which was launched by His Excellency, Prof Yemi Osinbajo (SAN), Vice President Federal Republic of Nigeria during the 30th Anniversary Celebration of the Corporation on 21st October, 2019 at the Transcorp Hilton Hotel Abuja.

Furthermore, the book is a master piece for those interested in being aware of insurable deposits, insurable institutions, deposit insurance coverage limits, funding structure, bank supervision, reimbursement process, distress resolution & liquidation processes, internal administrative structure, consumer protection, local and international collaborations around DIS practice in Nigeria. The book would also serve as a useful

resource for depositors, creditors, debtors and shareholders of banks, mass media, students, researchers, consultants, governments and practitioners of deposit insurance both local and international.

The book was published by the NDIC to commemorate its existence as well as its desire to bridge the knowledge gap on the features, benefits, limitations of deposit insurance practice in Nigeria to the general public.



His Excellency, Vice President of the Federal Republic of Nigeria, Professor Yemi Osinbajo, SAN, GCON cutting the ribbon to launch the book "30 Years of Deposit Insurance System in Nigeria", during the NDIC's 30th Anniversary Lecture and Book Presentation in 2019



His Excellency, Vice President of the Federal Republic of Nigeria, Professor Yemi Osinbajo, SAN, GCFR conversing with NDIC Board Chairman, Mrs Ronke Sokefun during the NDIC's 30th Anniversary Lecture and Book Presentation in 2019



L-R: Representative of the Rt. Hon Speaker, House of Representatives Hon. Victor Nwokolo; Guest Lecturer, Aigboje Aig-Imoukhuede; Minister of State for Labour and Employment, Barrister Festus Keyamo (SAN); NDIC Board Chairman, Ronke Sokefun; Minister of Water Resources, Engr. Suleiman Hussein Adamu; Vice President, Prof Yemi Osibanjo, and NDIC MD/CE Umaru Ibrahim, at the Nigeria Deposit Insurance Corporation (NDIC) 30th Anniversary Lecture and Presentation of the Book: "30 Years of Deposit Insurance System in Nigeria" in Abuja

RESEARCH ACTIVITIES
INTERNATIONAL EXCHANGE
AND COOPERATION



L-R: Alake of Egba Land, HRM Oba Adedotun Aremu Gbadebo; Emir of Kazaure, HRH Najib Hussaini Adamu; Ooni of Ife, His Imperial Majesty, Oba Adeyeye Emitan Ogunwusi (Ojaja II); Vice President, Prof. Yemi Osibanjo; HRM Oba Adejimi Adu Alagbado and Rep. of IADI Sec Gen, Nikolay Remchukov at the NDIC 30th Anniversary Lecture and Presentation of the Book: "30 Years of Deposit Insurance System in Nigeria" in Abuja



NDIC MD/CE, Umaru Ibrahim, FCIB, mni (right) discussing issues with NDIC Board Chairman, Mrs Ronke Sokefun during the NDIC's 30th Anniversary Lecture and Book Presentation in 2019



NDIC MD/CE, Umaru Ibrahim, FCIB, mni (right) posing for a photo with the Chairman of the Central Deposit Insurance Corporation (CDIC) of Taiwan, Mr. Michael M. K. Lin, during the NDIC's 30th Anniversary Lecture and Book Presentation in 2019



Ooni of Ife, His Imperial Majesty, Oba Adeyeye Enitan Ogunwusi (Ojaja II) in a handshake with Senate President, Ahmed Ibrahim Lawan, during the NDIC's 30th Anniversary Lecture and Book Presentation in 2019



Hon. Minister of Works and Housing, Babatunde Fashola (middle) seated next to Hon. Minister of State for Labour and Employment, Festus Keyamo SAN (right), during the NDIC's 30th Anniversary Lecture and Book Presentation in 2019



NDIC Board Members cutting the cake with Royal Fathers and Traditional Rulers during the NDIC's 30th Anniversary Dinner in 2019



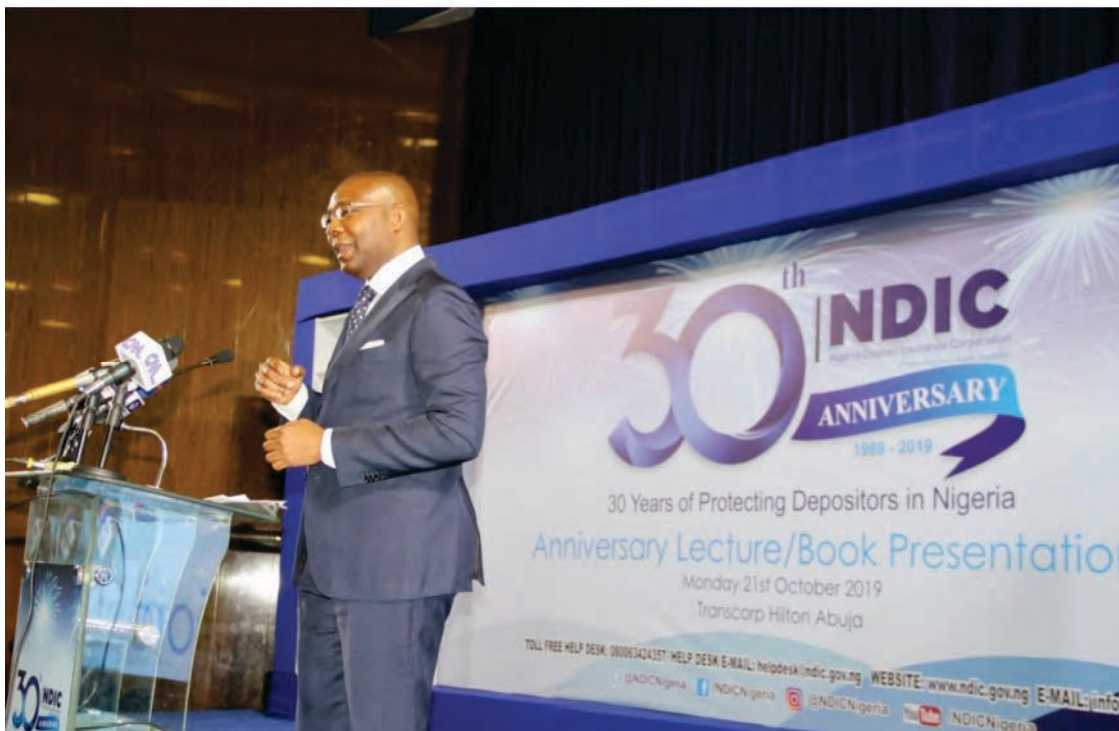
NDIC MD/CE, Umaru Ibrahim, Fcib, mni (right) conversing with the representative of the International Association of Deposit Insurers (IADI) Secretary-General, Mr. Nikolay Remchukov during the NDIC's 30th Anniversary Lecture and Book Presentation in 2019



Ooni of Ife, His Imperial Majesty, Oba Adeyeye Enitan Ogunwusi (Ojaja II) discussing the menu with NDIC Board Chairman, Mrs Ronke Sokefun during the NDIC's 30th Anniversary Dinner in 2019



His Excellency, Vice President, Professor Yemi Osinbajo (right) exchanging pleasantries with Emir of Kazaure, HRH Najib Hussaini Adamu (left) while the Ooni of Ife, His Imperial Majesty, Oba Adeyeye Enitan Ogunwusi (Ojaja II) (middle) looks on during the NDIC's 30th Anniversary Lecture and Book Presentation in 2019



Guest Lecturer, Aigboje Aig-Imoukhuede delivers the Lecture titled "Emerging Corporate Governance and Risk Management Issues in Banking" during the NDIC's 30th Anniversary Lecture and Book Presentation in 2019

iii. Research Seminar and Knowledge Sharing Sessions

Several seminars were conducted for the department as well as for the entire NDIC in the period under review so as to share ideas among staff, develop capacity of the staff and possibly publish suitable papers in the NDIC Quarterly Journal. Some of the papers presented during the seminar include proposals on:

- a) Fintech and Financial Inclusion: Regulatory Implication for Deposit Insurance in Nigeria;
- b) Cross Border Debt Flows and Credit Risk in DMBs: Macroeconomic Evidence and Implication for Financial System Stability in Nigeria; and a completed paper on
- c) Deposit Insurance and Insolvency Risk of Systemically Important Banks (SIBs) in Nigeria.

8.2 International Exchange and Cooperation

In 2019, the NDIC participated in the following International Association of Deposit Insurance (IADI) activities:

- i) The 57th IADI Executive Council Meeting and International Conference with the theme **“Deposit Insurance and the Public: Promoting Communication, Financial Literacy and Transparency”** held in Almaty, Kazakhstan from 25th February – 1st March,

2019. The event was jointly organised by the Kazakhstan Deposit Insurance Fund (KDIF) and the International Association of Deposit Insurers (IADI). The conference was attended by 140 participants from 40 jurisdictions and it addressed the role of Deposit Insurance Organizations (DIOs) in promoting communication, raising financial literacy and enhancing the transparency of operations. Three (3) participants from NDIC were in attendance.

- ii) The Managing Director/CEO and Executive Director Corporate Services of the NDIC attended the 59th IADI EXCO meeting that held between 2nd and 3rd September, 2019 at the premises of the Bank for International Settlements (BIS) in Basel, Switzerland. Furthermore, the 9th Financial Stability Institute (FSI) and the IADI Conference with the theme **“Crisis management, resolution and deposit insurance: what's next and how to prepare”** was held from 4th – 5th September, 2019 at the same venue. The joint conference was attended by over 170 officials from supervisory and resolution authorities, central banks and deposit insurers worldwide. The NDIC's delegates were led by the MD/CEO.



iii) The NDIC participated at the IADI-Africa Regional Committee (ARC) Annual General Meeting (AGM) and Conference with the theme “**Why deposit Insurance**” in Kampala, Uganda from 15th – 19th September, 2019. The event was organised by the Deposit Protection Fund (DPF) of Uganda and Bank of Uganda (BoU). Thirty-seven (37) international delegates from sixteen (16) countries in Africa and local participants from Central Bank of Uganda, Ministry of Finance and Board Chairpersons of contributing institutions in Uganda were in attendance at the event. Four (4) delegates from the NDIC were in attendance.

iv) The NDIC participated at the 18th IADI Annual General Meeting and Conference with the theme “Realizing Reforms: What has changed in Deposit Insurance Systems since the Crisis” hosted by the Savings Deposit Insurance Fund (SDIF) of Turkey from 7th – 11th October, 2019 in Istanbul, Turkey. Two hundred and eighty (280) participants from 70 jurisdictions worldwide attended the event. Furthermore, the conference featured presentations and

panel discussions by top policymakers, deposit insurers and prominent academics on key issues affecting the global economy, financial stability, deposit insurance and bank resolution. The Board Chairman of NDIC, MD/CEO who chairs the IADI Africa Regional Committee (ARC), Executive Director, Operations, a Board Member and a staff were in attendance.

v) Four (4) participants from NDIC attended the Malaysia Deposit Insurance Corporation (MDIC) that hosted its Sixth Open House for the African Region from 20th – 21st November, 2019 in Kuala Lumpur, Malaysia. A total of 11 delegates from five (5) jurisdictions within the African region were in attendance.

vi) Two (2) staff of the NDIC also participated at the IADI-Africa Regional Committee (ARC) Technical Assistance Workshop with the theme “**Deposit Protection – A Catalyst for Financial Stability**” organised by the Ghana Deposit Protection Corporation (GDPC) and Bank of Ghana (BoG) in Accra, Ghana from 18th – 22nd November, 2019.



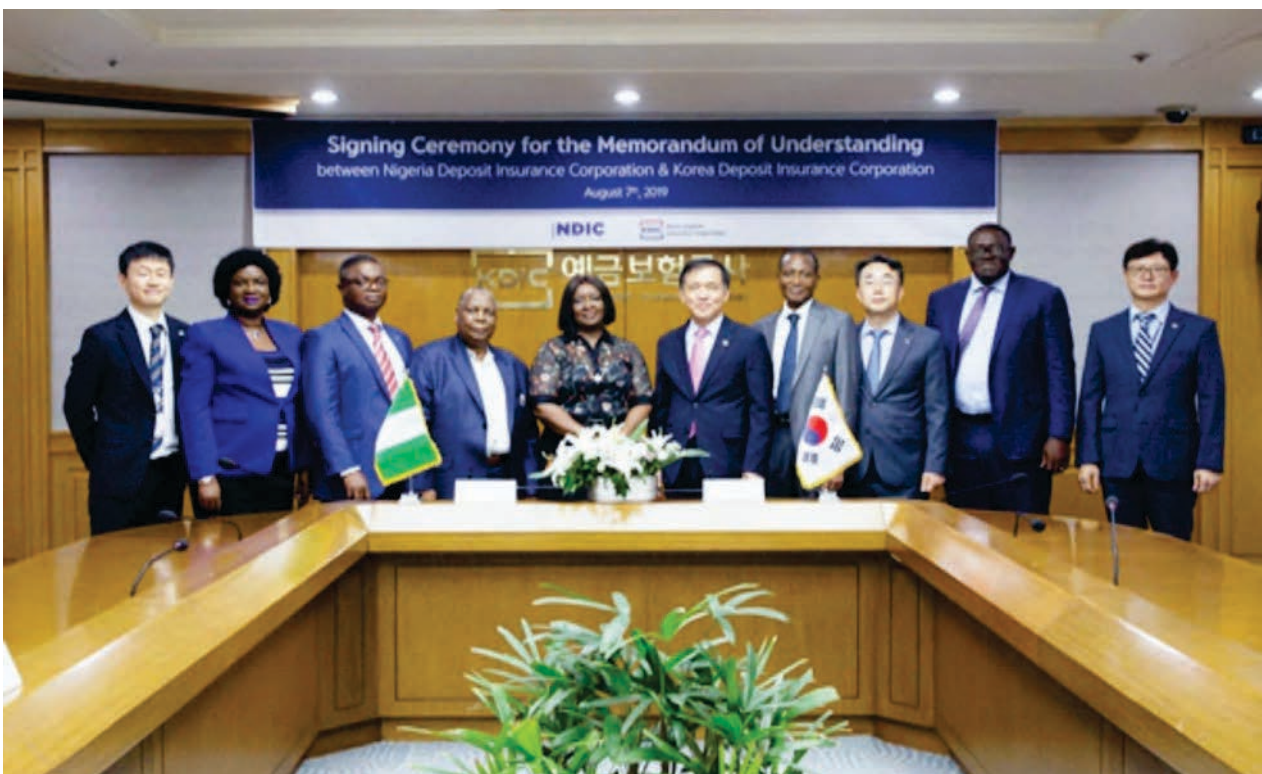
The workshop was attended by 146 participants from 24 jurisdictions globally. The objective of the workshop was to allow for close interaction among experts working in different areas of regulation and financial stability to share regional and global

experiences on how effective deposit protection system is an important pillar of trust and confidence in the financial sector thereby enhancing financial stability in the economy.



8.3 Other Cooperation and Collaborations

- i. The staff of the Deposit Protection Fund (DPF) of Uganda were hosted on a 5-day attachment programme from 11th – 15th March, 2019 in Abuja.
- ii. The NDIC hosted a staff of the West African Monetary Union (WAMU) Deposit Insurance Fund (Fonds De Garantie Des Depots Et De Resolution Dans L'umoa) on a 5-day attachment programme from 1st – 5th April, 2019 in Abuja.
- iii. The NDIC provided technical assistance to Ghana Deposit Protection Corporation (GDPC) by hosting their staff for a 5-day attachment visit from 13th – 17th May, 2019 in Abuja in preparation for the commencement of the operation of GDPC.
- iv. The NDIC hosted a delegation from the Tanzanian government that visited Nigeria to understudy the experiences of supervisory & regulatory institutions in the Nigeria Financial System and practices in promoting consumer protection in the financial industry on 1st August, 2019 at its Head Office in Abuja.
- v. The NDIC signed a Memorandum of Understanding (MoU) with the Korea Deposit Insurance Corporation (KDIC) on 7th August, 2019 in Seoul, and with the Central Deposit Insurance Corporation (CDIC), Taiwan on 12th August, 2019 in Taipei City, Taiwan on a wide range of issues intended to facilitate the robust implementation of the DIS in their respective jurisdictions. The MoU signed between these countries provided for effective international working relationship between NDIC and the counterparties along with the enhancement of their roles in financial regulatory initiatives and policy deliberations. Also, there will be periodic exchange of staff between NDIC and the counterparties as well as bilateral meetings on regular basis towards enhancing mutual understanding that promotes the development of the DIS in Nigeria, South Korea and Taiwan.



Memorandum of Understanding Signing Ceremony between NDIC and KDIC



Memorandum of Understanding Signing Ceremony between NDIC and KDIC

- vi. The NDIC hosted staff of the International Monetary Fund (IMF) at its Head Office on 2nd October, 2019 for a meeting during which matters of mutual interest were discussed and deliberated upon.
- vii. Four (4) delegates from the NDIC attended a 2-day capacity building programme organised by The Islamic Financial Services Board (IFSB) in Kuala Lumpur, Malaysia from 22nd – 23rd November, 2019. The programme centered on IFSB Standards and Core Principles for Islamic Deposit Insurance System.
- viii. The NDIC attended the 2019 FinTech Fair EXPO that held in Taipei, Taiwan from 29th – 30th November, 2019. The event was organised by FinTech Space, Taiwan at the request of Central Deposit Insurance Corporation (CDIC) Taiwan.
- ix. The NDIC in 2019 responded to several information requests on various issues relating to deposit insurance system from sister deposit insurance agencies in Africa and beyond. The information provided by the NDIC allowed the sister DIAs to benchmark what is practised in Nigeria and what is in place in their respective jurisdiction with a view to adopting the best practices in order to enhance their operational efficiency. Specifically, the NDIC responded to several information requests from the Deposit Protection Fund (DPF) of Uganda, Ghana Deposit Protection Corporation (GDPC), Deposit Protection Corporation (DPC) of Zimbabwe, Deposit Insurance Board of Tanzania and Deposit Insurance Corporation (DIC) of Port of Spain.
- x. In 2019, the NDIC continued with its collaborative effort aimed at deepening the understanding of DIS to selected tertiary institutions in the country. Accordingly, Train-the-Trainers programme on “Fundamentals and Practice of Deposit Insurance Scheme (DIS)” was organised for relevant faculties of Ahmadu Bello University, Zaria, Abubakar Tafawa Balewa University (ATBU) Bauchi, University of Abuja, University of Benin (UNIBEN) and University of Lagos. The Train-the-Trainers programme executed at the aforementioned Universities was possible following the signing of Memorandum of Understanding (MoU) between NDIC and the universities on the teaching of Fundamentals and Practice of DIS at the respective Universities.

SECTION 9

CORPORATE GOVERNANCE





CORPORATE GOVERNANCE

9.0 Introduction

In 2019, the activities of the NDIC Board, Board Committees, Management and staff were all guided by sound corporate governance principles. The Board also ensured that every decision it took was for the benefit of the NDIC, depositors, insured financial institutions, stakeholders and the economy in general.

9.1 Board Composition

The NDIC Act 2006 Section 5(4) stipulates that, the NDIC Board should comprise 12 members. The Board members include the Chairman, Managing Director/Chief Executive, 2 Executive Directors, representatives from the Federal Ministry of Finance and the CBN as well as one member from each of the 6 geo-political zones of the country. The Chairman can be appointed from any of the geopolitical zones of the country.

In compliance with the Act, the Senate on Wednesday, 12th December, 2018, confirmed the appointment of Mrs. Ronke Sokefun (Chairman), Mr. Festus Keyamo, SAN, (Delta, South-South), Alhaji Garba Bello, (Sokoto, North-West), Brig. Gen. Josef O. J. Okoloagu (Rtd.) (Enugu, South-East), Mustapha Adewale Mudashiru, (Kwara, North-Central), Mr. Adewale W. Adeleke (Ondo, South-West) as members of the Board of the Nigeria Deposit Insurance Corporation.

Consequently, the Board was inaugurated by the Honourable Minister of Finance, Mrs. Zainab Ahmed on 24th January, 2019 alongside Mr. Abdullahi Ahmad (Director, Banking Supervision Department, CBN) and Mrs. Olubunmi Siyanbola, Director (Home Finance, Federal Ministry of Finance), later replaced by Mr. Okokon E. Udo upon her retirement on 1st March, 2019.

The membership of the Board as at 31st December, 2019 was as follows:

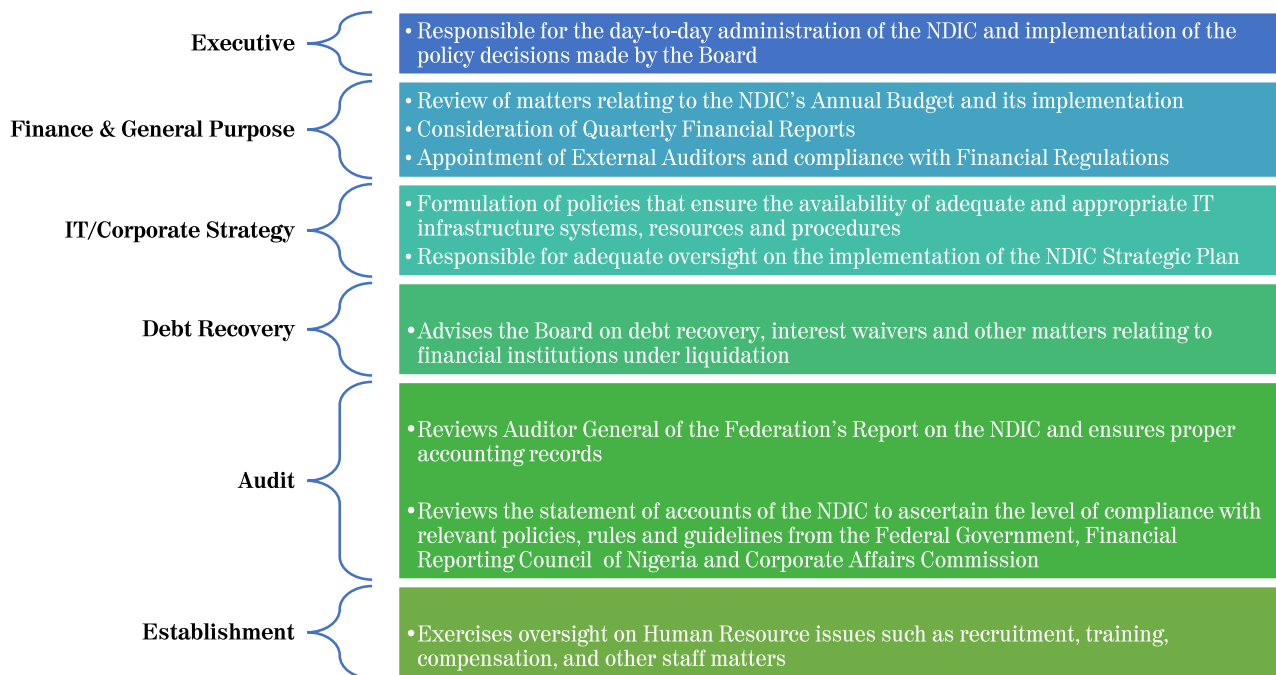
- | | | | |
|-------|---|---|-------------------------|
| i. | Mrs. Ronke Sokefun | - | Chairman |
| ii. | Alhaji Umaru Ibrahim, mni, FCIB | - | MD/CEO |
| iii. | Prince Aghatise Erediauwa | - | ED (Operations) |
| iv. | Hon. Omolola Abiola-Edewor | - | ED (Corporate Services) |
| v. | Garba Bello | - | Member (North-West) |
| vi. | Brig. Gen. Josef .O. J. Okoloagu (Rtd.) | - | Member (South-East) |
| vii. | Mustapha Adewale Mudashiru | - | Member (North-Central) |
| viii. | Mr. Adewale W. Adeleke | - | Member (South-West) |

- ix. Director, Home Finance - Member (FMF)
- x. Director, Banking Supervision Dept. - Member (CBN)

Mr. Festus Keyamo, SAN later resigned his appointment as a member of the Board of Directors on 16th August, 2019 upon his appointment as Minister of State for Niger Delta Affairs.

9.2 Board Committees

The Board operates through 6 Standing Committees, namely:



9.3 Composition of Board Committees

Board Committee	Members	Meetings in 2019
Executive (EXCO)	Alhaji Umaru Ibrahim, mni, FCIB MD/CEO Prince Aghatise Erediauwa ED (Operations) Hon. Omolola Abiola-Edewor ED (Corporate Services)	11
Finance & General Purpose	Mrs. Ronke Sokefun Chairman Prince Aghatise Erediauwa Umaru Ibrahim, mni, FCIB Mustapha Adewale Mudashiru Garba Bello Hon. Omolola Abiola-Edewor Director, Home Finance Director, Banking Supervision Dept.	4
IT/Corporate Strategy	Brig. Gen. Josef O. J. Okoloagu (Rtd.) Chairman Hon. Omolola Abiola-Edewor Mr. Adewale W. Adeleke Prince Aghatise Erediauwa Director, Banking Supervision Dept.	3
Debt Recovery	Mustapha Adewale Mudashiru Chairman Mr. Adewale W. Adeleke Director, Home Finance Director, Banking Supervision Dept.	3
Audit	Garba Bello Chairman Brig. Gen. Josef O. J. Okoloagu (Rtd.) Mustapha Adewale Mudashiru Director, Home Finance Director, Banking Supervision Dept.	3
Establishment	Mr. Adewale W. Adeleke Chairman Alhaji Umaru Ibrahim, mni, FCIB Mustapha Adewale Mudashiru Brig. Gen. Josef O. J. Okoloagu (Rtd.) Garba Bello Hon. Omolola Abiola-Edewor Director, Home Finance Director, Banking Supervision Dept.	3

9.4 Compliance with Statutory Requirements

The NDIC complied with the provisions of the Fiscal responsibility Act 2007, Pension Reform Act 2014 (as amended), National Health Insurance Scheme (NHIS), National Housing Fund Act as well as the provisions of the Code of Conduct for Public Officers.

The NDIC also rendered returns in respect of banks in-liquidation to the Corporate Affairs Commission (CAC) and CBN as required by CAMA 1990 and BOFIA 1991 (as amended), respectively.

In addition, the NDIC continued to comply with the requirements of Federal Inland Revenue Service (FIRS) on taxes and Public Procurement Act in respect of contracts. Furthermore, all requests by the National Assembly, Ministry of Finance and CBN were promptly responded to.

SECTION 10

THE OPERATING ENVIRONMENT
IN 2019





THE OPERATING ENVIRONMENT IN 2019

10.0 Introduction

Developments in the macro-economic and socio-political environment are important to the banking sector, including its stakeholders and policymakers. That is because economic conditions and policies are key determinants of the banking system soundness as the financial sector mirrors the health of the economy as a whole. A sound banking system requires an appropriate infrastructure to support the efficient conduct of the banking business and a stable environment, which is conducive to efficient savings and investment decisions.

This section discusses the developments in the overall operating environment which were instrumental in shaping the Nigerian banking sector in 2019.

10.1 Global Economy

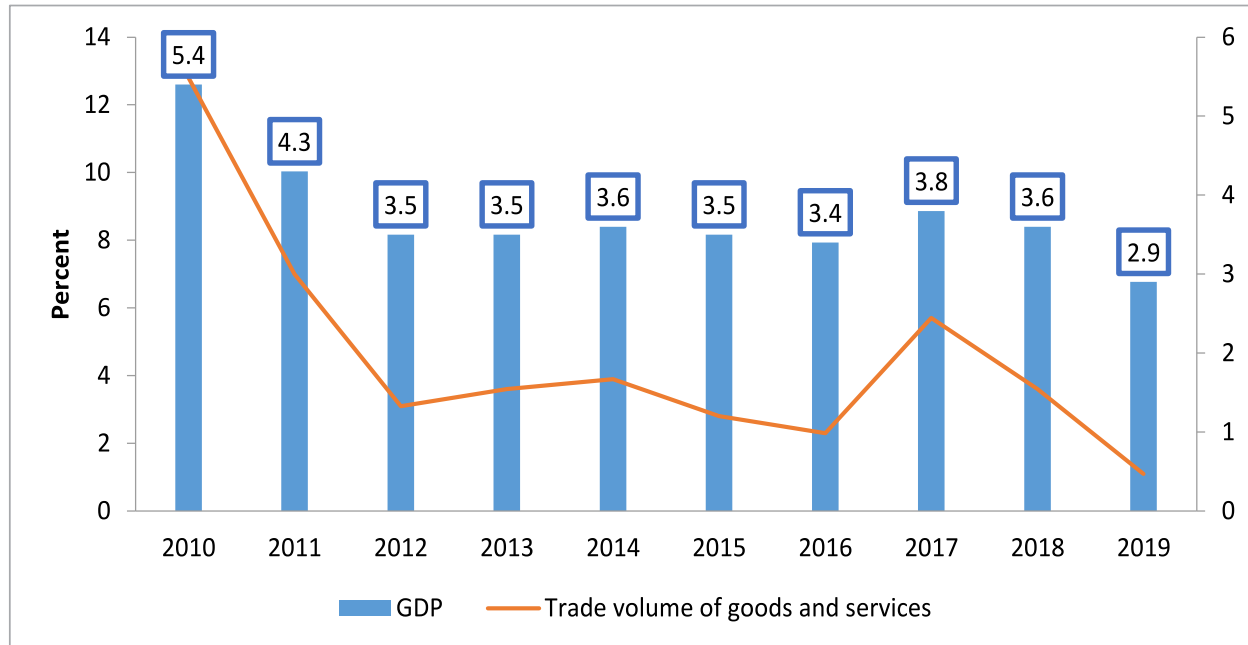
Global economic growth slowed down in 2019, resulting in its weakest pace since the 2007/09 global financial crisis. Specifically, Brexit

uncertainty, trade tensions from the two largest economies – United States and China- as well as geopolitical tensions in key emerging market economies contributed to the slowed global economic activity, thus threatening global supply chains, manufacturing, investment and global trade in 2019 (Chart 10.1).

The geopolitical tensions were from country-specific weakness in some emerging market economies like Brazil, India, Mexico, and Russia. Also, worsening macroeconomic stress related to tighter financial conditions in Argentina, geopolitical tensions in Iran, and social unrest in Venezuela, Libya, and Yemen contributed to the tension.

Consequent of these developments, the IMF revised global growth estimate downwards to 2.9 percent in its January 2020 World Economic Outlook from its previous projection of 3.0 percent in its October 2019 Outlook.

CHART 10.1: ANNUAL GROWTH IN WORLD GDP AND TRADE VOLUME OF GOODS AND SERVICES



Source: IMF World Economic Outlook Database, October 2019 & IMF World Economic Outlook, January 2020

Central Banks in many economies of the world adopted a more accommodative monetary policy stance following the significant slowdown in global trade. Specifically, interest rates were cut by the European Central Bank (ECB), the large emerging market central banks and the US Federal Reserve. Also, the ECB restarted asset purchases in response to the weak growth. As a result of these policies a deeper slowdown was prevented. Consumer confidence and household spending were supported by tight labour markets and slowly rising wages.

10.2 Domestic Macroeconomic Conditions

10.2.1 Gross Domestic Product (GDP)

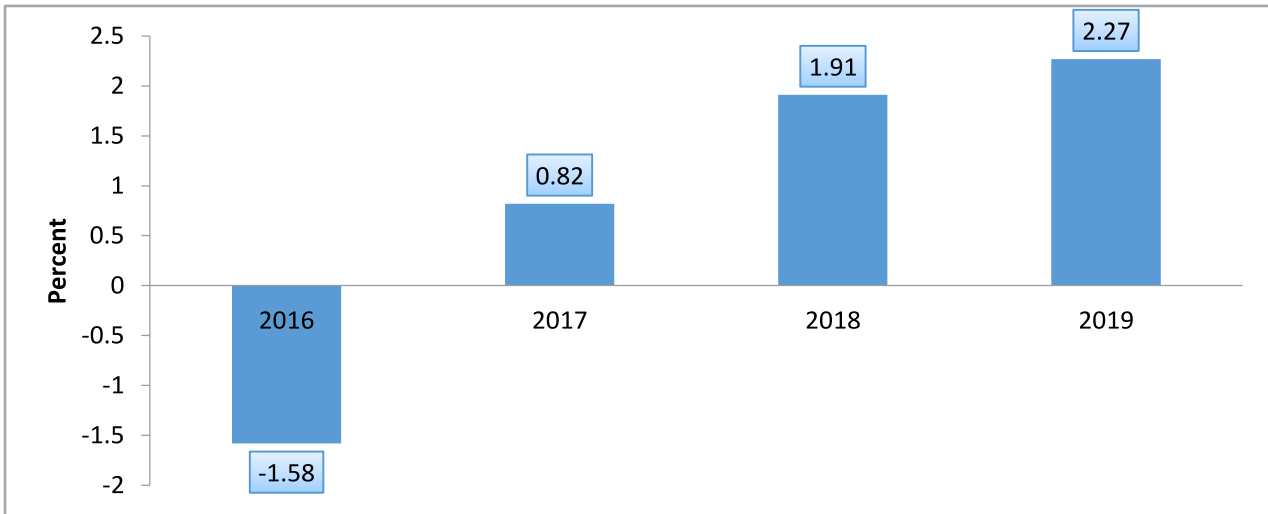
Nigeria's real GDP expanded by 2.27% (year-on-year) in 2019 compared to 1.91% in 2018, marking the highest growth recorded since the nation's economy exited recession in 2017 (Chart 10.2).

As at end 2019, aggregate real GDP stood at ₦71,387,826.67 million, compared to ₦69,799,941.95 million as at end 2018.

The services sector accounted for 52.60% of the total real GDP recorded in 2019, compared to 52.63% contribution in 2018.

However, agriculture and industry sectors' relative contribution to real GDP increased slightly from 25.13% and 22.24% in 2018 to 25.16% and 22.25% recorded in 2019, respectively.

CHART 10.2: ANNUAL REAL GDP GROWTH



Source: NBS

The non-oil sector grew (year-on-year), on average, by 2.06% in 2019 compared to 2.0% growth recorded in 2018. However, the sector's contribution to GDP fell from 91.41% in 2018 to 91.22% in 2019. The oil sector GDP grew (year-on-year) by 4.59% in 2019 compared to 0.97% recorded in 2018. The growth in the oil sector could be linked to improved total crude oil production due to minimal disruptions to production. Consequent of this development, the sector's contribution to GDP rose from 8.59% in 2018 to 8.78% in 2019.

11.2.2 Inflation

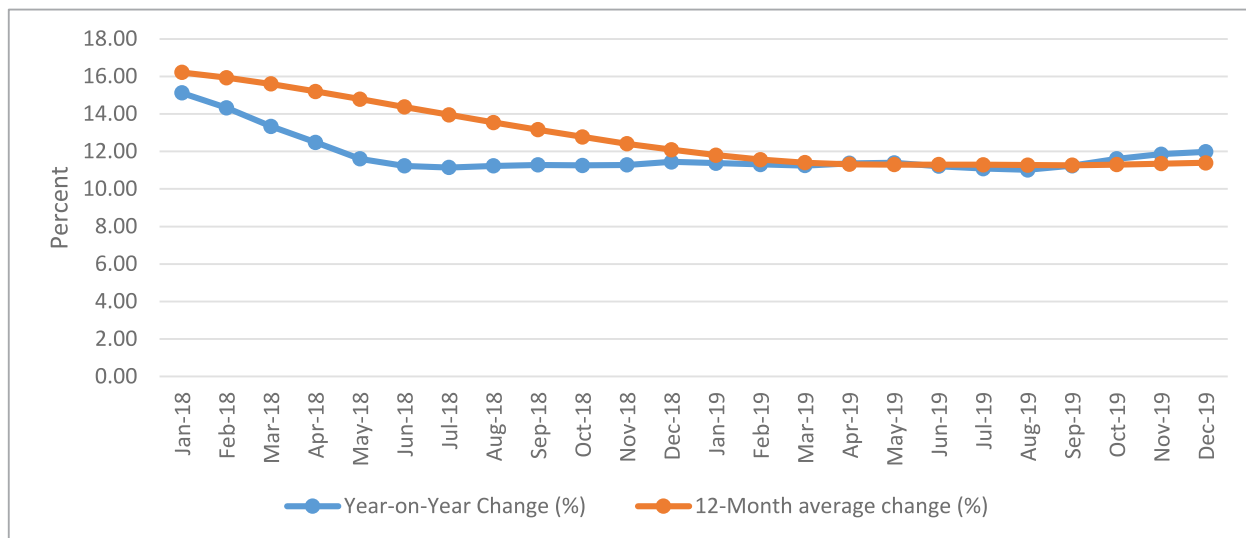
The year-on-year headline inflation declined in most months of the year except towards the last

quarter of the year, specifically September to December, 2019. The year-on-year headline inflation stood at 11.98% at end-December 2019 relative to 11.44% at the corresponding period of 2018 (Chart 11.3). The 12-month moving average inflation also dropped throughout the months of the year except in October, November and December 2019.

The upsurge in inflation towards the last quarter of 2019 could be attributed to the Federal Government's decision in August 2019 to close the land borders between Nigeria and neighbouring countries to discourage smuggling and boost local production.

THE OPERATING ENVIRONMENT IN 2019

CHART 10.3: HEADLINE INFLATION



Source: NBS

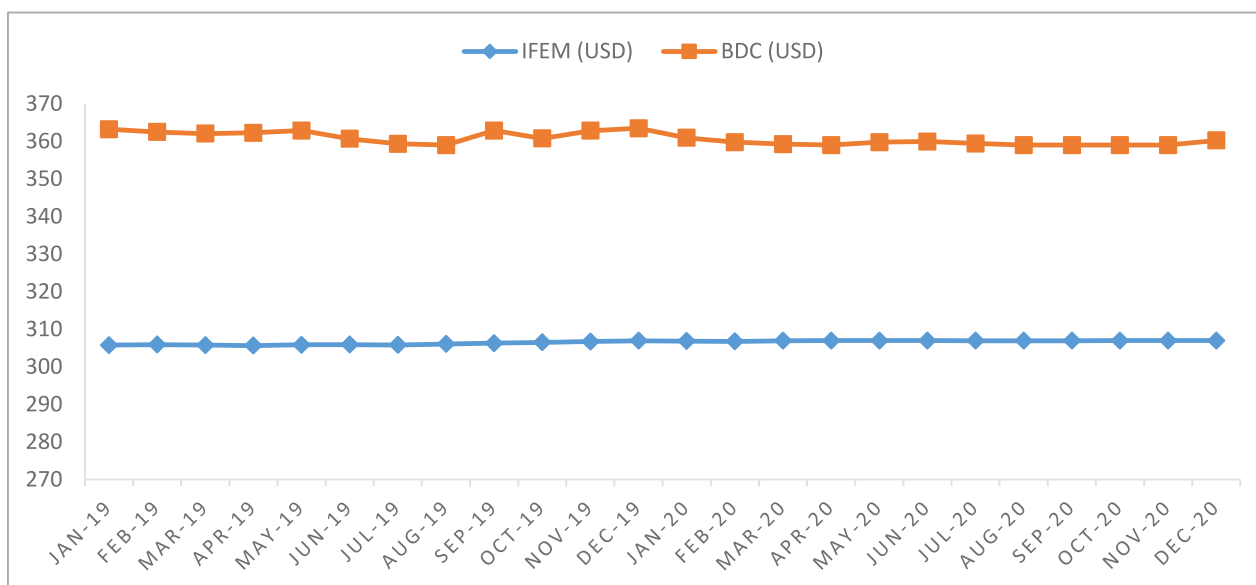
10.2.3 Exchange Rate Movement

The foreign exchange market maintained its relative stability in 2019 with sustained interventions by the CBN both at Interbank Foreign Exchange Market (IFEM) and the BDC segments of the market. Average exchange rate of the naira against the US dollar at the IFEM segment, was ₦306.92/US\$, in 2019, compared to ₦306.08/US\$ in 2018.

Also, at the BDC segment, the average exchange rate in 2019 was ₦359.52/US\$ in 2019 relative to its 2018 average value of ₦362.83/US\$.

Subsequently, the premium of 0.1% to 17.1% was recorded between the average inter-bank and BDC market rates. The monthly movements of Naira/US Dollar exchange rate at both the IFEM and BDC market in 2019 and 2018 is presented in Chart 10.4.

CHART 10.4: EXCHANGE RATE MOVEMENTS



Source: CBN

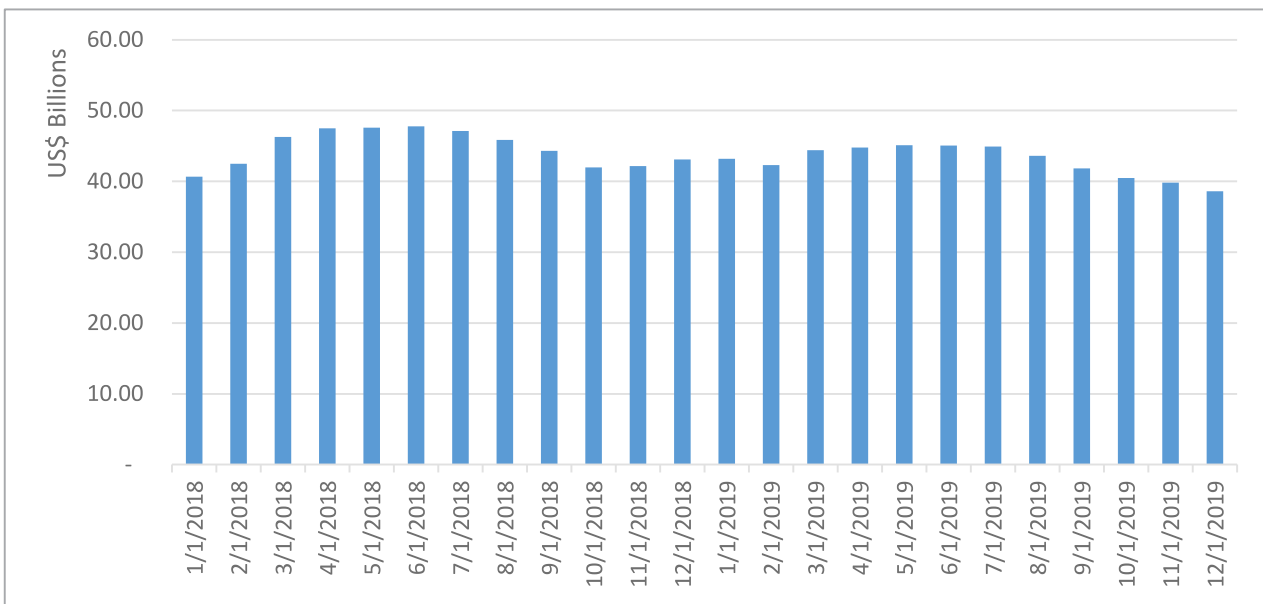
Although, the foreign exchange markets have different values with large premium, the interventions by the CBN over the period has significantly controlled the volatility and round tripping in the market.

10.2.4 External Reserve Movement

The external reserves position as at 31st December, 2019 was US\$38.60 billion, and had been on a downward trend since its 30th

September, 2019 value of US\$41.85 billion and much lower than its 31st December, 2018 value of US\$43.12 billion. The decrease in reserves during the period under review was attributed to the pressure on the reserves by the CBN to provide foreign exchange to selected sectors of the economy and day to day interventions to safeguard the value of the Naira. Chart 10.5 presents the movement of the external reserve position for 2018 and 2019.

CHART 10.5: EXTERNAL RESERVES POSITIONS FOR 2018 AND 2019



Source: CBN

10.3 Money and Financial Market Development

10.3.1 Money Market Development

a) Money Market Interest Rate

The Monetary Policy Committee (MPC) met six (6) times in 2019: 21-22 January, 25-26 March, 20-21 May, 22-23 July, 19-20 September and 25-26 November, 2019. During the meeting of 21-22 January, 2019 the MPC retained the Monetary Policy Rate (MPR) at 14%; the Cash Reserve Ratio (CRR) at 22.5%; the Liquidity Ratio at 30.00% and the Asymmetric Window at +200 and -500 basis points around the MPR. These were the decisions

carried over from and maintained throughout 2018. However, the MPC in the meeting of March 2019 adjusted the MPR of 14% maintained throughout 2018 to 13.5% and maintained the MPR at this value for the rest of 2019. Still, the CRR of 22.5% and Liquidity Ratio of 30% were maintained throughout 2019.

The average deposit rates were slopping downwards in 2019 compared to 2018. Average Savings Deposit rate was 4.07% in 2018 but reduced to 3.84% in 2019, average 1 Month Deposit rate decreased to 8.30% in 2019 compared to 8.92% in 2018 while average 3 Month Deposit rate also



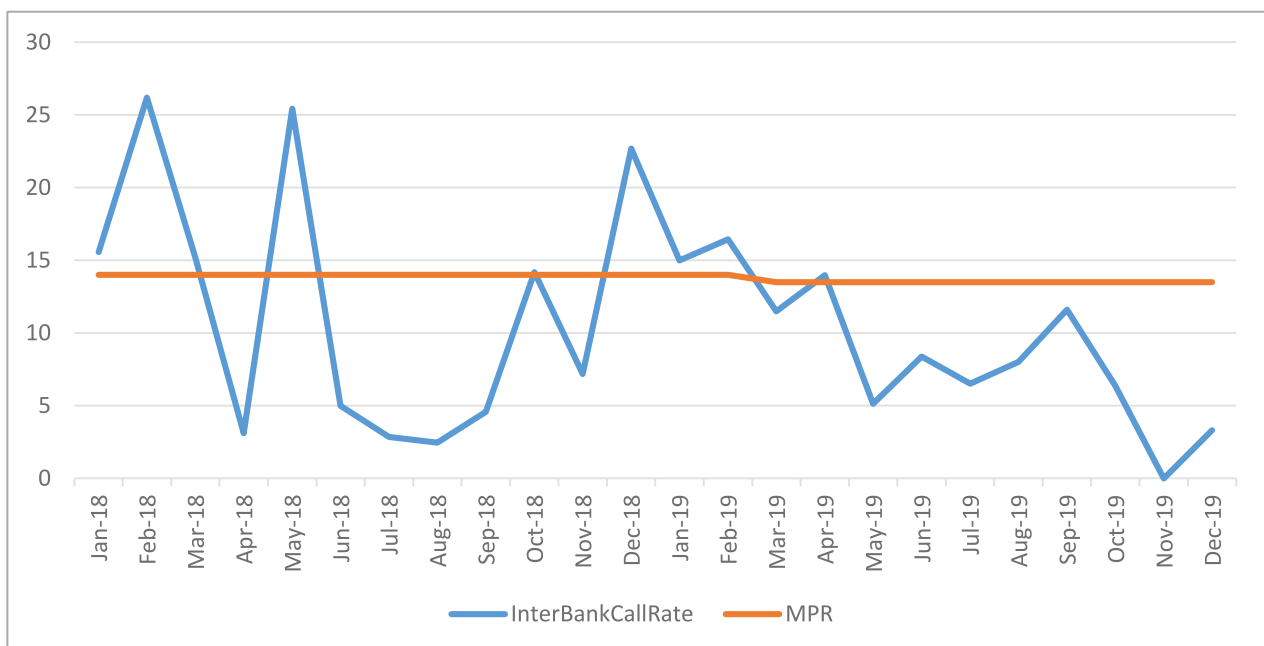
declined in 2019 to 8.9% from 9.70% in 2018. 6 Month Deposit and 12 Month Deposit rates also reduced from their 2018 average of 10.48% and 10.31%, to 10.07% and 10.15%, respectively, in 2019.

The prime lending and maximum lending rates were 14.99% and 30.72% at end-December 2019 compared with 16.17% and 30.52% at end-December 2018, which indicate decrease in the rates. Consequently, the spread between the weighted average term deposit and maximum lending rates narrowed by 0.91 percentage point to 21.91 percentage points at the end-December 2019.

Similarly, the margin between the average savings and maximum lending rates narrowed by 1.44 percentage point to 26.05 percentage points at end-December 2019.

At the inter-bank segment, the weighted average inter-bank call rate, and Open-Buy-Back (OBB) stood at 3.00% and 2.57% respectively as at end-December 2019 compared to 14% and 11.41% respectively as at 24 December, 2018. These indicate a significant decline in 2019. The movement of the Inter bank rate and MPR are shown in Chart 10.6

CHART 10.6: MPR AND INTER BANK RATE



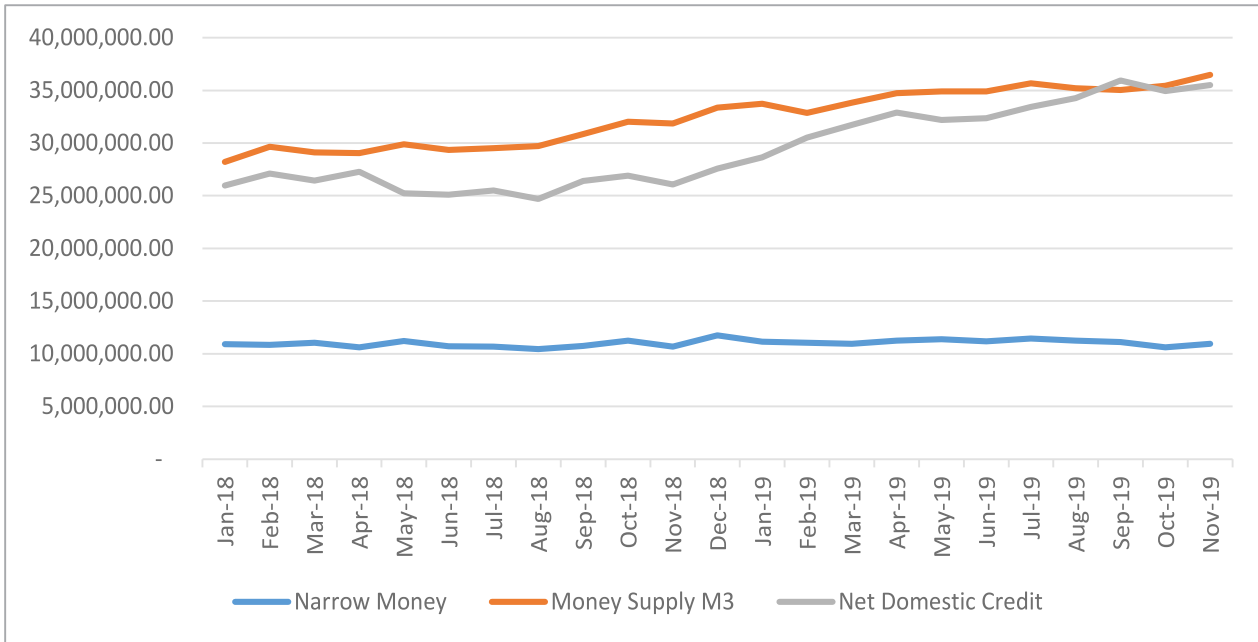
Source: CBN

b) Money Supply and Credit Development

The Broad money supply (M3) and Narrow money (M1) as at end-November, 2019 were ₦36.478 trillion, and ₦10.930 trillion compared with ₦33.36 trillion and ₦11.75 trillion in December 2018, respectively. Similarly, year-on-year Net Domestic Credit was ₦35.51 trillion in November 2019 against ₦27.57 trillion in December 2018

indicating increase as shown in Chart 10.7. The trend of the data as at November, 2019 indicates a growth rate of 14.2% compared with 8.1% as at the end of December 2018. The growth was attributed to rise in savings, time and foreign currency deposits of banks.

CHART 10.7: MONEY SUPPLY AND CREDIT DEVELOPMENT



Source: CBN

10.3.2 Capital Market Development

The Total Market Capitalization for Equity, Bond and Exchange Traded Markets as at 31st December, 2019 was ₦25.9 trillion, representing a 17.8% increase when compared with the ₦21.9 trillion recorded as at 31st December, 2018. Furthermore, the Equity Market Capitalization of the Nigerian Stock Exchange (NSE) increased by 10.49% from ₦11.73 trillion as at 31st December, 2018 to ₦12.96 trillion as at 31st December, 2019.

The increase was largely due to sustained primary market activities throughout the year, most notably the listings of MTN Nigeria Communications Plc and Airtel Africa. Equity Market Turnover decreased, Year-on-Year, from ₦1.2 trillion recorded in December 2018 to ₦0.96 trillion in December 2019, representing a reduction of 19.70%. The All-Share Index fell from 31,430.50 in end-December 2018 to 26,842.07 at end-December 2019 as shown in Table 10.1.

The Financial Services Sector, which accounted for over 50% of total activity, remained the highest traded in volume and value, as was the case in 2018.

The improved performance recorded or development in the year 2019 in equities, bonds, exchange traded markets and Total Market Capitalization improving during the period under review was as a result of the shift by domestic investors from the money market to the equities market in response to the CBN policy to restrict their investments in the OMO bills auction.

TABLE 10.1: NSE INDEX PERFORMANCE

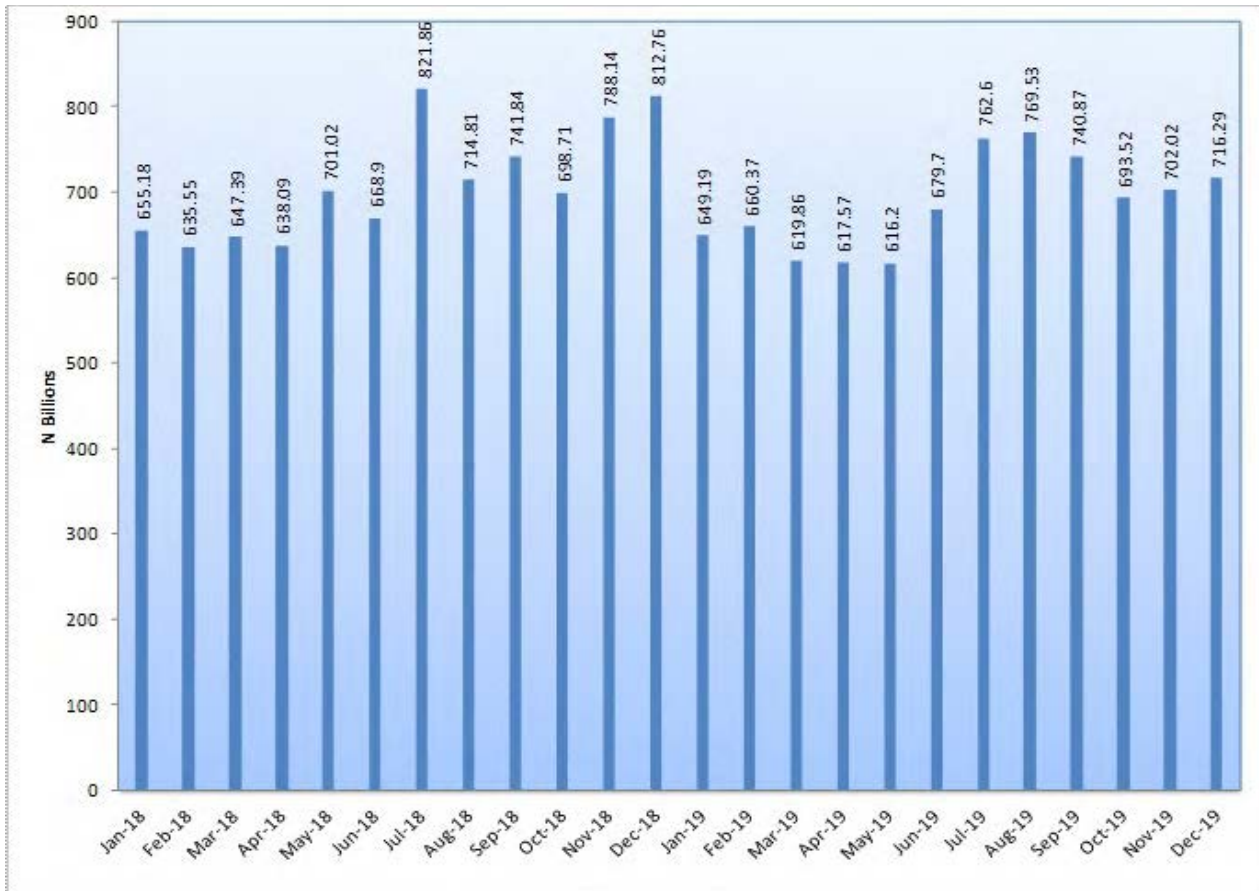
Categories	2019	2018	% Change
NSE All Share Index	26842.07	31430.5	-14.60%
NSE 30 Index	1177.83	1417.15	-16.89%
NSE Alternative Security Market (AseM)	734.99	793.81	-7.41%
NSE Banking Index	356.84	398.94	-10.55%
NSE Consumer Goods Index	592.85	748.83	-20.83%
NSE Insurance Index	125.82	126.48	-0.52%
NSE Industrial Index	1075.6	1237.88	-13.11%
NSE Oil/Gas Index	262.54	302.23	-13.13%
NSE Pension	1054.06	1207.46	-12.70%

Source: NSE

10.4 Federation Account Allocation Committee Disbursement and Federal Government Budget

The Federal Account Allocation Committee (FAAC) monthly disbursement for the 3-tiers of government in 2019 is presented in Chart 10.8. From the Chart, the amount disbursed to the 3-tiers of government improved significantly when compared with the previous year.

CHART 10.8: FAAC MONTHLY DISBURSEMENTS



Source: NBS

The sum of ₦8.22 trillion (derived by monthly addition of the FAAC reports of NBS) was disbursed to the 3-tiers of government in 2019. That was a decrease of ₦0.3 trillion (3.6%) from ₦8.52 trillion (derived by monthly addition of the FAAC reports of NBS) disbursed in 2018.

Gross Federation Account Revenue for the year 2019 is ₦10.22 trillion (derived from the addition of quarterly economic reports of the CBN). That was an increase of ₦693.11 billion (7.27%) over the ₦9.52 trillion (derived from the addition of quarterly economic report of the CBN) Gross Federation Account Revenue generated in 2018. That increment was as a result of the increase in crude oil price and increase in non-oil revenues. Oil revenue in 2019 stood at ₦5.54 trillion (derived from the addition of quarterly economic reports of

the CBN), which was lower than ₦5.55 trillion recorded in 2018. That decrease in revenue despite the increase in crude oil price was as a result of shortfalls in crude oil production and exports.

Non oil revenues increased by ₦702.08 billion (17.65%) from the ₦3.98 trillion (derived from the addition of quarterly economic reports of the CBN) in 2018 to ₦4.68 trillion (derived from the addition of quarterly economic reports of the CBN) in 2019. That increment can be attributed to the Federal Government's efforts towards generating more revenue as well as diversifying the economy.

Total retained revenue of the Federal Government (FG) in 2019 after statutory deductions and transfers stood at ₦4.77 trillion (derived from the addition of quarterly economic reports of the CBN).

That is an increase of ₦577.22 billion over the ₦4.19 trillion recorded in 2018. While, total expenditure of the FG in 2019 stood at ₦9.39 trillion (derived from the addition of quarterly economic reports of the CBN), an increase of ₦1.84 trillion over the ₦7.55 trillion expenditure of the FG in 2018 (derived from the addition of quarterly economic reports of the CBN). That significant increase in government's expenditure was as a result of the increase in its revenue as well as its borrowings in 2019.

Furthermore, the approved budget of the Federal Government for the year 2020 as passed by the National Assembly was ₦10.59 trillion (8.8% higher than 2019) with ₦2.78 trillion and ₦4.84 trillion for aggregate capital expenditure and recurrent expenditure, respectively. Recurrent expenditure is 45.7% of total expenditure, and 10.3% higher than 2019, reflecting increases in salaries & pensions including provisions for implementation of the new minimum wage. While, aggregate Capital expenditure (Inclusive of Capital component of Statutory Transfers, GOEs Capital & Project-tied loans expenditures) is 26.2% of total expenditure and 12.6% less than 2019.

At ₦2.45 trillion, debt service is 23.2% of total expenditure, and is 14.5% higher than 2019.

The aggregate revenue available to fund the 2020 budget is projected at ₦8.42 trillion. In aggregate, 44% of projected revenues is to come from oil related sources while 56% is to be earned from non-oil sources.

The fiscal deficit for the 2020 budget amounted to ₦2.18 trillion, representing 1.52% of GDP, which is within the threshold stipulated in the Fiscal Responsibility Act (FRA) 2007. The deficit is to be financed mainly by borrowings from domestic sources (₦744.99 billion), foreign sources (₦850 billion) and multilateral/bilateral loan drawdowns (₦328.13 billion).

10.5 Socio-Political Environment

The socio-political and macroeconomic environment of the country in 2019 continued to witness numerous activities and challenges that impacted on the economy of the nation and its citizens.

On a positive note, the nation's general elections held on 23rd February, 2019, which returned the incumbent President Muhammadu Buhari for another 4-year term. It was pleasing to note that the election marked continuity of democracy since 1999, thereby deepening the political process in the country.

During the year under review, Nigeria signed the African Continental Free Trade Agreement (ACFTA), which allows for free movement of goods and services in Africa, thereby encouraging intra-african trade and regional integration. It is expected that Nigeria businesses will leverage on the ACFTA to further expand their market share in the continent. Furthermore, arising from the heightened state of insecurity in the North-East and the proliferation of small arms and ammunition across the border, the Federal Government shut down all land borders to curtail smuggling.

In the fiscal space, it is worthy to note that the 2020 budget was submitted and passed by the National Assembly before the end of 2019, thereby returning the Federal Government to a normal budget cycle of January to December for the first time in 10 years. In a bid to further set the pace for the fiscal policy, a new Finance Bill 2019 was passed by the National Assembly to raise revenue for the Government, reform domestic tax laws to align with global best practices, support MSMEs, promote fiscal equity, as well as introduce tax incentives for investments in infrastructure and capital markets.

Furthermore, in order to earn more income from oil and gas activities in the deep-water offshore segment, the Federal Government (FG) reviewed the Production Sharing Contract Act.

During the year under review, the government also carried out several measures in order to improve the economic situation in the country that included continuous interaction in the foreign exchange market at the Investors' and Exporters' (I&E) window of the market and BDC's to ensure foreign exchange stability and robust levels of external reserves. Other measures included ensuring improvements in the flow of financing resources to the real sector through the various interventions by the monetary and fiscal authorities; ensuring the effective implementation of the Economic Recovery and Growth Plan (ERGP); adopting measures to diversify the economy in order to reduce dependency on oil revenues thereby boosting the increment of the non-oil sector revenue as well as ensuring continued improvements in key macro-economic indicators all in a bid to provide a conducive environment for aggregate demand and output growth and development of the Nigerian economy.

On the other hand, notable among the challenges that impacted the nation in 2019 was the persistence of security challenges arising from the Boko Haram insurgency in the North East, kidnappings within the country and protests by members of the Shia Islamic Movement of Nigeria

(IMN) for the release of their leader.

The persistence of herdsmen attack on farmers, cattle rustling and flooding in some parts of the country also affected agricultural and livestock output thereby contributing to the resurgence of inflationary pressures on the economy during the review period.

The security challenges significantly affected economic activities at the relevant regions and led to governments at all levels channelling enormous resources meant for economic growth and development to combat the security challenges in a bid to ensure the safety of life and property of its people. However, in spite of the various challenges posed by those developments, government had continued to make headway in its efforts to improve security situation in the country through the patriotic efforts of the Armed Forces and other security agencies.

Finally, the Federal Government had also intensified its efforts of fighting corruption through relevant policies and its agencies like Economic and Financial Crimes Commission (EFCC), Independent Corrupt Practices and Other Related Offences Commission (ICPC), Police and the Judiciary with the aim of furthering the socio-economic well-being of Nigerians.

SECTION 11

FINANCIAL CONDITION AND
PERFORMANCE OF INSURED
INSTITUTIONS



FINANCIAL CONDITION AND PERFORMANCE OF INSURED INSTITUTIONS

11.0 Introduction

The financial performance of the Banking Industry in Nigeria improved, in spite of sluggish economic growth in 2019. Some performance indicators such as Profit Before Tax (PBT), Return on Equity (ROE), and Return on Asset (ROA) increased, but Capital Adequacy Ratio (CAR) slightly dipped. Despite significant macroeconomic headwinds in the year, the Banking Sector showed some resilience reflected in improvements in asset quality and decline in Non-Performing Loans.

The structure of the Banking Industry slightly changed in 2019 with the licencing of three new banks and merger of two existing banks. The number of DMBs rose from 27 DMBs (21 Commercial Banks, 5 Merchant Banks and 1 Non-Interest Bank) in 2018 to 29 DMBs (comprising of 22 Commercial Banks, 5 Merchant Banks and 2 Non-Interest Banks) in 2019. The number of MFBS rose from 888 in 2018 to 907 in 2019 while the number of PMBs declined from 38 in 2018 to 34 in 2019.

This section presents details of the financial conditions and performance of DMBs, MFBS and

PMBs. It also highlights their trends, compliance with regulatory requirements and implication for financial system stability.

11.1 Financial Condition of DMBs

11.1.1 Capital Adequacy

The banking industry's average Capital Adequacy ratio (CAR) marginally declined from 15.26% in 2018 to 14.54% in 2019, as shown in table 11.1 and Chart 11.1. The Ratio is higher than the regulatory minimum of 10% for banks with national authorisation, but it falls below the 15% for banks with international authorisation.

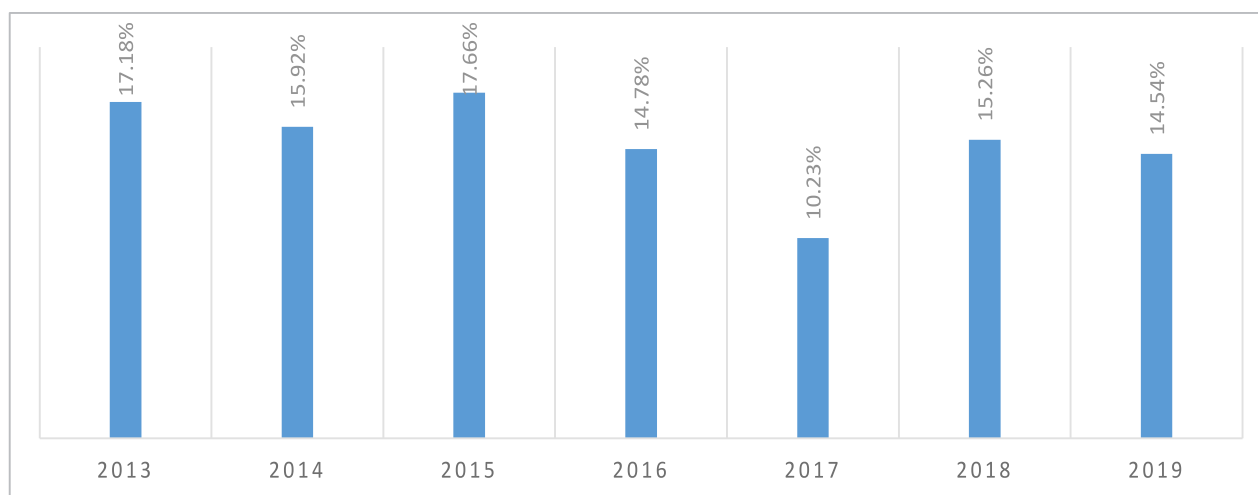
The decline in the CAR, as shown in Table 11.1, was due to net increase in risk-weighted asset, in relation to capital growth. Total Qualifying Capital rose by 4.3% from ₦3,189.55 billion in 2018 to ₦3,327.1 billion while the Total Risk-Weighted Assets increased by 9.5% from ₦20,898.71 billion in 2018 to ₦22,883.80 billion in 2019.

TABLE 11.1: DMBs' CAPITAL ADEQUACY INDICATORS

Capital Adequacy Indicators	Year			2017-2018 Growth (%)	2018-2019 Growth (%)
	2017	2018	2019		
Total Qualifying Capital (₦' billion)	2,201.58	3,189.55	3,327.10	44.88	4.31
Adjusted Shareholders' Funds (Tier 1 Capital) (₦' billion)	1,757.96	2,825.99	2,913.00	60.75	3.08
Tier II Capital (₦' billion)	443.62	363.56	414.10	-18.05	13.90
Total Risk Weighted Assets (₦' billion)	21,520.82	20,898.71	22,883.80	-2.89	9.5
Average Capital to Total Risk-Weighted Asset (%) (Ratio (%))	10.23	15.26	14.54	49.17	-4.72
Recapitalisation Requirements (₦' billion)	1,565.25	704.88	701.40	-54.97	-0.49
Number of Banks	27	27	29	0	7.41
No. of Banks with CAR \leq 10% and 15%	4	4	4	0.00	0.00

Source: Banks' Returns

CHART 11.1: TREND OF DMBs CAPITAL ADEQUACY RATIO



11.1.2 Asset Quality

The Total Risk Asset created by DMBs increased by 14.5% from ₦15.29 trillion in 2018 to ₦17.5 Trillion in 2019, as shown in Table 11.2. Apart from the increase in the number of DMBs from 27 to 29, growth in Total Risk Assets could also be

attributed to increased intermediation role of DMBs which is connected to CBN's drive of increasing DMB's Loan To Deposit Ratio (LDR) in its efforts to spur economic growth.

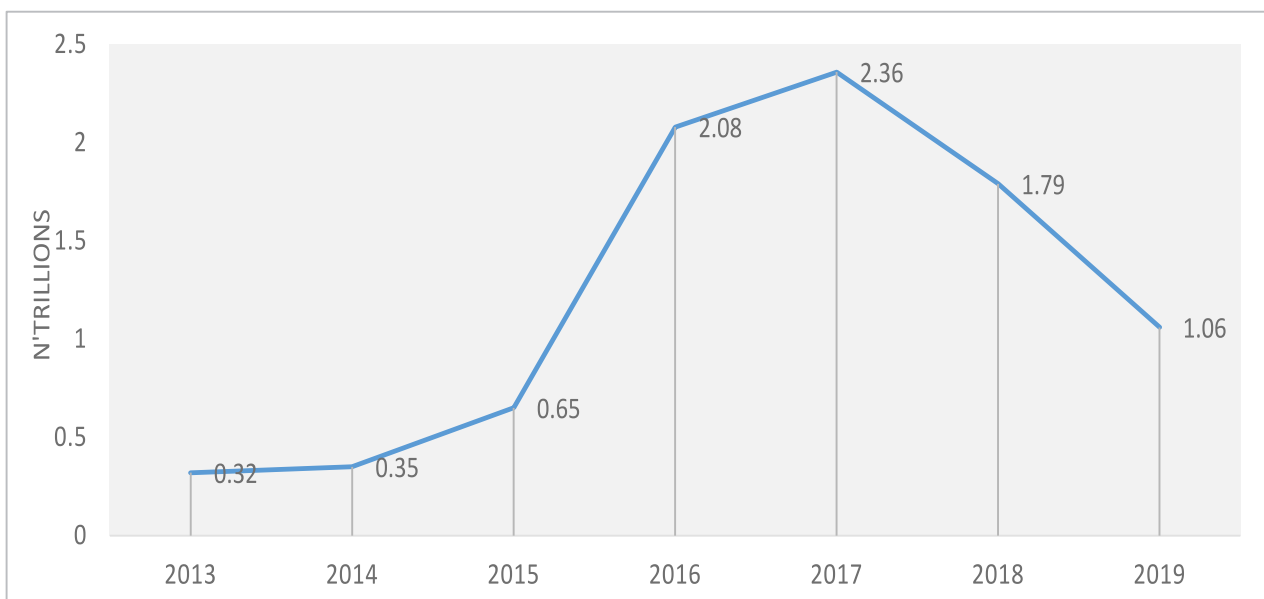
TABLE 11.2: ASSET QUALITY OF THE BANKING INDUSTRY

Asset Quality Indicators	Year			2017-2018 Growth (%)	2018-2019 Growth (%)
	2017	2018	2019		
Total Loans & Advances (₦' billion)	15,910	15,290	17,500	-3.90	14.45
NPLs (₦' billion)	2,360	1,790	1,060	-24.15	-40.78
NPLs to Total Loans (%)	14.84	11.70	6.06	-21.16	-48.21
Ratio of NPLs to Shareholders' Funds (%)	69.21	57.50	32.97	-16.92	-42.66

Source: Banks' Returns

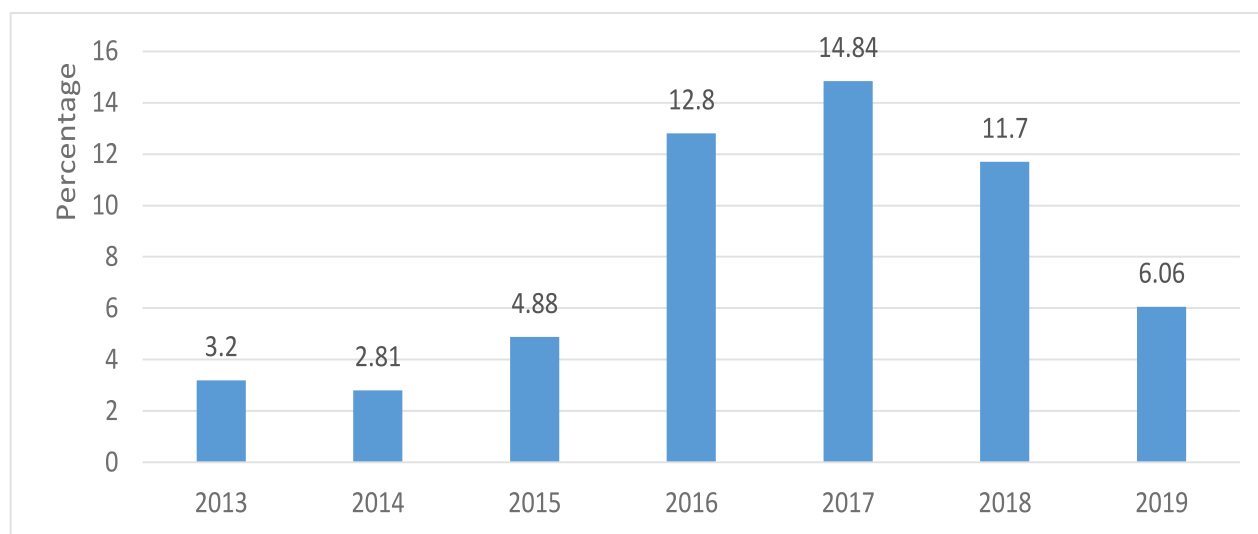
Despite the increase in Loans and Advances, Non-Performing Loans (NPLs) declined significantly by 40.8% from ₦1.79 trillion in 2018 to ₦1.06 trillion in 2019, as depicted by Chart 11.2.

CHART 11.2: TREND OF NPLs IN THE BANKING INDUSTRY



With these developments, Non-Performing Loan ratio (NPLs as a percent of total loans) declined by 48.2% from 11.70% in 2018 to 6.06% in 2019, as shown Chart 11.3. In the same vein, the NPLs to Shareholders' Fund Ratio improved as it declined from 57.50% in 2018 to 32.97%.

CHART 11.3: BANKING INDUSTRY NPLS/TOTAL LOANS RATIO



11.1.3 Earnings and Profitability

As depicted in Table 11.3, the DMBs' unaudited profit before tax (PBT) increased by 21.14% from ₦732.82 billion in 2018 to ₦887.71 billion in 2019. The improved profitability arose from 8.88% and 5.84% rise in interest income and non-interest income, respectively which, when combined,

outstripped 7.68% increase in operating expenses from ₦1,701.85 billion in 2018 to ₦1,832.54 billion in 2019. Though Yield on Earning Assets declined from 13.20% in 2018 to 12.50% in 2019, both ROE and ROA increased from 22.30% and 2.20% in 2018 to 25.80% and 2.30% in 2019, respectively.

TABLE 11.3: EARNINGS & PROFITABILITY INDICATORS OF THE DMBs

Indicators	Year			2017-2018 Growth (%)	2018-2019 Growth (%)
	2017	2018	2019		
Profit Before Tax (₦' billion)	681.94	732.82	887.71	7.46	21.14
Net Interest Income (₦' billion)	1,819.61	1,653.55	1,800.31	-9.13	8.88
Non-Interest Income (₦' billion)	903.81	875.48	926.58	-3.13	5.84
Interest Expenses (₦' billion)	1,369.50	1,340.73	1,567.35	-2.10	16.90
Operating Expenses (₦' billion)	1,659.14	1,701.85	1,832.54	2.57	7.68
Yield on Earning Assets (%)	13.80	13.20	12.50	-4.35	-5.3
Return on Equity (%)	17.80	22.30	25.80	25.28	15.7
Return on Assets (%)	2.00	2.20	2.30	10.00	4.55

Source: Banks' Returns

11.1.4 Liquidity Position

The Banking Sector's liquidity ratio in 2019 was strong, like in the previous years, as its average Liquidity Ratio of 45.45% was above the regulatory threshold of 30%. Table 11.4 and Chart 11.4

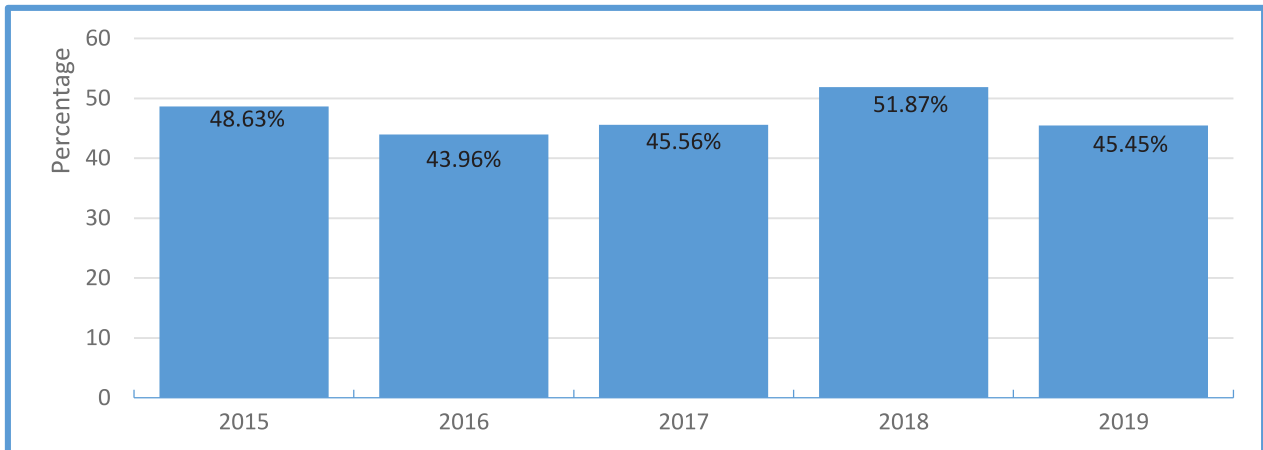
however show that the Liquidity Ratio declined from 51.87% in 2018 to 45.45% in 2019. The Loans to Deposit ratio also declined from 70.36 % in 2018 to 68.68% in 2019.

TABLE 11.4: LIQUIDITY POSITION OF DMBs

Items	Year		
	2017	2018	2019
Average Liquidity Ratio (%)	45.56	51.87	45.45
Loans to Deposit Ratio (%)	82.12	70.36	68.68
No. of Banks with Less than 30% minimum Liquidity Ratio	4	2	1

Source: Banks' Returns

CHART 11.4: BANKING INDUSTRY AVERAGE LIQUIDITY RATIO



11.1.5 DMBs' Maturity Profile of Assets and Liabilities

The Banking Industry's asset and liability maturity profile in 2019 exhibited mismatch in all maturities, with negative mismatch in shorter maturities and positive mismatch in longer maturities. Table 11.5 and chart 11.5 show that assets with maturities below 90 days were inadequate to offset liabilities of corresponding maturities.

Consequently, there were negative mismatches of ₦6,574.22 billion and ₦248.85 billion in "0-30 days"

and "31-90 days" maturity buckets, respectively.

There were more assets with maturities higher than 90 days to offset liabilities with corresponding maturities, as depicted in chart 11.5. Hence, the Banking Sector recorded a positive mismatch of ₦884.23 billion, ₦3,122.48 billion and ₦7,116.79 billion respectively in maturity buckets of "91-180 days" and "181-365" days and "above-365 days" maturity buckets, respectively.

TABLE 11.5: THE MATURITY PROFILE OF ASSETS AND LIABILITIES OF DMBS FOR THE YEAR 2019

ITEM	TENOR				
	BELOW 30 DAYS N 'Billion	31-90 DAYS N 'Billion	90-181 DAYS N 'Billion	181-365 DAYS N 'Billion	> 365 DAYS N 'Billion
ASSETS					
Commercial Banks (CBs)	12526.63	2854.29	1940.08	3910.34	10056.21
Merchant Banks (MBs)	136.97	65.15	52.06	43.63	112.50
Industry Total Assets	12663.60	2919.44	1992.14	3953.97	10168.71
LIABILITIES					
Commercial Banks (CBS)	18948.84	3066.13	1037.15	814.47	3044.05
Merchant Banks (MBS)	288.98	102.16	70.76	17.03	7.87
Industry Total Liabilities	19237.82	3168.29	1107.91	831.49	3051.92
MISMATCH: Industry					
Mismatch for the period	-6574.22	-248.85	884.23	3122.48	7116.79
Cumulative Mismatch	-6574.22	-248.85	884.23	3122.48	7116.79
Cumulative Mismatch to Total Liabilities [%]	-34.17	-7.85	79.81	375.53	233.19
MISMATCH: CBs					
Mismatch for the period	-6422.20	-211.85	902.93	3095.88	7012.16
Cumulative Mismatch	-6422.20	-211.85	902.93	3095.88	7012.16
Cumulative Mismatch to Total Liabilities [%]	-33.89	-6.91	87.06	380.11	230.36
MISMATCH: MBs					
Mismatch for the period	-152.01	-37.01	-18.70	26.61	104.63
Cumulative Mismatch	-152.01	-189.02	-207.72	-181.11	-76.48
Cumulative Mismatch to Total Liabilities [%]	-52.60	-185.02	-293.57	-1063.79	-971.56

Source: Banks' Returns

CHART 11.5: THE MATURITY PROFILE OF DMBS IN 2019

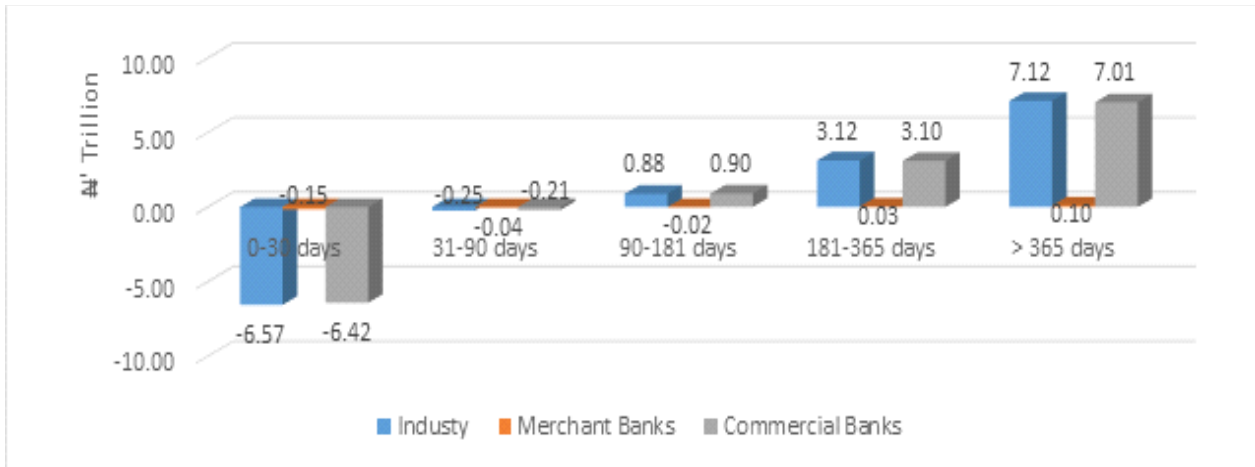


Table 11.5 also shows that the structure of both Commercial and Merchant Banks maturity profile is similar to that of the Industry.

11.1.6 Sectoral Allocation of Credit

The structure of DMBS' credit allocation by sector, presented in table 11.6 and chart 11.6, shows that the Oil and Gas sector dominates the credit allocation, followed by the Manufacturing Sector, and the Public Sector.

Table 11.6 shows that the structure of sectoral credit allocation, though remaining roughly the

same in 2019 as it had been in 2018 in terms of dominance, the contribution of the Oil and Gas sector waned (though it remained the largest receiver of DMB's credit) as its percentage of credit allocated fell from 30.46% (₦4.66 trillion) in 2018 to 26.49% (₦4.63 trillion) in 2019.

The proportion of credit allocated to the Manufacturing Sector, on the other hand, rose from 14.71% (₦2.25 trillion) in 2018 to 15.28% (₦2.67 trillion) in 2019 while credit to the public sector marginally declined from 8.78% to 8.71% over the same period.

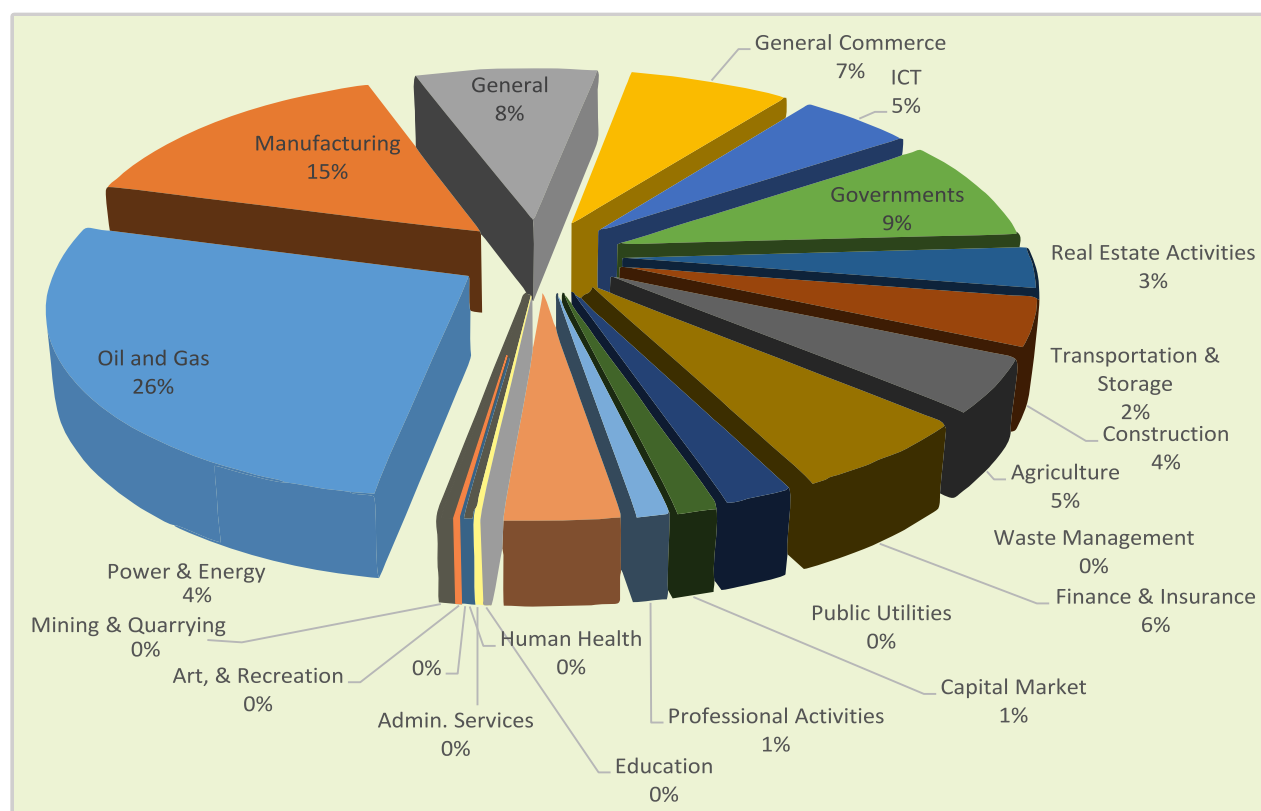
Table 11.6: SECTORAL ALLOCATION OF CREDIT BY DMBS IN 2018 & 2019

S/N	SECTOR	2018			2019		
		Total credit (₦Billion)	Percentage Contribution	NPL/TL	Total credit (₦Billion)	Percentage Contribution	NPL/TL
1	Oil and Gas	4,657.30	30.46	18.86	4,634.80	26.49	4.74
2	Manufacturing	2,249.41	14.71	5.78	2,673.24	15.28	3.86
3	General	916.99	6.00	13.69	1,457.12	8.33	10.39
4	General Commerce	1,137.61	7.44	12.28	1,282.26	7.33	11.33
5	Information and Communication	534.86	3.50	13.56	903.64	5.16	8.97
6	Governments	1,342.57	8.78	0.14	1,523.17	8.71	0.03
7	Real Estate Activities	627.34	4.10	8.11	612.34	3.50	8.11
8	Construction	615.38	4.03	8.43	723.69	4.14	11.94
9	Agriculture	638.06	4.17	5.69	811.59	4.64	6.35
10	Finance and Insurance	992.03	6.49	2.91	1,107.37	6.33	0.41
11	Transportation and Storage	289.42	1.89	19.37	404.12	2.31	14.90

S/N	SECTOR	2018			2019		
		Total credit (₦ Billion)	Percentage Contribution	NPL/TL	Total credit (₦ Billion)	Percentage Contribution	NPL/TL
12	Capital Market	176.1	1.15	0.38	240.65	1.38	0.02
13	Professional, Scientific and Technical Activities	178.3	1.17	4.46	193.83	1.11	4.25
14	Power and Energy	711.1	4.65	22.73	671.80	3.84	6.87
15	Education	57.36	0.38	6.8	58.38	0.33	15.05
16	Administrative and Support Services	20.26	0.13	5.14	27.07	0.15	4.19
17	Human Health & Social Work Activities	27.35	0.18	50.29	46.88	0.27	29.15
18	Activities of Extra territorial Organisation & Bodies	0.09	0.00	0.00	0.01	0.00	0.00
	Waste Management & Remediation	23.5	0.15	6.18	23.02	0.13	9.82
20	Art, Entertainment & Recreation	10.11	0.07	74.14	14.51	0.08	56.49
21	Public Utilities	79.69	0.52	23.32	75.09	0.43	24.41
22	Mining & Quarrying	3.68	0.03	2.28	11.31	0.06	0.05
	TOTAL	15,288.52	100.00		17,495.91	100.00	

*NPL = Non-Performing Loans, TL= Total Loans
Source: Banks' Returns

CHART 11.6: SECTORAL ALLOCATION OF CREDITS BY DMBS IN 2019



11.1.7 Level of Soundness of DMBs in 2019

The Banking Industry was stable and relatively sound in 2019 as it satisfied a number of regulatory requirements. Table 11.7 shows that its liquidity ratio (45.45%) and Loan to Deposit ratio (68.68%) were above the regulatory minimum of 30% and 65%, respectively; while its capital adequacy ratio, CAR (14.54%) though outperformed minimum regulatory CAR for national banks, slightly underperformed the minimum regulatory CAR for international banks.

TABLE 11.7: SELECTED DMBs' PERFORMANCE INDICATORS 2015-2019

S/N	Indicators	Year			2017-2018 Growth (%)	2018-2019 Growth (%)
		2017	2018	2019		
1	Total Assets (OBS Inclusive) (₦'billion)	38,530	42,080	40,400	9.21	-3.99
2	Total Deposit (₦'billion)	19,380	21,730	24,090	12.13	10.86
3	Insured Deposit (₦'billion)	2,770	3,320	3,620	19.86	9.04
4	Total Loans & Advances (₦'billion)	15,910	15,290	16,540	-3.90	8.18
5	Non-Performing Loans (₦' billion)	2,360	1,790	1,060	-24.15	-40.78
6	Profit Before Tax (₦' billion)	150	310	210	106.67	-32.26
7	Adjusted Shareholders' Fund (Tier I Capital) (₦'Billion)	1,760	2,830	2,910	60.80	2.83
8	Non-Performing Loans/Total Loans (%)	14.84	11.7	6.06	-21.16	-48.21
9	Non-Performing Loans/Shareholders' Fund (%)	69.21	57.5	32.97	-16.92	-42.66
10	Capital Adequacy (%)	10.23	15.26	14.54	49.17	-4.72
11	Average Liquidity Ratio (%)	45.56	51.87	45.45	13.85	-12.38
12	Loans/Deposit Ratio (%)	72.3	64.69	68.68	-10.53	6.17
13	Return on Assets (%)	0.48	0.88	0.37	83.33	-57.95
14	Return on Equity (%)	4.7	9.73	0.07	107.02	-99.28
15	Net Interest Margin (NIM) (%)	1.43	1.85	1.26	29.37	-31.89

Source: Banks' Returns

11.2 Financial Condition of NIBs

There were two Non-Interest Banks (Jaiz Bank and Taj Bank) and two Non-Interest Bank Windows (Sterling Bank Window and Suntrust Bank Window) in operation as at 31st December 2019.

Table 11.8 shows that the total asset of Non-Interest Banks and Non-Interest Windows in 2019 was ₦176.02 billion and ₦43.12 billion, respectively. These figures represented growth of 60.7% for total assets of Non-Interest Banks and decline of 16.76% in total assets for Non-Interest Windows. Total deposits and Insured Deposits for the Non-Interest banking sector grew by 37.1% and 33.63% from ₦108.89 billion and ₦14.60 billion in 2018 to ₦149.29 billion and ₦19.95 billion, respectively.

TABLE 11.8: SELECTED NON-INTEREST BANKS PERFORMANCE INDICATORS AS AT 31ST DECEMBER, 2019

	2018			2019		
	Non-Interest Bank	Non-Interest Window	Total	Non-Interest Bank	Non-Interest Window	Total
	₦ Billion	₦ Billion	₦ Billion	₦ Billion	₦ Billion	₦ Billion
Total Assets	109.53	51.8	161.33	176.02	43.12	219.13
Total Deposits	85.02	23.87	108.89	129.45	19.84	149.29
Insured Deposits	13.83	0.77	14.6	18.51	1.44	19.95
Total Income	7.16	2.18	9.34	10.73	3.01	13.73
Total Expenses	6.5	0.84	7.34	8.7	1.63	10.33
Profit Before Tax	0.66	1.34	2	2.03	1.38	3.41
Total number of accounts	343,823	29,930	373,753	487,300	46,300	533,600.00

Source: Banks' Returns

The table further also shows that total income for the sector rose by 47% from ₦9.34 billion in 2018 to ₦13.73 billion in 2019. That performance drew from income growth of Non-interest Bank (49.86%) and Non-Interest Window (38.07%). With total expenses for the sector growing slower at 40.74% from ₦7.34 billion in 2018 to ₦10.33 billion in 2019, profit before tax rose by 70.5% from ₦2.00 billion to ₦3.41 billion in 2019. These performances indicating improvement in financial intermediation by the NIBs is also associated with increase in their financial inclusion progress as the number of accounts in the NIB sector rose by 42.77% from 373,753 in 2018 to 533,600 in 2019.

11.3 Financial Condition of MFBS

The financial performance of MFBS relatively improved in 2019 as income and balance sheets indicators show positive movements when compared to 2018. As shown in Table 11.9, the number of MFBS increased from 888 in 2018 to 907 in 2019. It is instructive to note that more MFBS rendered statutory returns with the number of compliant MFBS rising from 595 in 2018 to 706 in 2019.

11.3.1 Capital Position

The MFBS Shareholders' Funds stood at ₦96.62 billion as at 31st December, 2019, representing a growth of 8.38% from ₦89.15 billion as at 31st December, 2018. That led to improvement in capital adequacy ratio and increased contribution of MFBS to banking system stability.

11.3.2 Asset Quality

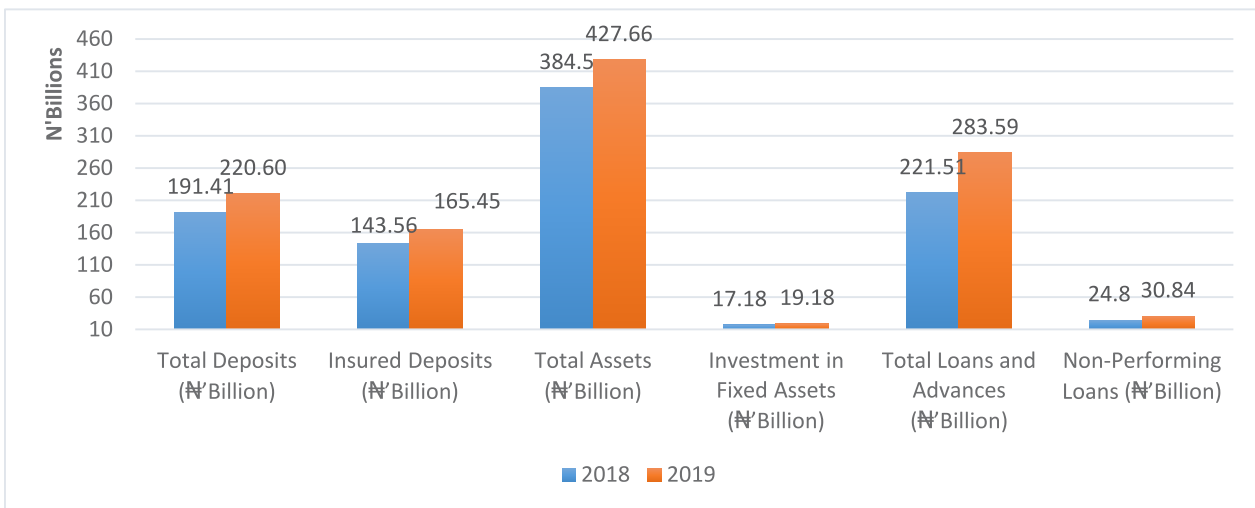
Total assets of MFBS stood at ₦427.66 billion as at 31st December, 2019, representing an increase of 11.2% from ₦384.50 billion as at 31st December, 2018. Table 11.9 and Chart 11.7 show that total Loans and Advances rose by 28.0% to ₦283.59 billion in 2019 from ₦221.51 billion in 2018.

NPLs rose by 24.4% from ₦24.80 billion in 2018 to ₦30.84 billion in 2019. Table 11.9 shows that NPLs ratio, indicating the proportion of portfolio-at-risk, however declined from 11.20% in 2018 to 10.87% in 2019 because growth in assets outstripped growth in NPLs.

TABLE 11.9: PERFORMANCE INDICATORS OF MFBS SUB-SECTOR IN 2019

S/N	Indicators	Year		2018-2019 Growth
		2018	2019	
1	Number of MFBS in Operations	888	907	2.14
2	Number of MFBS that rendered	595	706	18.66
3	Total Assets (₦'Billion)	384.50	427.66	11.22
4	Total Deposits (₦'Billion)	191.41	220.60	15.25
5	Insured Deposits (₦'Billion)	143.56	165.45	15.25
6	Total Loans and Advances (₦'Billion)	221.51	283.59	28.03
7	Gross Income (₦'Billion)	105.00	122.42	16.59
8	Interest Income (₦'Billion)	81.40	99.09	21.73
9	Non-Interest Income (₦'Billion)	23.60	23.33	-1.14
10	Non-Performing Loans (₦'Billion)	24.80	30.84	24.35
11	Profit Before Tax (PBT) (₦'Billion)	16.22	18.38	13.32
12	Operating Expenses (₦'Billion)	74.73	86.14	15.27
13	Shareholders' Fund (₦'Billion)	89.15	96.62	8.38
14	Investment in Fixed Assets (₦'Billion)	17.18	19.18	11.64
15	Non-Performing Loans/Total Loans (Portfolio-at-Risk) (%)	11.20	10.87	-2.95
16	Non-Performing Loans/Shareholders Fund (%)	27.82	31.92	14.74
17	Average Liquidity Ratio (%)	73.95	63.57	-14.04
18	Loans/Deposit Ratio (%)	115.73	128.55	11.08
19	Return on Assets (%)	4.22	4.30	1.90
20	Return on Equity (%)	18.19	19.02	4.56

Source: Banks' Returns

CHART 11.7: SELECTED ITEMS OF MFBS' ASSETS AND LIABILITIES


11.3.3 Earning and Profitability

The financial performance of MFBS improved with 13.3% growth in Profit Before Tax from ₦16.22 billion in 2018 to ₦18.38 billion in 2019. The performance, as shown in Chart 11.8, is attributed to 21.73% growth in Interest Income from ₦81.40

billion in 2018 to ₦99.09 billion in 2019. However a growth of 15.27% in Operating Expenses from ₦74.73 billion in 2018 to ₦86.14 billion in 2019 as well as 1.14% decline in Non-Interest Income from ₦23.60 billion to ₦23.33 billion negatively impacted profit over the same period.

Total Gross Income rose by 16.59% from ₦105.00 billion in 2018 to ₦122.42 billion in 2019. Consequent to increase in Gross and Net Income,

both ROA and ROE increased, as shown in Table 11.9 and Chart 11.9, from 4.22% and 18.19% in 2018 to 4.30% and 19.02% in 2019, respectively.

CHART 11.8: SELECTED ITEMS OF MFBs' INCOME AND CAPITAL

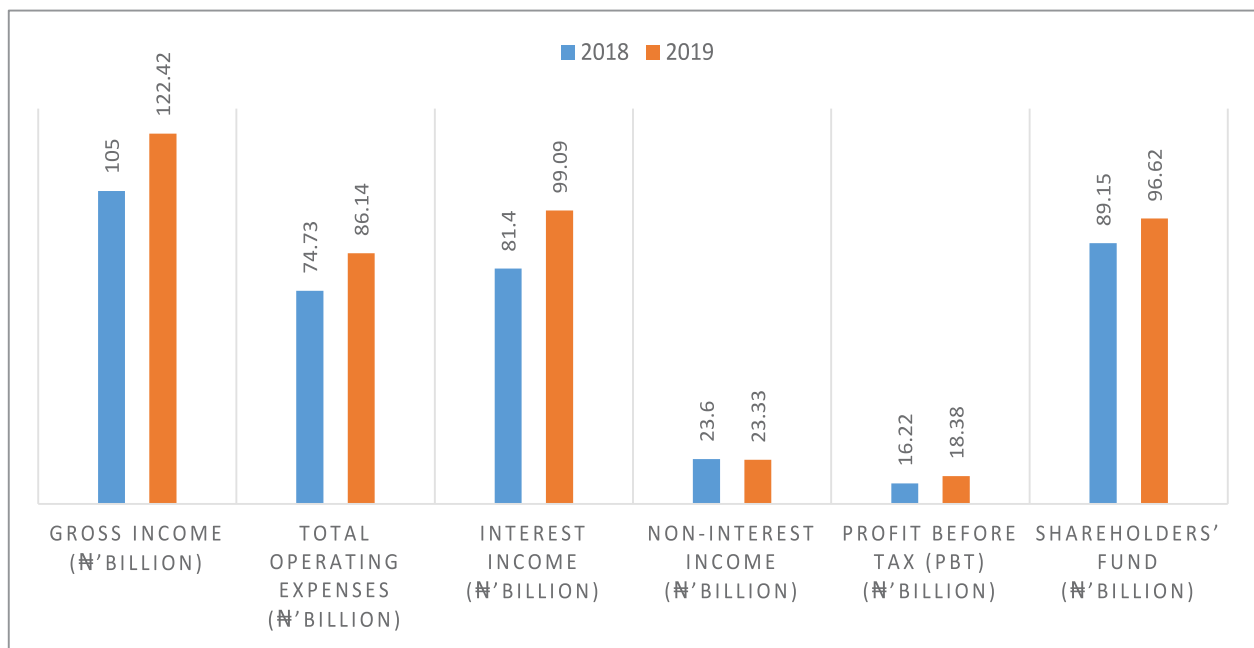
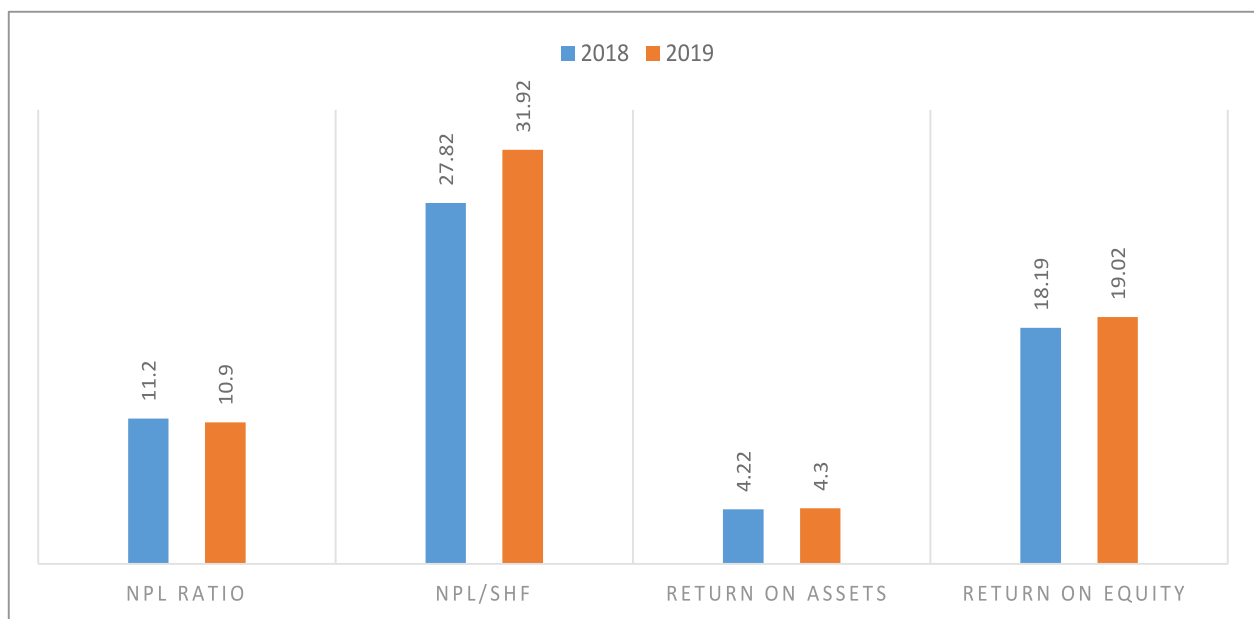


CHART 11.9: MFBs' ROA & ROE



11.3.3 Liquidity Position

The MFBs' total deposit liability increased by 15.25% from ₦191.41 billion in 2018 to ₦220.60 billion in 2019. Average Liquidity Ratio decreased from 73.95% in 2018 to 63.57% in 2019, as shown in Table 11.9. It is worthy of note that the Liquidity Ratio was above the minimum regulatory threshold of 20%.

There was a rise in Loan to Deposits ratio also rose from 115.73% in 2018 to 128.55% in 2019. In addition, investment in fixed assets grew by 11.64% from ₦17.18 billion in 2018 to ₦19.18 billion in 2019.

11.4 Financial Condition of PMBs

There were thirty-four (34) PMBs in operation as at 31st December, 2019, compared to thirty eight (38) PMBs as at 31st December, 2018, as four (4) PMBs closed shop during the period.

The analysis in this section is based on the returns rendered by 27 PMBs as shown in Table 11.10.

11.4.1 Capital Position of PMBs

The PMBs' subsector recorded paid-up capital of ₦70.43 billion in 2019, as against ₦83.18 billion as at 31st December, 2018 reflecting a decline of 15.33%. As shown in Table 11.10, the Shareholders' Funds also declined to ₦41.29 billion as at 31st December, 2019 from ₦67.19 billion in the corresponding period of 2018. The decline was largely associated with both the reduction in the number of PMBs in operation and the number that rendered their statutory returns in 2019.

11.4.2 Asset Quality of PMBs

The PMBs' total loans stood at ₦132.85 billion in 2019 as against ₦153.45 billion in 2018, reflecting a decline of 13.42%. Chart 11.10 indicates that the quality of the loan portfolio deteriorated significantly as Non-Performing Loans (NPLs) rose by 89.48% from ₦18.63 billion in 2018 to ₦35.3 billion in 2019, resulting in increase in the NPLs to Gross Loan Ratio from 12.14% in 2018 to 26.57% in 2019 as indicated in Table 11.10. That ratio exceeded the CBN's threshold of 5% stipulated for PMBs.

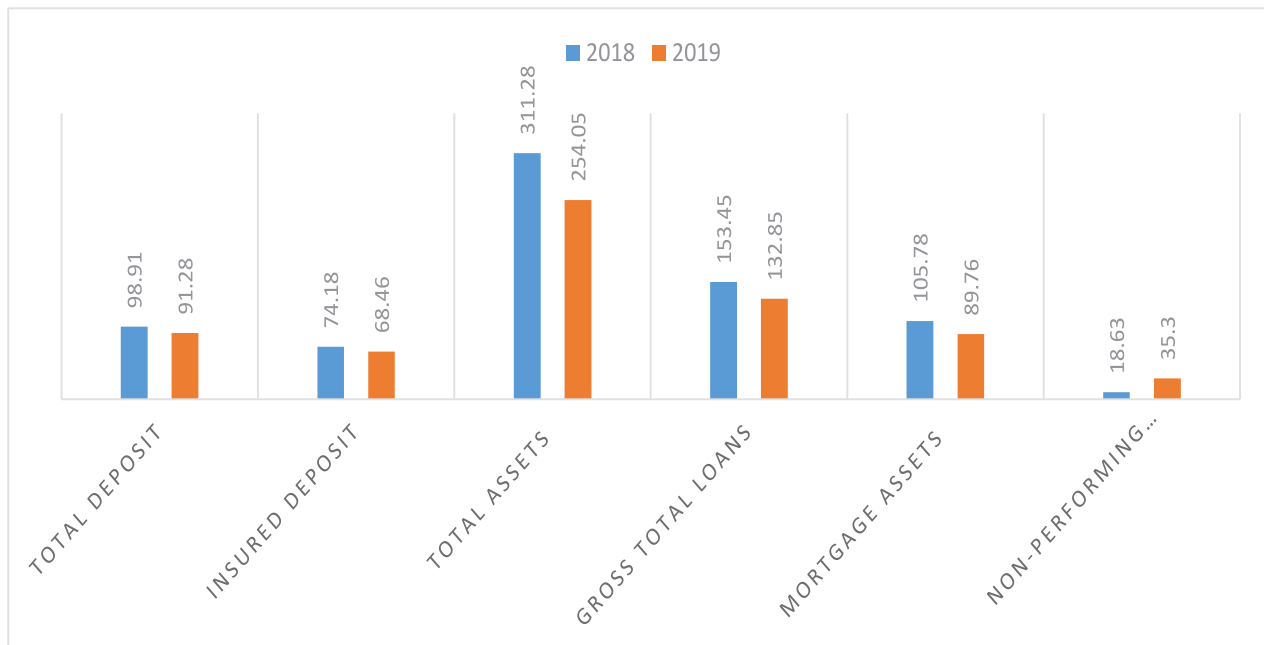
TABLE 11.10: SELECT PERFORMANCE INDICATORS OF PMBs

S/N	Indicators	Year		2018-2019 Growth (%)
		2018	2019	
1	No. of PMBs in Operation	38	34	-10.53
2	No. of PMBs Consolidated in this Table	27	27	0.00
3	Total Assets (₦'Billion)	311.28	254.05	-18.39
4	Total Deposit (₦'Billion)	98.91	91.28	-7.71
5	Insured Deposit (₦'Billion)	74.18	68.46	-7.71
6	Gross Total Loans and Advances (₦'Billion)	153.45	132.85	-13.42
7	Mortgage Assets (₦'Billion)	105.78	89.76	-15.14
8	Non-Performing Loans (₦'Billion)	18.63	35.30	89.48
9	Gross Income (₦'Billion)	29.80	28.91	-2.99
10	Interest Income (₦'Billion)	23.44	22.47	-4.14
11	Non-Interest Income (₦'Billion)	6.35	6.441	1.43
12	Profit Before Tax (₦'Billion)	-2.29	-1.93	15.72
13	Total Operating Expense (₦'Billion)	17.67	19.20	8.66
14	Paid Up Capital (₦'Billion)	83.18	70.43	-15.33
15	Shareholders' Funds (₦'Billion)	67.19	41.29	-38.55
16	Adjusted Shareholders' Funds (Tier-1)	51.97	N/A	
17	Non-Performing Loans/Total Loans (NPL) (%)	12.14	26.57	118.86
18	Non-Performing Loans/Shareholders' Funds	27.73	85.49	208.29

S/N	Indicators	Year		2018-2019 Growth (%)
		2018	2019	
19	Capital Adequacy (%)	46.73	N/A	
20	Average Liquidity Ratio (%)	102.53	162.94	58.92
21	Loans/Deposit Ratio (%)	158.28	145.57	-8.03
22	Return on Assets (ROA) (%)	-0.74	-0.76	2.70
23	Return on Equity (ROE) (%)	-3.41	-4.67	36.95
24	Mortgage Assets/Total Loans (%)	68.93	67.56	-1.99
25	Mortgage Assets/Loanable Fund (%)	216.39	71.40	-67.00

Source: Banks' Returns

CHART 11.10: PMBs TOTAL ASSETS, DEPOSITS, AND LOANS



11.4.3 Earnings and Profitability of PMBs

PMBs' Gross Earnings dropped from ₦29.80 billion in 2018 to ₦28.91 billion in 2019. Operating Expenses rose from ₦17.67 billion in 2018 to ₦19.20 billion in 2019, as shown in Chart 11.11. The sub-sector recorded a Loss of ₦1.93 billion in 2019,

against a Loss of ₦2.29 billion in 2018.

Consequently, ROA was -0.76% in 2019, as against -0.74% in 2018, while, Return on Equity (ROE) was -4.67% against -3.41% in 2018, as indicated in Chart 11.12.

CHART 11.11: PMBs' SELECTED PERFORMANCE INDICATORS

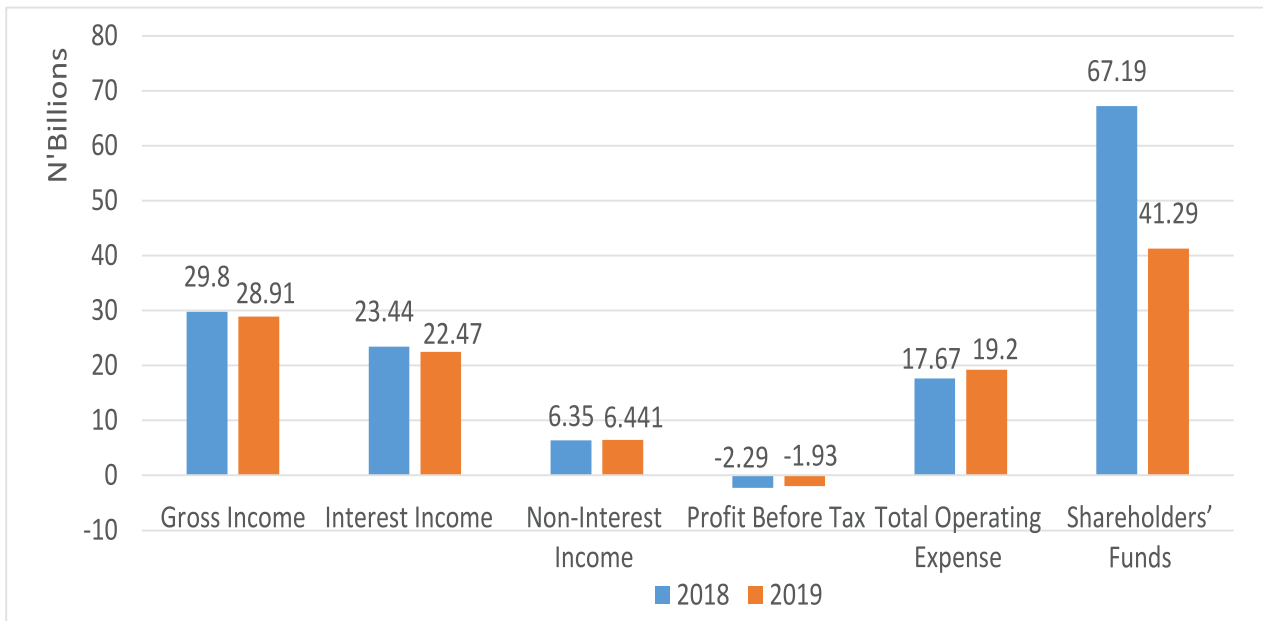
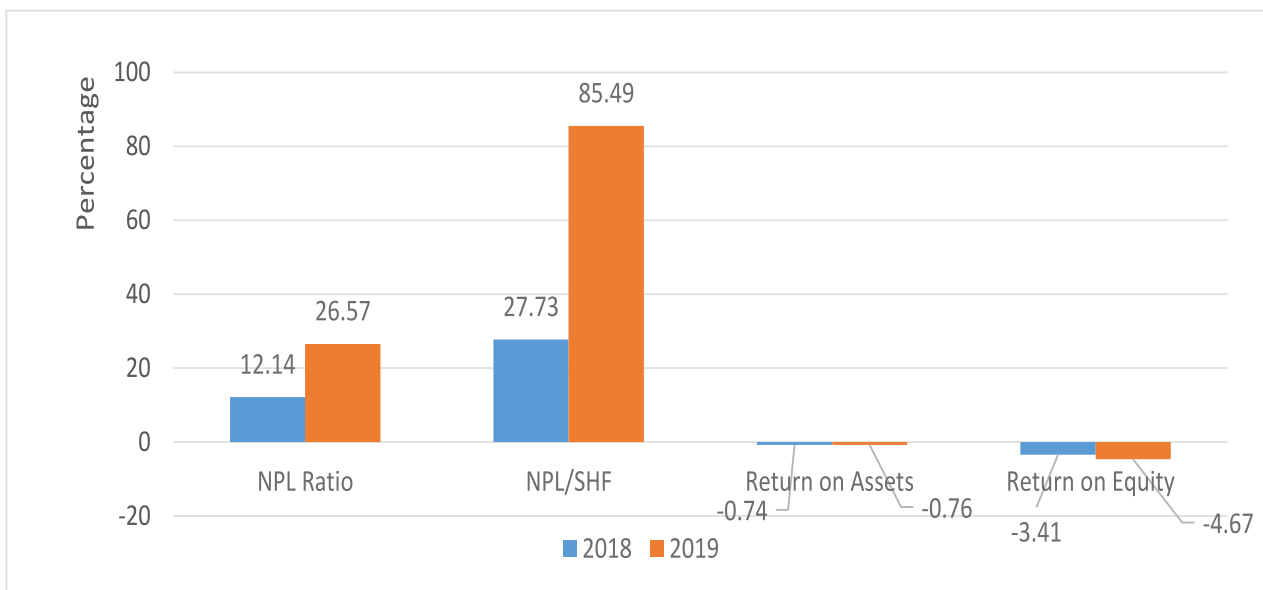


CHART 11.12: PMBs' ROA, ROE, & NPLs RATIOS



11.4.4 Liquidity Position

The PMBs' average Liquidity Ratio rose from 102.53% in 2018 to 162.94% in 2019. The Total Deposits declined by 7.7% from ₦98.91 billion in 2018 to ₦91.28 billion in 2019. The Loans to Deposit ratio decreased from 158.28% in 2018 to 145.57% in 2019 as shown in Table 11.10.

SECTION 12

STRUCTURE OF DMBs'
STATEMENT OF FINANCIAL
POSITION

STRUCTURE OF DMBs' STATEMENT OF FINANCIAL POSITION

12.0 Introduction

The Statement of Financial Position (SFP) of insured DMBs in 2019 is presented in this section, with explicit highlights on changes in the structure of Assets and Liabilities, Shareholders' Funds, and Ownership Structure.

12.1 DMBs' Structure of Assets

During the year under review, the Total Assets of the DMBs (inclusive of Contingent Assets) increased from ₦42.08 trillion in 2018 to ₦51.01 trillion in 2019 as reported in Table 12.1

TABLE 12.1: STRUCTURE OF ASSETS OF DMBs

Assets	Share of Assets as at 31st December, 2019 (%)	
	2018	2019
Cash Balances	1.78	1.55
Balances with Banks & Central Bank of Nigeria	19.14	17.85
Loans & Advances to Banks	1.11	1.38
Loans & Advances to Customers	31.10	30.41
Financial Assets Held-for-Trading	3.74	4.49
Financial Assets Held as Fair Value through Other Comprehensive Income		7.42
Financial Assets Held as Amortised Cost		4.17
Assets Pledged as Collateral	2.85	4.62
Investment in Subsidiaries & Associates	0.96	0.87
Property, Plant and Equipment	2.29	1.91
Other Assets	6.09	4.16
Asset Classified as Held for Sale & Discontinued Operations	0.04	0.06
Contingent Assets	17.25	20.84
Total Assets	100	100
	₦ Billion	₦ Billion
Total Assets (Inclusive of Contingent Assets)	42,080.81	51,013.77

Source: Banks' Returns
This exclude the non-interest Banks

Table 12.1 shows an increase in Loans and Advances to Banks as a share of DMBs Total Assets from 1.11% in 2018 to 1.38% in 2019; Financial Assets Held-for-Trading increased from 3.74% in 2018 to 4.49% in 2019; Assets Pledged as Collateral also increased from 2.85% in 2018 to 4.62% in 2019; Assets Classified as Held for Sale & Discontinued Operations increased from 0.04% in 2018 to 0.06% in 2019 and Contingent Assets increased from 17.25% in 2018 to 20.84% in 2019.

However, some assets recorded a drop in their share of total assets as Cash Balances decreased from 1.78% in 2018 to 1.55% in 2019; Balances with Banks & Central Bank of Nigeria decreased from 19.14% in 2018 to 17.85% in 2019; Loans & Advances to Customers declined from 31.10% in 2018 to 30.41% in 2019; Investment in Subsidiaries & Associates from 0.96% in 2018 to 0.87% in 2019; Property, Plant and Equipment declined as a proportion of Total Assets from 2.29% in 2018 to 1.91% in 2019; Other Assets also declined from 6.09% in 2018 to 4.16% in 2019.

Financial Assets Held as Amortised Cost and Financial Assets Held as Fair Value through Other Comprehensive Income constituted 4.17% and 7.42% of the Total Assets of the DMBs as at 31st December 2019, respectively.

12.2 Structure of Liabilities of DMBs

Table 12.2 shows the structure of liabilities of DMBs in 2019. Some liability items recorded increases as proportion of Total Liabilities in 2019 compared with 2018. Items such as, the proportion of Deposits from Banks increased to 7.12% in 2019 from 5.00% in 2018; Borrowings increased to 9.08% in 2019 from 8.69% in 2018; Other Liabilities increased to 11.70% in 2019 from 11.65% in 2018 and Shareholders' Funds increased to 9.17% in 2019 from 8.99% in 2018. While Deposits from Customers reduced to 56.62% in 2019 from 61.90% in 2018; Financial Liabilities Held-for-Trading (HFT) reduced to 0.12% in 2019 from 0.13% in 2018 and proportion of Debt Instruments also reduced to 3.18% in 2019 from 3.63% in 2018.

TABLE 12.2: STRUCTURE OF LIABILITIES OF DMBs

LIABILITIES	% Share	
	2018	2019
Deposits from Banks	5.00	7.12
Deposits from Customers	61.90	56.62
Financial Liabilities Held-for-Trading	0.13	0.12
Borrowings	8.69	9.08
Debt Instrument	3.63	3.18
Other Liabilities	11.65	11.70
Shareholders' Fund	8.99	9.17
Total Liabilities	100	100
Total Value of Liabilities -Inclusive of Contingent Liabilities (₦ Billion)	42,080.81	51,033.77

Source: Banks' Returns
 This exclude the non-interest Banks

12.3 DMBs' Shareholders' Funds

As at 31st December 2019, the Shareholders' Funds of the 29 DMBs was ₦4.46 trillion, which was higher than ₦4.29 trillion reported for 27 DMBs in 2018. The increase of about ₦0.17 trillion in Shareholders' Fund could be attributed to the

increase in the number of DMBs from 27 banks to 29 banks as at 31st December, 2019, injection of funds by shareholders as well as increase in Retained Earnings. Table 12.3 shows the Shareholders' Funds for the DMBs in 2018 and 2019.

TABLE 12.3: SHAREHOLDERS' FUNDS OF DMBs

S/N	BANKS	SHAREHOLDERS' FUNDS (₦ BILLION)	
		2018	2019
1	Access Bank Plc	462.08	469.01
2	Citibank Nigeria Ltd	57.61	113.13
3	Coronation Merchant Bank Ltd	22.33	32.27
4	Ecobank Nigeria Plc	212.57	216.19
5	FSDH Merchant Bank Ltd	24.79	25.68
6	First City Monument Bank Plc	127.89	170.54
7	Fidelity Bank Plc	175.46	236.65
8	First Bank of Nigeria Ltd	392.96	525.58
9	FBN Merchant Bank Ltd	15.88	27.55
10	Globus Bank Ltd.		11.00
11	Guaranty Trust Bank Plc	558.23	529.16
12	Heritage Banking Company Ltd	227.52	(112.99)
13	Jaiz Bank Plc	13.68	13.11
14	Keystone Bank Ltd	95.38	(128.30)
15	Rand Merchant Bank Ltd	37.93	54.25
16	Polaris Bank Ltd (Skye Bank Plc)	33.35	52.96
17	Stanbic IBTC Bank Plc	141.76	201.19
18	Standard Chartered Bank Ltd	146.70	242.45
19	Sterling Bank Plc	89.64	106.19
20	SunTrust Bank Ltd	5.82	12.37
21	Taj Bank Ltd		5.89
22	United Bank for Africa Plc.	290.45	302.31
23	Union Bank of Nigeria Plc.	112.58	228.02
24	Unity Bank Plc.	261.69	238.74
25	Wema Bank Plc.	23.14	51.00
26	Zenith Bank Plc	629.95	779.00
27	Providus Bank Plc	5.75	12.48
28	Nova Merchant Bank	17.14	19.46
29	Titan Trust Bank Ltd.		28.02
	Total	4,293.37	4,462.91

Source: Banks' Returns

**Diamond bank which merged with Access bank in 2019, had a Shareholders' Fund of N170.92 billion as at 31st December, 2018

12.4 Ownership Structure

The year under review witnessed some changes in the ownership structure of DMBs in comparison to 2018. Private sector continued to dominate the ownership of Nigerian banks as shown in Table 12.4. In accordance with the Code of Corporate Governance for Banks and Discount Houses,

government shareholding was below 10% in all the DMBs except for Jaiz and Polaris Banks (formerly Skye, which received government intervention through AMCON in 2018) with government ownership constituting 11.05% and 100%, respectively.

TABLE 12.4: OWNERSHIP STRUCTURE OF DMBs AS AT 31ST DECEMBER, 2019

S/N	Banks	Ownership Structure (%)		
		Government	Private	
			Nigeria	Foreign
1	Access Bank Plc	0.21	95.78	4.01
2	Citibank Nigeria Ltd		18.1	81.9
3	Coronation Merchant Bank Ltd		100	
4	Globus Bank Limited		100	
5	Ecobank Nigeria Plc			100
6	FSDH Merchant Bank Ltd		100	
7	Fidelity Bank Plc	0.29	99.5	0.21
8	First City Monument Bank Plc		100	
9	First Bank of Nigeria Ltd		100	
10	FBN Quest Merchant Bank Ltd		100	
11	Guaranty Trust Bank Plc	0.11	89.68	10.21
12	Jaiz Bank Plc	11.05	80.44	8.51
13	Heritage Banking Company Ltd			100
14	Keystone Bank Ltd		100	
15	Providus Bank Ltd		100	
16	Rand Merchant Bank Ltd			100
17	Polaris Bank Ltd	100		
18	Stanbic IBTC Bank Plc		100	
19	Standard Chartered Bank Ltd		0.01	99.99
20	Sterling Bank Plc	0.1	63.0	36.9
21	SunTrust Bank Plc		100	
22	United Bank for Africa Plc	0.37	96.42	3.21
23	Union Bank of Nigeria Plc		9.32	90.68
24	Unity Bank Plc	8.28	91.71	0.01
25	Wema Bank Plc	8.27	51.18	
26	Zenith Bank Plc	0.88	50.73	48.39
27	Nova Merchant Bank		50.49	49.51
28	Taj Bank Ltd.	8.49	91.51	
29	Titan Trust Bank Ltd.		16.0	84.0

Source: Banks' Returns

A breakdown of the ownership structure also revealed that fifteen (15) of the twenty-nine (29) DMBs had partial or full foreign ownership in 2019. Notable among them are those with substantial foreign ownership above 50%, namely: Heritage Bank (100%), Ecobank (100%), Rand Merchant Bank (100%), Standard Chartered Bank (99.99%), Union Bank (90.68%) and Citibank (81.9%).

12.5 Market Share of Asset of DMBs

In line with previous trend, the Total Assets of the Banking Industry has largely been controlled by a few DMBs. The Top 5 DMBs' Assets of ₦23.17 trillion, accounted for 57.35% of the industry's

Total Assets of ₦40.40 trillion (excluding Contingent Liabilities) as at 31st December, 2019, which was higher than the 54.26% recorded by the top 5 DMBs in 2018 as shown in Table 12.5.

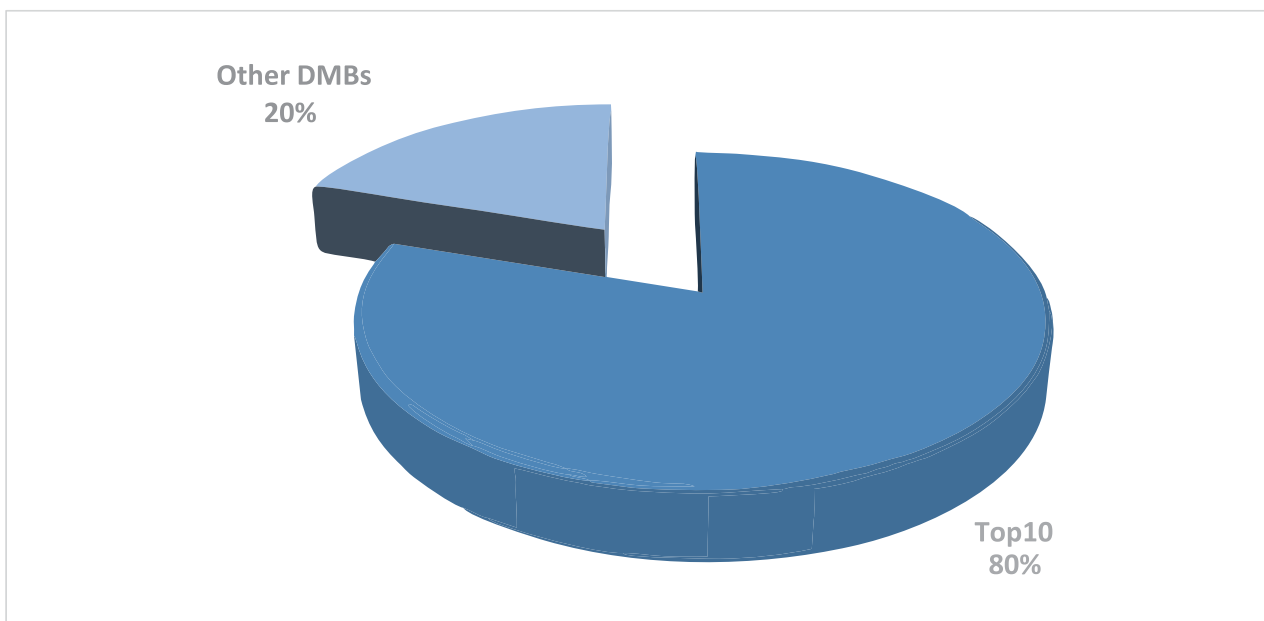
Similarly, the Top 10 DMBs' Total Assets also increased to ₦32.40 trillion or 80.19% of the Total Assets of the Banking Industry in 2019 from ₦27.02 trillion or 76.97% in 2018 as presented in Table 12.5 and Chart 12.1. The Total Assets of the remaining 17 DMBs slightly reduced from ₦8.08 trillion which represented 23.03% of Total Assets of the Banking Industry in 2018 to ₦8.00 trillion, representing 19.81% in 2019.

TABLE 12.5: MARKET SHARE OF ASSETS OF TOP DMBs

DMBs	2018		2019	
	Assets (₦ Billion)	Percentage of Total	Assets (₦ Billion)	Percentage of Total
Top 5	19,047.65	54.26	23,169.81	57.35
Top10	27,021.09	76.97	32,395.94	80.19
Other DMBs	8,082.95	23.02	8,002.12	19.81

Source: Banks' Returns

CHART 12.1: MARKET SHARE OF ASSETS OF TOP TEN DMBs

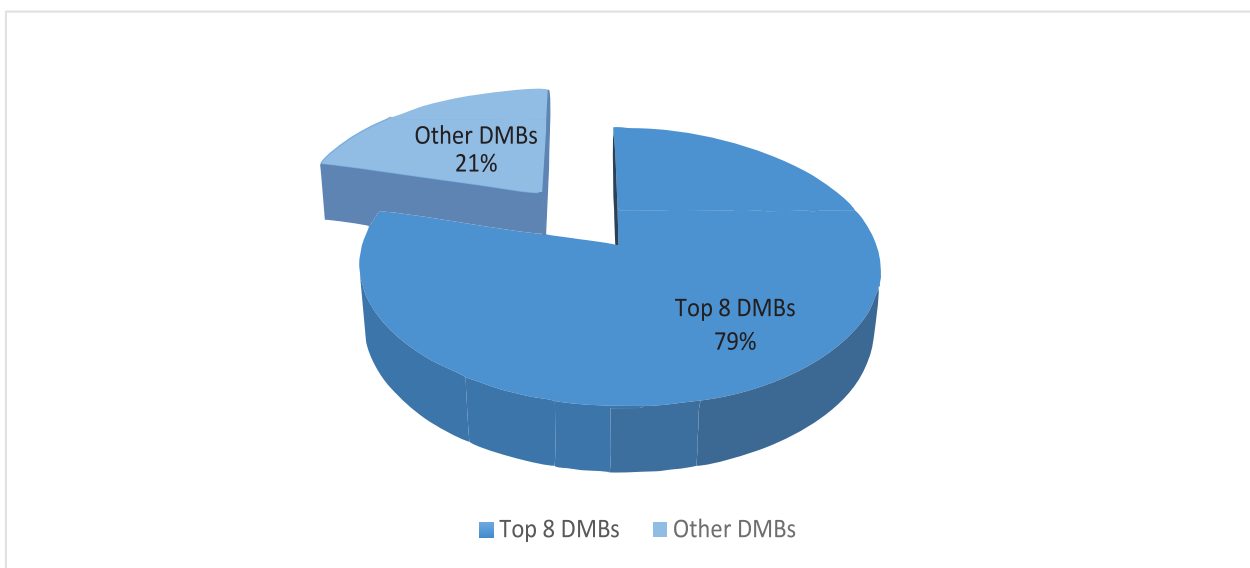


12.6 DMBs Share of Total Loans

A breakdown of the Total Loans in the industry shows that eight (8) out of twenty-seven (27) DMBs (excluding non-interest banks) had 79.26% share of the Total Loans in the industry amounting to ₦17.50 trillion as at 31st December, 2019 as against

72% recorded as at 31st December, 2018. The other nineteen (19) DMBs accounted for 20.74% of the industry Total Loans indicating high concentration of loans and control of the industry by few DMBs. Chart 12.2 presents a pictorial representation of the breakdown.

CHART 12.2: TOP 8 DMBs SHARE OF INDUSTRY TOTAL LOANS



12.7 Deposit Liabilities of DMBs by Market Share, Type and Tenor

The Total Deposits of DMBs stood at ₦24.07 trillion in 2019 compared with ₦21.73 trillion in 2018. Table 12.6 and Chart 12.3 present the Total Deposit Liabilities of the DMBs as at 31st December, 2018 and 2019.

12.7.1 Deposit Liabilities by Market Share

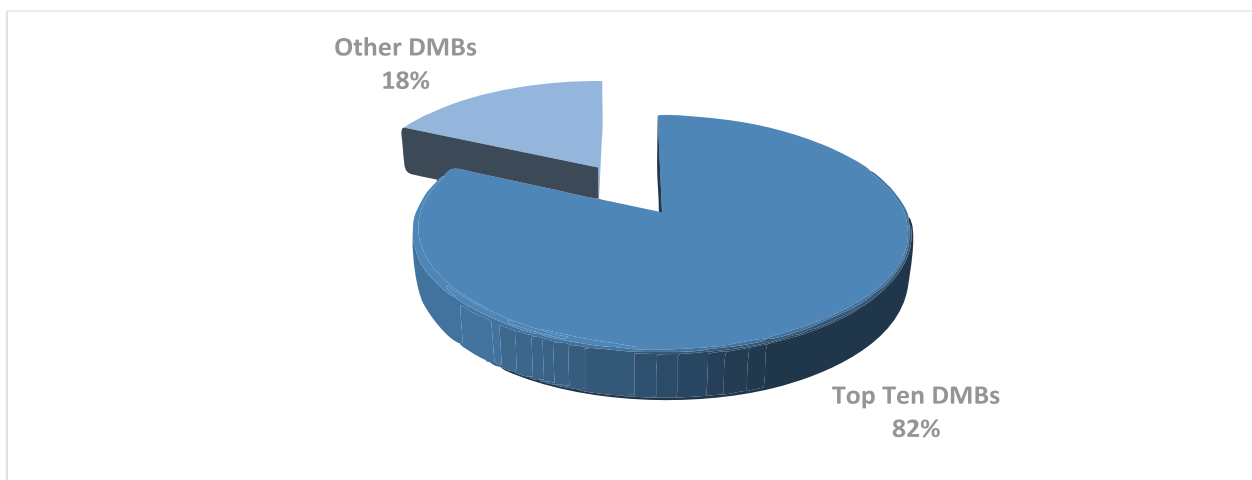
The top 5 DMBs held 60.17% of the Total Deposit Liabilities in the industry as at 31st December, 2019 against 54.44% held in 2018. Similarly, the top 10 DMBs held 82.03% of the Industry Deposits in 2019 up from the 77.45% in 2018. The remaining 17 DMBs (excluding non-interest banks) held only 17.97% of the Banking Industry Total Deposits in 2019, as against 22.54% in 2018.

TABLE 12.6: MARKET SHARE OF DEPOSIT LIABILITIES OF DMBs

DMBs	2018		2019	
	Deposits (₦ Billion)	(%)	Deposits (₦ Billion)	(%)
Top Five DMBs	11,831.44	54.44	14,493.40	60.17
Top Ten DMBs	16,834.67	77.45	19,756.85	82.03
Other DMBs	4,895.49	22.54	4,329.15	17.97

Source: Banks' Returns

Note: Non-Interest Bank deposits excluded

CHART 12.3: MARKET SHARE OF DEPOSIT LIABILITIES HELD BY INSURED DMBs


12.7.2 Deposit Liabilities by Type

A breakdown of the Deposit Liabilities of DMBs by type of deposits for the period under review is presented in Table 12.7. It shows that the Total Deposit Liabilities of DMBs increased to ₦24.09 trillion in 2019 from ₦21.73 trillion in 2018. Savings Deposits held in DMBs accounted for ₦5.60 trillion in 2019 or 23.24% of the Total Deposit Liabilities,

which is an increase, compared to the ₦4.72 trillion recorded in 2018. Furthermore, Demand Deposits increased to ₦13.08 trillion in 2019 as against ₦12.28 trillion in 2018, while Time Deposits increased to ₦5.41 trillion in 2019 from ₦4.73 trillion in 2018.

TABLE 12.7: COMPOSITION OF DEPOSIT LIABILITIES OF DMBs

Types of Deposit Liabilities	2018		2019	
	Amount (₦ B)	% of Total	Amount (₦ B)	% of Total
Savings Deposits	4,718.69	21.71	5,598.08	23.24
Demand Deposits	12,276.94	56.50	13,079.17	54.30
Time/Term Deposits	4,734.65	21.79	5,408.75	22.46
TOTAL	21,730.28	100.00	24,086.00	100.00

Source: Banks' Returns

12.7.3 Deposit Liabilities by Tenor

Deposit Liabilities of DMBs by tenor showed that Short Term Deposits of below 30 days increased to ₦17.59 trillion in 2019 from ₦14.69 trillion in 2018, denoting an increase of 1.45% as shown in Table 12.8 and Chart 12.4. Deposits with maturity profile 'Between 31 and 90 Days' also increased slightly both in absolute terms and as a percentage of Total Deposit Liabilities from ₦2.17 trillion or in 2018 to ₦2.62 trillion or in 2019.

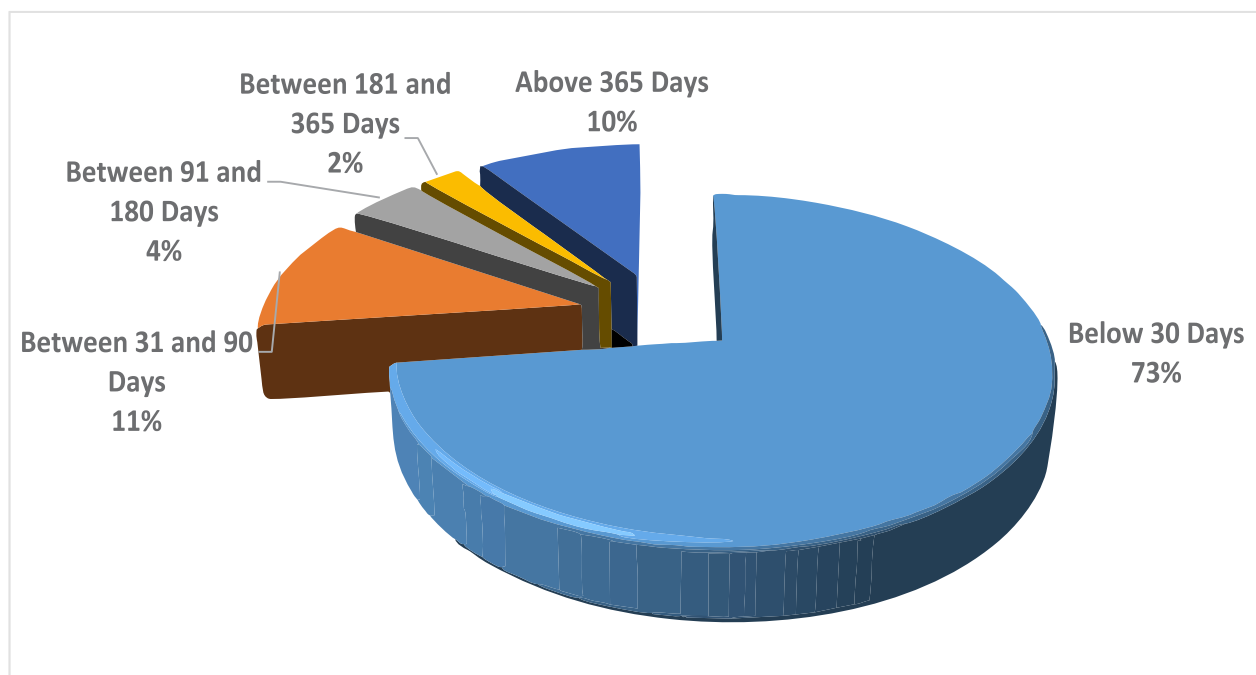
Also, Deposits with tenor of 'Between 91 and 180 Days' increased to ₦1.01trillion in 2019 from ₦0.68 trillion in 2018. Similarly, Deposits with tenor of 'Between 181 and 365 Days' as share of Total Deposits also increased from ₦0.40 trillion in 2018 to ₦0.56 trillion in 2019. However, long-tenored funds, 'Above 365 days'; decreased from ₦2.60 trillion in 2018 to ₦2.33 trillion in 2019. It should be noted that non- interest banks are not included in this analysis.

TABLE 12.8: MATURITY PROFILE OF DMBs' DEPOSIT LIABILITIES

Maturity of Deposits	2018		2019	
	Amount (₦ 'B)	% of Total	Amount (₦ 'B)	% of Total
Below 30 Days	14,692.41	71.51	17,594.29	72.96
Between 31 and 90 Days	2,168.55	10.55	2,623.77	10.88
Between 91 and 180 Days	679.30	3.31	1,006.95	4.18
Between 181 and 365 Days	400.40	1.95	557.14	2.31
Above 365 Days	2,604.71	12.68	2,333.29	9.68
TOTAL	20,545.37	100.00	24,115.44	100.00

Source: Banks' Returns

CHART 12.4: MATURITY PROFILE OF DMBS' DEPOSIT LIABILITIES



12.8 Market Share of Assets of Non-Interest Banks

The Total Assets of the NIBs and banks with Non-interest Window was ₦219.13 billion as at 31st December 2019 out of which NIBs accounted for 80.33% while the banks with Non- Interest Windows accounted for the rest. One of the banks accounted for 76.14% of the Total Assets of the NIB Industry Assets.

12.9 Total Investment and Financing Activities of Non-Interest Banks

As at 31st December, 2019, the total investment activities of the NIBs and DMBs with Non-Interest Windows was ₦37.47 billion, while the Total

Financing Activities was ₦90.21 billion. The top two banks accounted for 88.53% and 86.46% of the Investment and Financing Activities in the industry, respectively.

12.10 Deposit Liabilities of Non-Interest Banks

The Total Deposits of the NIBs and DMBs with Non-Interest Windows stood at ₦151.09 Billion in 2019. Consistent with other ratios in the industry, the top two banks accounted for 97.29% of the Total Deposits among the NIBs and banks with Non-Interest Windows.

SECTION 13

**FRAUDS & FORGERIES AND
FIDELITY BOND INSURANCE
COVER**



FRAUDS & FORGERIES AND FIDELITY BOND INSURANCE COVER

13.0 Introduction

The Deposit Money Banks are statutorily required to render returns on Fraud and Forgeries as well as provide Fidelity Bond insurance to protect against loss caused by their employees in compliance with sections 33, 35 and 36 of the NDIC Act No 16 of 2006.

This section contains reported fraud cases, types, nature and value of funds lost in Frauds and Forgeries cases in the Nigerian Banking Industry in 2019 with comparative figures for previous years as well as information on insured financial institutions compliance with the requirement for Fidelity Bond insurance for the year under review.

13.1 Volume and Value of Frauds and Forgeries in DMBs in 2019.

The number of fraud cases rose in the first 3 quarters of 2019 but declined in the last quarter. Overall, there was an uptick in the total number of fraud cases in 2019 compared to previous years. Specifically, a total of 52,754 fraud cases were reported in 2019, against 37,817 and 26,182 in 2018 and 2017, respectively. However, total actual loss declined from ₦15.15 billion in 2018 to ₦5.46 billion in 2019. Table 13.1 and Chart 13.1 present Frauds and Forgeries in DMBs from 2015-2018.

FRAUDS & FORGERIES AND FIDELITY BOND INSURANCE COVER

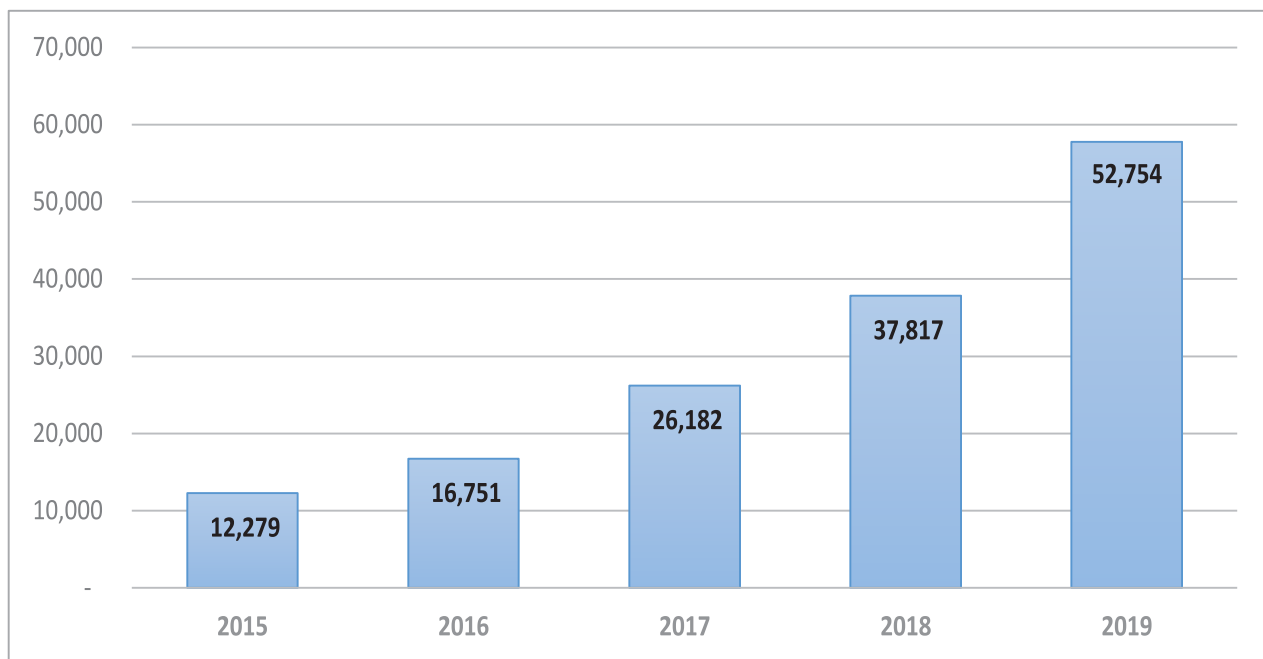
TABLE 13.1: REPORTED FRAUDS AND FORGERIES IN DMBs FROM 2015-2019

	Quarter	Total No. of Fraud Cases	Total Amount Involved (₦'m)	Total Actual Loss (₦'m)	Proportion of Expected Loss to Amount Involved (%)
2019	1st	13,343	4,518	794	17.57
2018		9,359	5,212	2,225	42.69
2017		5,744	2,756	293	10.63
2016		4,413	2,211	538	24.33
2015		3,702	2,444	907	37.11
2019	2nd	14,124	3,857	1,791	46.44
2018		5,985	14,842	10,326	69.57
2017		5,389	2,441	436	17.89
2016		4,611	2,054	787	38.31
2015		2,219	9,584	1,008	10.52

	Quarter	Total No. of Fraud Cases	Total Amount Involved (₦m)	Total Actual Loss (₦m)	Proportion of Expected Loss to Amount Involved (%)
2019	3rd	15,258	191,207	1,595	0.83
2018		8,858	7,401	1,724	23.29
2017		6,903	2,685	527	19.66
2016		3,946	1,210	446	36.85
2015		3,550	2,119	479	22.61
2019	4th	10,029	5,069	1,283	25.32
2018		13,611	11,468	875	7.63
2017		8,146	4,129	1,114	26.98
2016		3,781	3,207	626	19.50
2015		2,808	3,874	776	20.03
2019	Total (Cumulative)	52,754	204,652	5,464	2.67
2018		37,817	38,926	15,151	38.92
2017		26,182	12,012	2,372	19.75
2016		16,751	8,683	2,396	27.6
2015		12,279	18,021	3,173	17.61

Source: Banks' Returns

CHART 13.1: TOTAL NUMBER OF REPORTED FRAUDS AND FORGERIES IN DMBs



13.2 Incidence and Types of Frauds & Forgeries Reported

As was the case in previous years, Table 13.2 shows that frauds and forgeries remain concentrated in a few banks. The top 10 DMBs accounted for ₦4, 881.94 million or 96.31% of the amount involved in reported fraud cases in 2019. The remaining 17 DMBs accounted for ₦187. 29 million or 3.69% of the amount involved in frauds

and forgeries in the year under review. An assessment of the incidences of frauds and forgeries indicated that there was a higher concentration of deposits in the top 10 banks, but the very low success rate of the frauds and forgeries cases showed that these banks had improved their risk management and cyber security frameworks.

TABLE 13.2: TOP 10 DMBs SHARE OF REPORTED FRAUD CASES

GROUP	2016		2017		2018		2019	
	Amount Involved (₦ 'm)	% Share	Amount Involved (₦ 'm)	% Share	Amount Involved (₦ 'm)	% Share	Amount Involved (₦ 'm)	% Share
Top 10 DMBs	7,625.90	87.83	10,527.56	87.63	37,506.28	96.35	4,881.94	96.31
Total For All DMBs	8,682.66	100.00	12,012.65	100	38,926.32	100.00	5,069.23	100

Source: Banks' Returns

The channels and instruments through which the reported frauds and forgeries were perpetrated are presented in Table 13.3. ATM card- related fraud had the highest frequency, accounting for 49.78% of fraud cases followed by Web based internet banking frauds with 21.02%. However, the value of losses was higher in web based internet banking frauds against ATM card-related fraud.

The increasing use of financial technology channels (like mobile transfers, ATM transfers etc.) was attributed to a rise in frauds and forgeries cases via these channels. It is imperative that DMBs continually upgrade their cyber security platforms in conjunction with continuous consumer education and sensitization to prevent loss of funds and build depositor confidence.

TABLE 13.3: CHANNELS AND INSTRUMENTS INVOLVED IN FRAUDS AND FORGERIES WITH ACTUAL LOSSES AND THEIR FREQUENCIES

S/N	NATURE OF FRAUD (CHANNELS / INSTRUMENTS)	2017		2018		2019	
		FREQUENCY	ACTUAL LOSS SUSTAINED (₦ 'B)	FREQUENCY	ACTUAL LOSS SUSTAINED (₦ 'B)	FREQUENCY	ACTUAL LOSS SUSTAINED (₦ 'B)
1	ATM/Card-Related Fraud	16,397	0.798	10,063	2.64	26,263	1.03
2	Web-Based (Internet Banking) Fraud	7,869	0.709	12,343	3.85	11,089	1.37
3	Fraudulent Transfers/ Withdrawal of Deposits	963	0.318	6,980	1.93	6,689	0.93

FRAUDS & FORGERIES AND FIDELITY BOND INSURANCE COVER

S/N	NATURE OF FRAUD (CHANNELS / INSTRUMENTS)	2017		2018		2019	
		FREQUENCY	ACTUAL LOSS SUSTAINED (₦ 'B)	FREQUENCY	ACTUAL LOSS SUSTAINED (₦ 'B)	FREQUENCY	ACTUAL LOSS SUSTAINED (₦ 'B)
4	Suppression of Customer Deposits	279	0.116	3,918	0.960	3,978	0.410
5	Fraudulent Conversion of Cheques	101	0.021	501	1.080	407	0.080
6	Presentation of Stolen Cheques	18	0.011	112	0.324	129	0.094
7	Presentation of Forged Cheques	41	0.049	183	0.642	133	0.142
8	Outright Theft by Staff (cash defalcation)	129	0.089	1,509	0.110	1,904	0.110
9	Unauthorized Credits	106	0.055	1,282	1.140	1,082	0.589
10	Outright Theft by Outsiders/Customers	142	0.069	461	0.835	641	0.141
11	Foreign Currencies Theft	36	0.037	180	0.639	197	0.339
12	Diversions of Bank Charges (Commissions & Fees)	88	0.073	274	0.820	241	0.220
13	Lodgment of stolen warrants	13	0.028	7	0.018	1	0.018
	TOTAL	26,182	2.373	37,817	15.15	52,754	5.46

Source: Banks' Returns

13.3 Staff Involvement in Frauds and Forgeries

During the year under review, a total of 835 bank staff were involved in Frauds and Forgery cases in 2019, a slight decline from 899 in 2018. Table 13.4 shows the different categories of staff involved. From the table, temporary staff continued to constitute the largest perpetrators of Insider-related Frauds and Forgeries, representing 41% of the reported cases. As banks continue to utilize temporary staff as a cost-effective means of conducting their business activity, extra security measures including comprehensive background

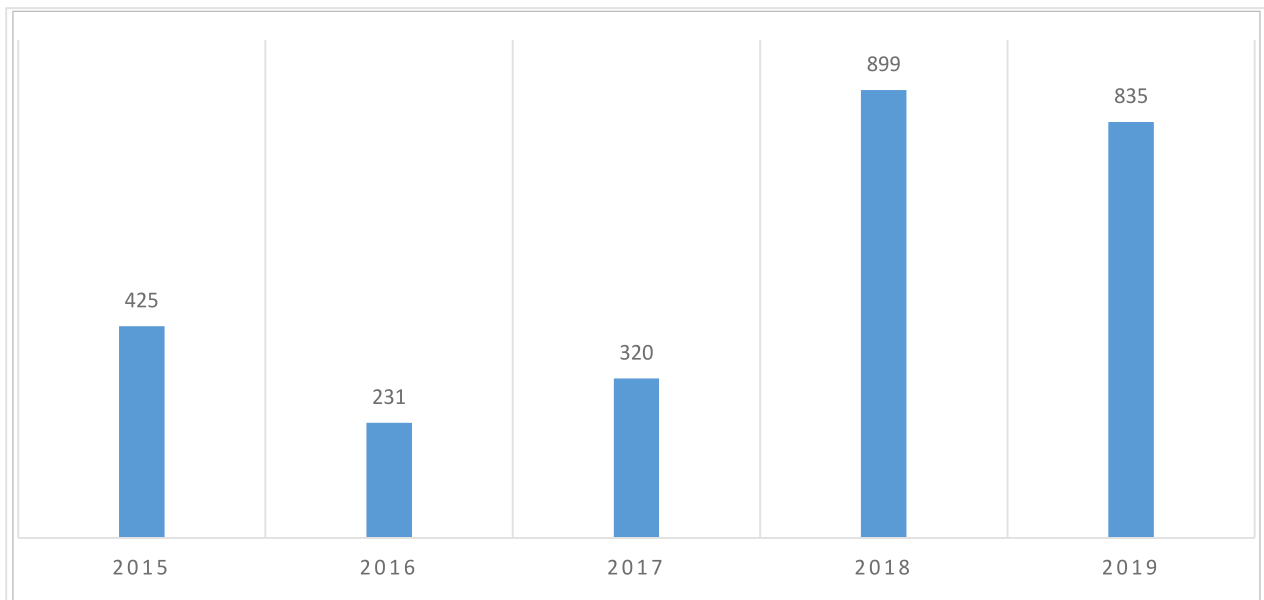
check of staff must be put in place to minimize the incidences of frauds and forgeries committed by them.

The Clerks & Cashiers, Officers & Executive Assistants and Others categories accounted for 17.2%, 12.2% and 19.4% of Frauds and Forgeries cases, respectively, in 2019. Due to the probability of insider related Frauds and Forgeries, DMBs are mandated to purchase Fidelity Bond Insurance Cover.

TABLE 13.4: CATEGORIES OF STAFF INVOLVED IN FRAUDS AND FORGERIES

Status	2015		2016		2017		2018		2019	
	Number	%	Number	%	Number	%	Number	%	Number	%
Supervisors & Managers	62	14.59	31	13.42	68	21.25	119	13.24	61	7.31
Officers & Executive Assistants	119	28	98	42.42	83	25.94	206	22.91	102	12.22
Clerks & Cashiers	69	16.24	18	7.79	7	2.19	65	7.23	144	17.25
Messengers, Drivers, Cleaners, Security Guards	11	2.59	1	0.43	13	4.06	83	9.23	23	2.75
Temporary Staff	164	38.59	59	25.54	132	41.25	394	43.83	343	41.08
Others	-	-	24	10.39	17	5.31	32	3.56	162	19.40
Total	425	100	231	100	320	100	899	100	835	100

Source: Banks' Returns

CHART 13.2: TREND OF TOTAL NUMBER OF STAFF INVOLVED IN FRAUDS AND FORGERIES


13.4 DMBs Fidelity Bond Insurance Cover

Fidelity Bond Insurance Cover is a type of insurance bought by an employer to protect against losses caused by employees such as embezzlement or theft. Consequently, Section 33 of the NDIC Act 2006, mandates all insured institutions to purchase fidelity insurance cover to mitigate the impact of these potential losses committed by members of their staff. The minimum Fidelity Insurance Cover required is 15% of their paid-up capital as at 31st December of the

preceding year. Bank returns has shown that compliance has deteriorated from 51.85% in 2018 to 44.44% in 2019, the worst in the last five years. The five (5) year details of compliance with the fidelity insurance cover is reported in Table 13.5. It is worthy of note that three new banks started operations during the year and are therefore excluded from submitting the returns, while Diamond bank which has filed returns, had later in the year merged with Access bank.

TABLE 13.5: DMBs' LEVEL OF COMPLIANCE WITH FIDELITY BOND INSURANCE FOR THE PERIOD 2015-2019

Year	No. Of DMBs in Operation	No. Of DMBs that Rendered Returns	No. Of DMBs that Fully Complied	% Compliance
2019	27	27	12	44.44
2018	27	26	14	51.85
2017	25	25	18	72
2016	25	25	17	60
2015	24	22	12	50

Source: Banks' Returns

SECTION 14

MAJOR DEVELOPMENTS IN OTHER
INSURED FINANCIAL INSTITUTIONS



MAJOR DEVELOPMENTS IN OTHER INSURED FINANCIAL INSTITUTIONS

14.1 Introduction

This section contains highlights of major developments in the MFBs and PMBs sub-sector in 2019. Both the MFBs and PMBs constitute the two (2) categories of banks referred, under the NDIC's supervisory purview, as other insured deposit-taking financial institutions in Nigeria.

14.2 Operations of MFBs

The geo-political distribution of MFBs across the country is presented in Table 14.1. The numbers of MFBs with operating licenses increased from 861 in 2018 to 907 in 2019. Like previous years, South-West Zone had the highest number of operational MFBs with 330 as against 309 recorded in 2018. The number of MFBs in South-South, South-East and North Central regions rose from 90, 156 and 147 in 2018 to 98, 166 and 154 in 2019, respectively.

Similarly, the number of MFBs in the North-East region rose slightly to 43 in 2019, from 42 in 2018. However, the number of MFBs in the North-West region decreased marginally from 117 in 2018 to 116 in 2019.

The distribution of MFBs in regions as a percentage of total number of MFBs as at 31st December, 2019, indicated that, South-West recorded the highest percentage of total number of MFBs with 36.38%, followed by South-East, North-Central and North-West and South-South, with 18.3%, 16.98%, 12.79% and 10.8%, respectively. Chart 14.2 shows the regional distribution of MFBs as a percentage of total MFBs as at 31st December, 2019.

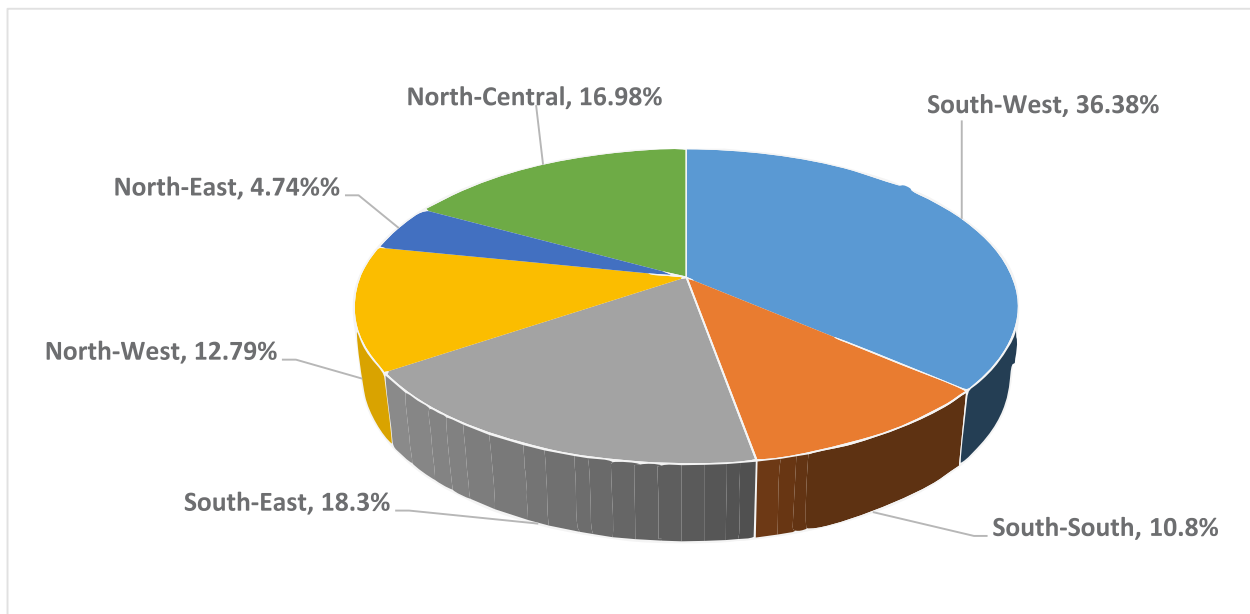
MAJOR DEVELOPMENTS IN OTHER INSURED FINANCIAL INSTITUTIONS

TABLE 14.1: MFBs BY GEO-POLITICAL ZONES

Geo-Political Zone	2017		2018		2019	
	No. of MFBs	%	No. of MFBs	%	No. of MFBs	%
South-West	361	35.81	309	35.89	330	36.38
South-South	112	11.11	90	10.45	98	10.80
South-East	177	17.56	156	18.12	166	18.30
North-West	132	13.1	117	13.59	116	12.79
North-East	42	4.17	42	4.88	43	4.74
North-Central	184	18.25	147	17.07	154	16.98
Total	1008	100	861	100	907	100.00

Source: Banks' Returns

CHART 14.1: REGIONAL DISTRIBUTION OF MFBs AS A PERCENTAGE OF TOTAL AS AT 31ST DECEMBER 2019



14.2.1 Workshops and Training Programmes

As in previous years, the NDIC continued to improve the capacity of operators in the Other Financial Institutions through training and technical sessions. In 2019, the NDIC organised two (2) Sensitisation Workshops for 263 MFBs Operators on “Movable Collaterals” in Lagos, Akwa Ibom and Abuja to boost their MSMEs lending capacity. Training on Differential Premium Assessment System (DPAS) was also organised for all National MFBs and twenty (20) State MFBs across the country.

14.2.2 Challenges Faced by the MFBs

In 2019, the MFBs faced similar challenges as in previous years, which include:

- i) The adoption of inappropriate business models.
- ii) Poor corporate governance practices as well as poor internal control and record keeping.
- iii) Poor asset quality and loan underwriting process.
- iv) Weak capital base.
- v) Lack of succession planning.
- vi) Dearth of experienced and skilled staff.

vii) Low financial literacy levels.

viii) High operating costs.

14.3 Operations of PMBs

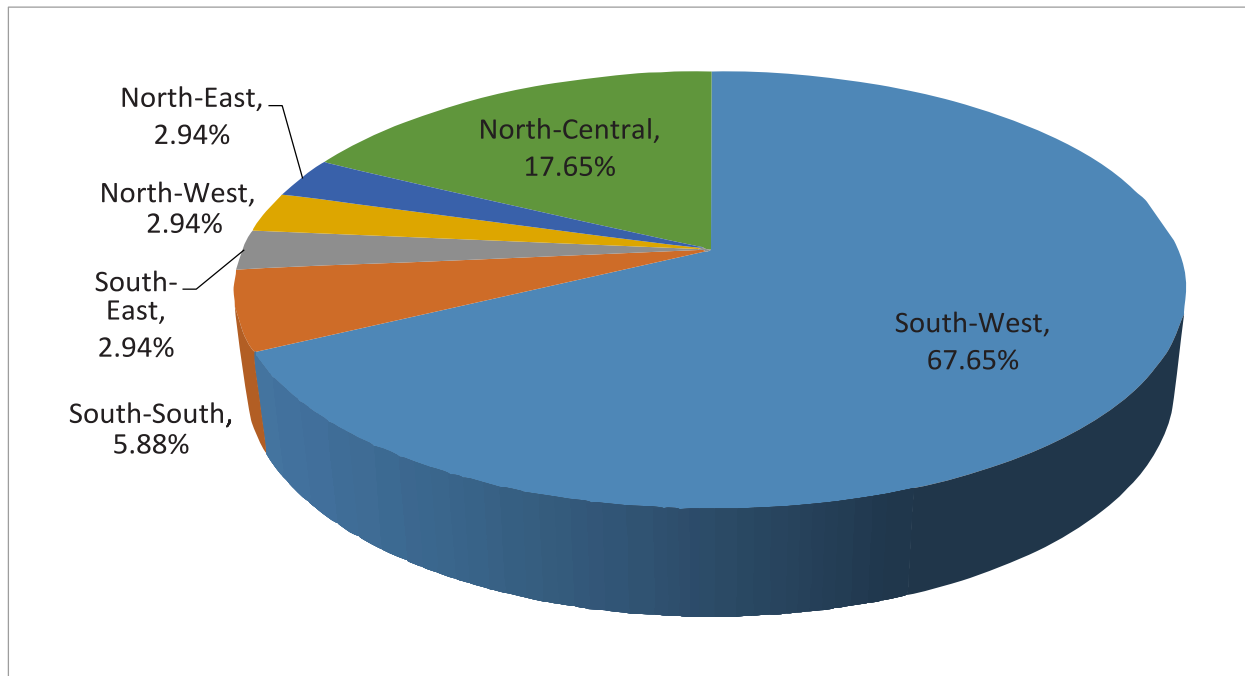
As at 31st December, 2019, the number of PMBs reduced from 38 in 2018 to 34 in 2019 as shown in Table 14.2, which also shows the geopolitical distribution of PMBs across the country. The number of PMBs in the South-West geo-political zone rose from 21 in 2018 to 23 in 2019, while that of North-Central declined from 9 in 2018 to 6 during the same period. North-West and North-East regions also witnessed appreciable decline in number of PMBs in operation, while the number of PMBs in the South-East region remained unchanged during the period under review.

In terms of distribution of PMBs in regions as a percentage of total number of PMBs in operation as at 31st December, 2019, South-West had the highest proportion of PMBs at 67.65%, followed by North Central and South-South, with 17.65% and 5.88%, respectively. Chart 14.2 shows the regional distribution of MFBs as a percentage of total PMBs.

TABLE 14.2: DISTRIBUTION OF THE PMBs BY GEO-POLITICAL ZONES

Geo-Political Zone	2018		No. of PMBs	2019
	No. of PMBs	%		
South-West	21	55.26	23	67.65
South-South	3	7.9	2	5.88
South-East	1	2.63	1	2.94
North-West	2	5.26	1	2.94
North-East	2	5.26	1	2.94
North-Central	9	23.69	6	17.65
Total	38	100	34	100

Source: Banks' Returns

CHART 14.2: REGIONAL DISTRIBUTION OF PMBs AS A PERCENTAGE OF TOTAL AS AT 31ST DECEMBER 2019


14.3.1 Challenges Facing PMBs

The challenges faced by PMBs in 2019 are broadly similar in scope to impediments identified in previous years, despite the NDIC's engagements with the sector at different fora, especially during the Mortgage Bankers Association of Nigeria meetings. These challenges include the following:

- i) Delay in accessing National Housing Fund;
- ii) Weak capital base;
- iii) Difficulty in raising capital due to scarcity of long-term funds;
- iv) Perfection and foreclosure challenges;
- v) Preference for bank placements in DMBs;
- vi) Poor corporate governance and risk management practices; and
- vii) Huge stock of non-current assets held for sale.

SECTION 15

INSURED FINANCIAL INSTITUTIONS'
OFFICES, BRANCHES, BOARD OF
DIRECTORS AND APPROVED
EXTERNAL AUDITORS

INSURED FINANCIAL INSTITUTIONS' OFFICES, BRANCHES, BOARD OF DIRECTORS AND APPROVED EXTERNAL AUDITORS

15.0 Introduction

15.1 DMBs' Offices and Branches Nationwide

There were 29 DMBs in operation that had 5037 bank branches as at 31st December, 2019. Table

15.1 shows the distribution of DMBs' offices in the 36 States of the Federation and the Federal Capital Territory (FCT), Abuja.

TABLE 15.1: DISTRIBUTION OF DMBs' OFFICES AND BRANCHES AS AT 31ST DECEMBER, 2019

S/N	States (including FCT)	Number of Branches	Percentage share of Branches (%)
1	Abia	124	2.46
2	FCT Abuja	380	7.54
3	Adamawa	53	1.05
4	Akwa Ibom	91	1.81
5	Anambra	199	3.95
6	Bauchi	46	0.91
7	Bayelsa	32	0.64
8	Benue	65	1.29
9	Borno	53	1.05
10	Cross Rivers	68	1.35
11	Delta	180	3.57
12	Edo	170	3.38
13	Ebonyi	31	0.62
14	Enugu	124	2.46
15	Ekiti	65	1.29
16	Gombe	35	0.69
17	Imo	92	1.83
18	Jigawa	32	0.64
19	Kaduna	148	2.94
20	Kano	162	3.22
21	Katsina	54	1.07

S/N	States (including FCT)	Number of Branches	Percentage share of Branches (%)
22	Kebbi	37	0.73
23	Kogi	70	1.39
24	Kwara	76	1.51
25	Nasarawa	47	0.93
26	Niger	71	1.41
27	Lagos	1526	30.30
28	Ogun	152	3.02
29	Ondo	96	1.91
30	Osun	89	1.77
31	Oyo	198	3.93
32	Plateau	63	1.25
33	Rivers	279	5.54
34	Sokoto	45	0.89
35	Taraba	26	0.52
36	Yobe	28	0.56
37	Zamfara	31	0.62
	TOTAL	5,037	100

Source: Banks' Returns

15.1.3. DMBs' Head Office Addresses, Number of Branches and Board of Directors

During the year under review, First Bank of Nigeria Plc had the highest number of branches/offices with 759 branches or 15.07% of the total bank branches, followed by United Bank for Africa Plc with 650 branches or 12.90%. Access Bank Plc was third with 586 or 11.63%, followed by Zenith Bank Plc with 385 or 7.64%. The top four (4) DMBs accounted for a total of 2,380 or 47.25% of the total number of branches/offices in the system.

A total of 315 Directors were serving on the Boards of the 29 DMBs, out of which 27 were reported as Independent Directors (see Appendix 5).

15.1.4 External Auditors of DMBs

In 2019, all the DMBs complied with the statutory reporting requirements for External Auditors, as stipulated under Section 54 of the NDIC Act No. 16 of 2006. Seven (7) Chartered Accounting Firms were the approved Auditors for the 29 DMBs in operation. They were PricewaterhouseCoopers (PwC), KPMG Professional Services, Deloitte

&Touche, Ernst & Young, Aminu Ibrahim & Co., Horwath Dafinone and Ahmed Zakari & Co.

As shown in Appendix 5, PricewaterhouseCoopers (PwC) were the Auditors to 12 DMBs, KPMG Professional Services audited 8 DMBs, while Deloitte & Touche were the Auditors to three (3) DMBs. Ahmed Zakari and Ernst & Young audited two (2) DMBs each in 2019. Other External Auditors include Aminu Ibrahim & Co. and Horwath Dafinone, who were auditors to one (1) DMB each.

15.2 Primary Mortgage Banks offices and Branches

There were 34 PMBs in operation as at 31st December, 2019 while 22 of them submitted their returns to NDIC. The distribution of PMBs branches nationwide for the 34 PMBs is presented in Table 15.3.

TABLE 15.2: DISTRIBUTION OF PMBS' BRANCHES AS AT 31ST DECEMBER, 2019

S/N	States (including FCT)	Number of Branches/Offices	Percentage Share (%)
1	Abia	5	3.36
2	FCT/ Abuja	43	28.86
3	Adamawa	0	0.00
4	Akwa-Ibom	6	4.03
5	Anambra	6	4.03
6	Bauchi	0	0.00
7	Bayelsa	0	0.00
8	Benue	1	0.67
9	Borno	0	0.00
10	Cross Rivers	0	0.00
11	Delta	3	2.01
12	Edo	1	0.67
13	Ebonyi	1	0.67
14	Enugu	5	3.33
15	Ekiti	0	0.00
16	Gombe	0	0.00
17	Imo	2	1.34
18	Jigawa	7	4.70
19	Kaduna	1	0.67
20	Kano	1	0.67
21	Katsina	0	0.00
22	Kebbi	4	2.68
23	Kogi	0	0.00
24	Kwara	1	0.67
25	Nassarawa	2	1.34
26	Niger	0	0.00
27	Lagos	40	26.85
28	Ogun	7	4.70
29	Ondo	2	1.34
30	Osun	3	2.01
31	Oyo	3	0.67
32	Plateau	0	0.00
33	Rivers	6	4.03
34	Sokoto	0	0.00
35	Taraba	1	0.67
36	Yobe	0	0.00
37	Zamfara	0	0.00
	Total	149	100

Source Banks' Returns

As shown in Table 15.3, the PMBs had 149 branches nationwide and were mainly concentrated in FCT/Abuja and Lagos with 43 or 28.86% and 40 or 26.85% of the branch network share, respectively. Other States with high number of branches were Jigawa and Ogun having 7 branches or 4.70% each. That was followed by Akwa Ibom, Anambra and Rivers with a total of 6 branches each or 4.03%.

15.2.1 Head Office Addresses, Branches, Board of Directors and Approved Auditors of PMBs

The number of branches, Board of Directors and approved Auditors of the 34 PMBs as at 31st

December, 2019 are presented in Appendix 6. As shown in the appendix, four (4) PMBs, namely: Mayfresh Mortgage, Platinum Mortgage, Aso Savings & Loans and Abbey Building Society had the highest number of branches with 22,15,13 and 10 branches respectively. The four (4) PMBs collectively held 67 or 44.97% of total PMB branches. Also, the table indicates that a total of 231 Directors served on the Boards of the 34 PMBs as at 31st December, 2019.

In all, 33 PMBs had single External Auditors, while Aso Savings had two (2) External Auditors.

SECTION 16

FACTS ABOUT THE DIS IN
NIGERIA



FACTS ABOUT THE DIS IN NIGERIA

16.0 Introduction

Deposit Insurance is a key component of the financial safety-net arrangement. In the course of discharging its mandate, the NDIC undertakes other functions that include consumer protection, improving financial literacy and promoting financial inclusion. It is therefore imperative for the Corporation to educate stakeholders on its activities and new trends/developments in the financial sector especially as new technologies are deployed in the financial services industry which comes with associated risks.

This section presents a set of Frequently Asked Questions (FAQs) and Answers that would give more insights on the concept and practice of DIS in Nigeria as well as new developments in the financial services industry.

Question 1:

What is Deposit Insurance?

Answer:

Deposit Insurance is a system established by government to protect depositors against the loss of their insured deposits placed with member institutions in the event that a member institution is unable to meet its obligations to depositors. It engenders public confidence in, and promotes the stability of, the banking system by assuring savers of the safety of their funds.

Question 2:

Why is Deposit Insurance Necessary?

Answer:

If a financial institution is unable to meet its obligations to depositors due to operational problems or business failure, anxious depositors may cause a run on the bank as well as other healthy institutions. The government has therefore established a deposit insurance mechanism, under which the NDIC is empowered to provide protection for small depositors and contribute to financial and social order.

Question 3:

Who administers Deposit Insurance System in Nigeria?

Answer:

The NDIC is the agency empowered to administer the DIS in Nigeria, thereby protecting depositors of deposit-taking financial institutions. The NDIC provides incentives for sound risk management in the Nigerian banking system as well as contributes to the stability of the financial system.

Question 4:**Is Deposit Insurance the same as Conventional Insurance?****Answer:**

No. Deposit insurance is different from conventional insurance in several respects. Some of the differences include the following:

- a. Deposit insurance is a regulatory tool aimed at ensuring the safety, soundness and stability of a nation's financial system, thereby protecting the macro-economy at large. On the other hand, conventional insurance policy is designed only to protect the micro-interest of the policyholder.
- b. Deposit insurance is usually a tripartite arrangement involving the deposit insurer, the participating institutions and the depositors, whereas conventional insurance is a bilateral agreement between the insurance company and the insured (policy-holder).
- c. Under deposit insurance, the participating institution pays the premium while the direct beneficiary of the protection offered is the depositor who does not pay any premium. In the case of conventional insurance, the beneficiary, who is the insured, pays the premium.
- d. Best practice dictates that participation in deposit insurance should be compulsory; participation in conventional insurance contract is generally voluntary.
- e. Under deposit insurance, best practice prescribes that the amount of coverage should be limited, whereas in the case of conventional insurance, coverage may be full.

Question 5:**Who are the Insured Institutions under the Deposit Insurance System in Nigeria?****Answer:**

Insured institutions are all deposit-taking financial institutions licensed by the Central Bank of Nigeria (CBN) such as: -

- a) Deposit Money Banks (DMBs);*
- b) Microfinance Banks (MFBs);*
- c) Primary Mortgage Banks (PMBs); and*
- d) Non-Interest Banks (NIBs).*

Membership is compulsory as provided under the NDIC Act No 16 of 2006.

Question 6:**What is Pass-Through Deposit Insurance (PTDI)?****Answer:**

The NDIC provides deposit insurance coverage to subscribers of Mobile Money Operators (MMOs) using the Pass-Through-Deposit-Insurance Concept. It is an arrangement where the deposit insurer extends deposit insurance coverage to Pool Accounts or Trust Accounts domiciled in deposit-taking financial institutions and operated by MMOs. Pool Accounts and Trust accounts have many contributors to the funds. The balances of each contributor in that Pool Account are insured.

- Question 7:** **What are the eligibility criteria for Pass-Through-Deposit Insurance Cover?**
- Answer:** The conditions for eligibility as contained in the framework are as follows:
- i. The relationship between the MMOs and their subscribers shall be based on Bare Trust arrangement.
 - ii. MMOs must take Fidelity Bond Insurance.
 - iii. The records of the Trust (pool) account must clearly indicate that the funds belong to individual subscribers and not the agent or custodian.
 - iv. The identities of the subscribers must fulfil all KYC requirements specified by the CBN.
 - v. The interests of the subscribers must be disclosed properly in records maintained by the insured institutions, MMOs and Agents.
- Question 8:** **What is the maximum cover for Subscribers under the Pass-Through-Deposit Insurance Scheme?**
- Answer:** The subscribers of MMOs are insured up to the maximum coverage level of ₦500,000 (Five Hundred Thousand Naira) per subscriber per DMB or the applicable coverage level for depositors in line with the NDIC Act.
- Question 9:** **Where can Complaints about PTDI be lodged?**
- Answer:** All grievances or queries concerning the Pass-Through Deposit Insurance coverage could be channelled through the NDIC HELP DESK Toll Free Line on 0800-6342-4357 (0800-NDIC-HELP) or send email to helpdesk@ndic.gov.ng, info@ndic.gov.ng.
- Question 10:** **Who is an Agent and Custodian under MMO arrangement?**
- Answer:** An agent is an individual or organisation authorised by a MMO to transact business on its behalf in certain locations, while a custodian is an entity with the responsibility for safeguarding, holding and managing subscribers' funds on behalf of MMOs. It is usually a bank licensed by the CBN.
- Question 11:** **What is a Pool (Trust) Account?**
- Answer:** An account opened and operated by a MMO in an insured institution on behalf of its subscribers.
- Question 12:** **What is a Bare Trust?**
- Answer:** This is a situation where each beneficiary of an account holds a separate share and is entitled to protection within the parameters of the scheme.
- Question 13:** **How can the public find out if a Financial Institution is insured by the NDIC?**
- Answer:** To identify insured financial institutions, look out for an NDIC decal (sticker) displayed in the Head Offices and Branches of all insured institutions or call our

HELP DESK LINE – 0800-6342-4357 (0800 – NDIC - HELP); and 234-9-4601030
or visit our website: www.ndic.gov.ng

Question 14: Which Financial Institutions are not covered by the NDIC?

Answer: The financial institutions not covered by the NDIC include:

- a) Development Finance Institutions such as Bank of Industry, Federal Mortgage Bank, Bank of Agriculture and Infrastructure Bank
- b) Discount Houses
- c) Finance Companies
- d) Investment Firms
- e) Unit Trusts/Mutual Funds
- f) Insurance Companies
- g) Pension Fund Administrators (PFAs)
- h) Stockbroking Firms

Any other institution as determined by the Board of the NDIC as stipulated in the NDIC Act.

Question 15: What type of Deposits are Insured by the NDIC?

Answer: Not all deposits in insured institutions are covered by the NDIC. All deposits of a licensed bank or any other insured deposit-taking financial institution shall be insured with the NDIC with the exception of the following:

- i. Inter-bank takings;
- ii. Insider deposits (i.e. deposits of staff, including directors of the insured institutions); and
- iii. Deposits held as collateral for loans.

Question 16: Whose Deposits do the NDIC insure?

Answer: The NDIC insures bank deposits of natural persons as well as legal entities, whether they are from Nigeria or from any other country but resident in Nigeria.

Question 17: How does the NDIC assess premium and who pays for the Insurance Premium?

Answer: Participating institutions are required to pay annual premium to the deposit insurance system administered by the NDIC. The premium is assessed based on participating institutions' total assessable deposit liabilities as at 31st December of the preceding year. The assessable deposit liabilities are total deposits with the exception of some deposits listed in Section 16 of the NDIC Act 2006. The NDIC has adopted Differential Premium Assessment System (DPAS).

Question 18: How does the NDIC protect the Insurance Fund?

Answer: The NDIC protects the Insurance Fund by keeping it with the CBN and investing the Fund in safe but liquid financial instruments such as Treasury Bills, Federal Government Bonds and instruments of similar nature.

Question 19:**Does the NDIC finance its operations from the Insurance Fund?****Answer:**

No. NDIC finances all its overhead and administrative expenses from its investment income. The main source of income for the NDIC is the proceeds from investment of the insurance fund in securities issued by the Federal Government. The insurance fund is used only for paying insured deposits when an insured institution fails as well as for granting financial assistance to deserving participating institutions. The NDIC does not enjoy subvention from the government.

Question 20:**What is Sustainable Banking?****Answer:**

Sustainable banking is a value system, which ensures that a bank's commercial activities do not only benefit its staff and shareholders, but also its customers and the wider economy, while at the same time prevent or at least minimize any undue effects on society and natural environment. Sustainable banking has many labels: corporate social responsibility, corporate responsibility, corporate citizenship, environmental and social governance.

In Nigeria, the Bankers' committee, which the Central Bank of Nigeria (CBN), NDIC and all the banks in the country are members, pledged to embrace the concept of sustainable banking and went ahead to develop a set of principles called Nigeria Sustainable Banking Principles (NSBP), which all members are required to implement.

Question 21:**How does NDIC promote Sustainable Banking?****Answer:**

The NDIC plays two roles in terms of the implementation of sustainable banking. First as a member of Bankers' Committee, it is duty bound to implement the agreements of the committee. Secondly, as a supervisor in the banking industry, the NDIC has the duty of ensuring that operators in the system comply with the pledge to adopt the principles in their institutions. As part of its efforts at achieving the implementation and integration process, the NDIC came up with the following initiatives:

- i. Set-up sustainability desk in the Managing Director's office.
- ii. Set-up a committee on sustainability to facilitate the implementation of NSBP in the NDIC.
- iii. In its effort to integrate environmental and social considerations the NDIC commenced the implementation of energy efficiency initiatives in all its locations nationwide.

- iv. The NDIC has invested hugely in ICT to drive most of its work processes e.g. Human Manager, Dispatch Management System, Document Management System, E-learning etc.
- v. To further integrate Sustainable Banking and ensure compliance with the principles, an Inter Departmental Committee was constituted to drive the implementation of a paperless environment in the NDIC. Paperless environment not only increases productivity, eliminates storage space, reduces cost and expenses (printing costs, photocopier costs) but also leads to improved ability to work remotely, increased security, improved disaster recovery, reduction in environmental impact.
- vi. The NDIC continued to comply with the principles through promotion of Financial Inclusion and Financial Literacy, Collaboration with other stakeholders to promote and expand the Sustainable Banking space, implementation of sustainability principles in its On-site examination processes, training and capacity building for staff on environmental and social risks etc.

Question 22:**What is Financial Technology (FinTech)?****Answer:**

FinTech represents the intersection of financial services and technology. It is technology-enabled innovation in financial services. FinTech can refer to technology companies, start-ups or traditional financial services providers. The use of smartphones for mobile banking and investing services are examples of technologies deployed to make financial services more accessible to the general public.

Question 23:**What is Open Banking?****Answer:**

Open banking refers to an emerging idea in the financial services and Fintech which stipulates that banks should allow third party companies to build applications and services using the bank's data. Its benefits include new revenue streams, improved customer experience and can enable financial inclusion.

Question 24:**What is Cryptocurrency?****Answer:**

It is an unregulated form of monetary value that is used as medium of exchange and for payments. It has no physical form and is not issued by a central bank, therefore it is not insured by deposit insurers like the NDIC. Cryptocurrency is sometimes referred to as virtual or digital currency. The first cryptocurrency is the Bitcoin created in 2009. Others are LiteCoin, Ethereum, etc.

- Question 25:** **Are Bitcoin and other Cryptocurrencies Legal Tender in Nigeria?**
Answer: No. The Central Bank of Nigeria (CBN) does not recognise Bitcoin or any other form of cryptocurrencies as legal tender in the country.
- Question 26:** **What is Blockchain?**
Answer: Blockchain is a form of Distributed Ledger Technology (DLT). This means that, it maintains records of all cryptocurrency transactions on a distributed network of computers, but has no central ledger. It is the technology that has made the first digital currency, the Bitcoin possible.
- Question 27:** **What is Single Customer View?**
Answer: A Single Customer View is an aggregated, consistent and holistic representation of the data known by an organisation about its customer. In terms of deposit insurance, it is the collation of all the information on a depositor (all his bank information in every bank across the country) and considered as a single identity. In Nigeria, the Bank Verification Number (BVN) system has now created a database where all bank customers are captured and their accounts are linked. The initiative will aid the speed of making pay-out of insured sums to depositors after an insured institution is liquidated.
- Question 28:** **How does NDIC protect Bank Depositors against loss?**
Answer: The NDIC protects bank depositors against loss through:
- a) Deposit Guarantee**
This is the most significant and distinct role of the NDIC. As a deposit insurer, the NDIC guarantees payment of deposits up to the maximum insured sum of ₦500,000 to a depositor in DMBs and PMBs and ₦200,000 to a depositor in MFBs in the event of failure of a participating financial institution. Balances in all deposit accounts held in the same right and capacity by a depositor in all branches of the closed insured institution, net of outstanding debts, are aggregated to determine the maximum insured amount.
 - b) Bank Supervision**
The NDIC supervises banks to protect depositors, ensure monetary stability and effective/efficient payment system as well as to promote competition and innovation in the banking system. Banking supervision seeks to reduce the potential risk of failure and ensures that unsafe and unsound banking practices do not go unchecked. It also provides the oversight functions required to preserve the integrity of and promote public confidence in the banking system.
 - c) Failure Resolution**
The NDIC is empowered to provide financial and technical assistance to failing or distressed banks in the interest of depositors. The financial assistance can take the form of loans, guarantee for loan taken by the bank or acceptance of

accommodation bills. On the other hand, the technical assistance may take the following forms: take-over of management and control of the bank; change in management; and/or assisted merger with another viable institution.

Question 29: How does NDIC establish ownership of a Bank Deposit?

Answer: The NDIC relies on deposit account records kept by a failed bank as well as on the proofs presented by depositors.

Question 30: As a Depositor, must I apply for a Deposit Insurance Cover?

Answer: No, a depositor does not need to. Under the deposit insurance system, eligible deposit accounts in insured institutions are automatically insured at no charge to any depositor.

Question 31: When is Insured Deposit payable?

Answer: Insured deposit is payable only when an insured institution has been closed as a result of action taken by the Central Bank of Nigeria or when there is suspension of payment by a bank.

Question 32: What methods of payment does the NDIC use in meeting its obligations to Depositors of a Failed Institution?

Answer: The NDIC could pay depositors of a failed insured institution either by transfer to a financial institution with instructions to effect payments to depositors on its behalf, or directly by means of issuing cheques up to the insured limit which will be collected at the NDIC's designated centres, usually the closed bank's offices or by directly crediting the depositor's account using e-payment platform.

Payments could also be made through Purchase and Assumption, whereby a healthy bank assumes part or all of the deposit liabilities of a failed insured bank and depositors could either withdraw the money at the acquiring bank or continue to maintain their account with the bank.

Question 33: What does a Deposit Transfer involve?

Answer: The NDIC transfers an amount equivalent to the total insured deposits of a failed insured institution to another financial institution under an agreement which will enable depositors of the failed insured institution to collect their entitlements from the financial institution.

Question 34: How are the insured sums collected?

Answer: Insured sums are collected by depositors on filing their claims through the completion of relevant forms provided by the NDIC. In addition, they have to furnish the NDIC with account documents such as unused cheque books, old cheque stubs, passbooks, fixed deposit certificates, etc. Each depositor would also be required to identify him/herself with a valid identification document

such as National Identity Card, Driver's Licence or International Passport. After verification of ownership of the account as well as the account balance, the depositor would be duly paid the insured sum by cheque or deposit transfer through an Agent Bank or Acquiring Bank.

Question 35: **What should a Depositor of a Failed Bank do if he or she loses Passbook or Savings documents?**

Answer: The depositor would be required to present a Police report along with a sworn affidavit duly certified by a Court. The depositor would also be required to identify himself/herself with a valid identification document like National Identity Card, National Voters Card, Driver's Licence or International Passport.

Question 36: **Can a Depositor leave his/her Deposits with the Transferee Institution?**

Answer: Yes. A depositor, if he/she wishes, can open an account with the transferee institution for the full amount or part of his/her deposits.

Question 37: **Does the NDIC protect the interests of Creditors or Shareholders of a Bank?**

Answer: The primary mandate of the NDIC is to protect depositors. However, through supervision to ensure safety and soundness of banking institutions, the interest of creditors and shareholders are also protected. In the event of bank failure, creditors and shareholders could be paid liquidation dividends after depositors had been fully reimbursed.

Question 38: **What is Liquidation Dividend?**

Answer: This is a payment made to a depositor of a failed insured institution in excess of the insured sum. While the insured sums are paid from the DIF, SIIF or NIDIF as the case may be liquidation dividends are paid from funds realized from the sale of the assets and recoveries of debts owed to the failed insured institution.

Question 39: **What is the Current Insured Limit and why is it limited to a Fixed Sum?**

Answer: The insured limit is currently a maximum of ₦500,000 for each depositor in respect of deposits held in each insured Deposit Money Bank (including Non-Interest Banks) and Primary Mortgage Bank and ₦200,000 for depositor in MFB in the same right and capacity. The amount to be reimbursed has to be defined. Limited coverage is to minimize moral hazard through excessive risk-taking by bank management and depositors. Unlimited coverage could constitute a perverse incentive for excessive risk-taking.

Question 40: **If a Depositor has an account in the main office of a bank and also at a branch office, are these accounts separately insured?**

Answer: No. The main office and all branches are considered to be one institution. Therefore, the accounts would be added together and covered up to the maximum insured sum.

Question 41: **If a Depositor has Deposit Accounts in different Insured Banks, will the Deposits be added together for the purpose of determining Insurance Coverage?**

Answer: No. The maximum insurance limit is applicable to deposits in each of the participating banks. In the case of a bank having one or more branches, the main office and all branch offices are considered as one bank. In summary, if a person has many accounts in one bank, all the deposits are taken together as one account even if the deposits are in various branches of the same bank. On the contrary, if a depositor has accounts in more than one bank, they are insured independently up to the maximum insured sum per bank.

Question 42: **Is the insurance protection increased by placing funds in two or more types of Deposit Accounts in the same participating institution?**

Answer: No. Deposit insurance is not increased merely by dividing funds held in the same right and capacity among the different types of deposits available. For example, demand, time and savings accounts held by the same depositor in the same right and capacity are added together and insured up to the maximum insured sum.

Question 43: **Would funds released by the Federal Mortgage Bank for NHF loans and other poverty alleviation funds, donor funds, deposit for shares with PMBs/MFBs be included as deposits when computing the deposit insurance premium?**

Answer: No. Special funds such as Donor funds or other funds that are for onward disbursement to beneficiaries are excluded from assessable deposits. The onus is on the insured institutions to ensure proper classification of such funds in their books.

Question 44: **If a husband and wife or any two or more Persons, have, in addition to their individual accounts, a joint account in the same insured bank, is each account separately insured?**

Answer: Yes. If each of the co-owners has personally signed a valid mandate card and has a right of withdrawal on the same basis as the other co-owners, the joint account and each of the individually-owned accounts are separately insured up to the insured maximum sum.

- Question 45:** If a person has an Interest in more than one joint account, what is the extent of his or her insurance coverage?
- Answer:** As long as the combination of the joint accounts is not the same, the account will be insured separately up to the maximum insured limit. Where the joint accounts are owned by the same combination of individuals then the accounts will be added and the total insured up to the maximum insured sum.
- Question 46:** What is the status of depositors in a case where an insured Microfinance Bank or Primary Mortgage Bank is acquired by another Insured MFB or PMB?
- Answer:** The depositors of the acquired insured MFB or PMB will continue to be insured up to the maximum of ₦200,000 for MFBs and ₦500,000 for PMBs in the aggregate with respect to deposits he or she holds in the same right and capacity.
- Question 47:** Can Insured-Status of a Licensed MFB or PMB be terminated?
- Answer:** Yes. But notice is always given to depositors before termination of insurance. Depositors should take precaution to verify that the MFB or PMB they are dealing with is insured and pay deposit insurance premium annually.
- Question 48:** Are accounts held by a person as executor, administrator, guardian, custodian, or in some other similar fiduciary capacity insured separately from his or her individual account?
- Answer:** Yes. If the records of the bank indicate that the person is depositing the funds in a fiduciary capacity such funds are insured separately from the fiduciary's individually-owned account. Funds in an account held by an Executor or Administrator are insured as funds of the deceased's estate. Funds in accounts held by guardians, conservators or custodians (whether court-appointed or not) are insured as funds owned by the ward and are added to any individual accounts of the ward in determining the maximum coverage. Account in which the funds are intended to pass on the death of the owner to a named beneficiary, are considered testamentary accounts and are insured as a form of individual account. If the beneficiary is a spouse, child or grand-child of the owner, the funds are insured for each owner up to a total of the maximum insured sum separately from any other individual accounts of the owner. In the case of a Revocable Trust Account, the person who holds the power of revocation is considered the owner of the funds in the account.
- Question 49:** When an account is held by a person designated as agent for the true owner of the funds, how is the account insured?
- Answer:** The account is insured as an account of the principal or true owner. The funds in the account are added to any other accounts owned by the owner and the total is insured up to the maximum sum.

Question 50: **Is an Account Held by either a Company or Partnership, Insured Separately from the Individual Accounts of Shareholders or Partners?**

Answer: Yes. If the Company or Partnership is engaged in an independent activity, its account is separately insured up to the maximum insured sum. The term Independent activity means any activity other than one directed solely at increasing insurance coverage.

Question 51: **If a Depositor has more than the Maximum Insured Amount as Deposit in a Closed Bank, Is he entitled to any further Claim for the amount of his Deposits in excess of the Maximum Insured Amount paid by the NDIC?**

Answer: Yes. In a situation where the amount of depositors' fund in a closed bank exceeds the maximum insured amount, the owners of such accounts will share, on a pro-rata basis, in any proceeds from the liquidation of the bank's assets with other general creditors, including the NDIC.

Question 52: **Does the borrower's obligations to the Institution continue after the Institution is closed?**

Answer: Yes. When acting as Liquidator of a closed institution, the NDIC is acting on behalf of all creditors of that institution and its obligation is to collect all loans promptly and efficiently along with other assets of the institution.

Question 53: **What does Purchase and Assumption (P&A) Mean?**

Answer: Purchase and Assumption (P&A) is a failure resolution mechanism which involves purchasing the assets of a failed bank and assuming its liabilities by another healthy insured bank(s).

Question 54: **What does Open Bank Assistance (OBA) Mean?**

Answer: Open Bank Assistance (OBA) is a situation where a failing insured institution is assisted to continue to operate in the same name on a going concern basis. It may involve change in ownership and management of the bank; injection of fresh funds in the form of equity and/or loan capital; and re-organisation and overhauling of the bank including rationalization of staff and branches.

Question 55: **Can someone retrieve the insured funds of a deceased relative from a failed Bank in-Liquidation?**

Answer: Yes. To process such claims, a Letter of Administration and a Probate from a Court of Law would be required to be presented to NDIC in addition to all other documents which are to serve as proof of ownership of such account.

Question 56: **What is a Bridge Bank?**

Answer: A bridge bank is a temporary bank established and operated usually by a deposit insurer to acquire the assets and assume the liabilities of a failed bank

until a final resolution is accomplished. The bridge bank would permit continuity of banking services to all customers and fully protect all the depositors and creditors of the failed bank pending final resolution. A bridge bank is usually set up for a specified period of time within which the Deposit Insurer would find an interested investor.

Question 57: **How do clients of defunct Banks (Such as AllStates Trust Bank) claim their Deposits from the Acquiring Banks (Such as Ecobank Plc)?**

Answer: The client of the defunct bank should contact the acquiring bank. In case of unresolved claims, contact NDIC through any of the channels provided in the answer to Question 65.

Question 58: **How are Depositors of failed Insured Institutions informed about the commencement of payment of Insured Deposits by the NDIC?**

Answer: Announcements would be made through the media (television, radio, newspapers) and NDIC posters at the Head Office's and branches of the closed banks as to when the payment of deposits would commence.

Question 59: **How can a depositor, whose name was omitted from the Deposit Register of a Failed Institution, make a claim?**

Answer: The depositor should contact NDIC through any of the channels provided in the answer to Question 65.

Question 60: **What is a Payment Service Bank?**

Answer: Payment Service Banks are deposit-taking financial institutions licensed by the CBN to carry out payments and remittance services through various channels including banking agents and mobile and electronic channels. They are to operate in rural and unbanked locations and are not permitted to grant any forms of loans/advances or trade in the foreign exchange market.

Question 61: **What is NDIC doing in relation to consumer protection?**

Answer: The NDIC undertakes supervision of insured institutions with the objective of protecting consumers. It established consumer protection desks in order to promptly respond to series of complaints it receives against banks and other financial institutions on a daily basis. This is achieved sometimes through the conduct of investigations by the NDIC Examiners.

Question 62: **What is NDIC doing in Promoting Financial Literacy?**

Answer: The NDIC publishes and distributes books on deposit insurance and banking to enlighten the public. Recently, a book on basic knowledge on banking and deposit insurance was distributed to all secondary schools nation-wide with the aim of catching them young. The NDIC also undertook a study on financial literacy, the report of which was published in book form in order to facilitate

readership within the banking public and to assist stakeholders address the challenges of financial literacy.

Question 63: **How can the public contact NDIC about questions and suggestions regarding Deposit Insurance?**

Answer: NDIC has set up the following contact channels to provide customer service to the public:

- a) To obtain quick answers to your questions, call our Help Desk Line: 0800-6342-4357; and 09 – 460 - 1030.

- b) You can also send comments to NDIC by mail to: The Managing Director/Chief Executive Officer, Nigeria Deposit Insurance Corporation, Plot 447/448 Constitution Avenue, Central Business District, Airport Road, P.M.B. 284, Garki, Abuja.
E-mail – ibrahimu@ndic.gov.ng

- c) Information on NDIC and the deposit insurance system can be accessed from our website at: **www.ndic.gov.ng**. You can also submit comments or questions through the web site. In addition, you can reach us through our toll-free line: 080063424357 (0800NDICHELP).

You can also lodge complaints at the NDIC Lagos and Zonal offices nationwide.

APPENDIXES

APPENDIX 1 - 6



APPENDIX 1: DEPOSIT PAYOUT FOR CLOSED DMBs AS AT 31ST DECEMBER, 2019

S/N	Bank Name	Total Deposits At Closure (₦)	Total Number of Depositors At Closure	Total Insured Deposits At Closure (₦)	Total Excess Deposits (₦)	Total Insured Paid (₦)	No. of Insured Depositors Paid	Outstanding Insured (₦)
1	Abacus Merchant Bank	272,563,085.55	401	12,778,621.12	259,784,464.43	7,352,700.35	153	5,425,920.77
2	ABC Merchant Bank	224,181,711.19	752	14,135,967.84	210,045,743.35	8,638,274.43	224	5,497,693.41
3	Allied Bank of Nigeria	2,777,807,120.81	365,883	1,205,361,272.98	1,572,445,847.83	852,878,872.11	66,014	352,482,400.87
4	Alpha Merchant Bank	1,218,390,022.97	776	18,518,730.88	1,199,871,292.09	18,468,730.88	775	50,000.00
5	Amicable Bank of Nigeria	41,035,298.83	24,038	26,225,242.42	14,810,056.41	7,960,744.94	982	18,264,497.48
6	Century Merchant Bank	573,287,230.39	357	11,023,134.41	562,264,095.98	5,360,765.08	122	5,662,369.33
7	Commerce Bank Plc	1,156,785,605.57	37,462	199,462,352.53	957,323,253.04	110,280,755.48	5,450	89,181,597.05
8	Commercial Trust Bank	215,769,562.45	13,891	29,122,279.26	186,647,283.19	6,612,008.41	515	22,510,270.85
9	Continental Merchant Bank	1,390,269,507.54	1,060	31,450,301.84	1,358,819,205.70	19,714,332.97	424	11,735,968.87
10	Cooperative & Commerce Bank	1,915,586,954.26	364,239	1,366,665,529.05	548,921,425.21	886,430,911.75	71,508	480,234,617.30
11	Credite Bank Nigeria	155,222,766.79	5,997	24,665,697.10	130,557,069.69	10,392,363.04	475	14,273,334.06
12	Crown Merchant Bank	111,603,217.73	437	9,426,028.21	102,177,189.52	3,076,399.26	75	6,349,628.95
13	Financial Merchant Bank	154,913,133.91	233	4,873,613.66	150,039,520.25	3,722,792.57	111	1,150,821.09
14	Great Merchant Bank	132,574,216.89	174	5,194,215.05	127,380,001.84	2,282,499.70	55	2,911,715.35
15	Group Merchant Bank	296,274,534.26	212	4,196,997.53	292,077,536.73	1,335,331.47	32	2,861,666.06
16	Highland Bank of Nigeria	91,274,672.15	28,186	39,490,401.08	51,784,271.07	18,764,763.02	3,394	20,725,638.06
17	ICON Merchant Bank	1,421,194,045.31	1,033	33,843,762.30	1,387,350,283.01	31,951,609.55	489	1,892,152.75

APPENDIX 1: DEPOSIT PAYOUT FOR CLOSED DMBs AS AT 31ST DECEMBER, 2019

S/N	Bank Name	Total Deposits At Closure (₦)	Total Number of Depositors At Closure	Total Insured Deposits At Closure (₦)	Total Excess Deposits (₦)	Total Insured Paid (₦)	No. of Insured Depositors Paid	Outstanding Insured (₦)
18	Ivory Merchant Bank	46,083,993.81	188	3,191,147.28	42,892,846.53	100,000.00	7	3,091,147.28
19	Kapital Merchant Bank	314,600,554.24	240	5,874,453.51	308,726,100.73	4,332,367.33	111	1,542,086.18
20	Lobi Bank of Nigeria	233,611,823.96	112,819	146,604,258.85	87,007,565.11	91,093,615.05	10,683	55,510,643.80
21	Mercantile Bank of Nigeria	807,287,793.64	276,272	581,772,861.19	225,514,932.45	372,715,210.69	39,295	209,057,650.50
22	Merchant Bank of Africa	712,397,988.29	729	20,909,216.25	691,488,772.04	12,877,791.60	284	8,031,424.65
23	Nigeria Merchant Bank	153,895,719.94	107	4,847,130.12	149,048,589.82	3,625,972.37	77	1,221,157.75
24	North South Bank Ltd.	354,747,138.47	68,246	155,074,440.84	199,672,697.63	80,802,551.01	7,593	74,271,889.83
25	Pan African Bank Ltd.	648,630,106.36	132,540	360,745,495.86	287,884,610.50	234,039,315.83	22,452	126,706,180.03
26	Peak Merchant Bank	3,424,404,152.16	1,044	20,467,998.54	3,403,936,153.62	2,490,068.09	74	17,977,930.45
27	Pinacle Commercial Bank	508,727,770.83	18,332	63,376,997.10	445,350,773.73	27,082,712.44	1,569	36,294,284.66
28	Premier Commercial Bank	31,050,831.71	30,439	24,407,130.83	6,643,700.88	962,811.99	48	23,444,318.84
29	Prime Merchant Bank	204,724,737.94	248	4,760,302.08	199,964,435.86	2,767,150.42	63	1,993,151.66
30	Progress Bank of Nigeria	1,096,281,151.70	255,211	738,086,248.63	358,194,903.07	440,587,674.47	35,296	297,498,574.16
31	Republic Bank Ltd	79,182,234.16	7,416	19,922,727.91	59,259,506.25	13,068,367.52	1,278	6,854,360.39
32	Rims Merchant Bank	263,373,528.19	299	6,956,832.42	256,416,695.77	1,279,069.82	54	5,677,762.60
33	Royal Merchant Bank	677,855,736.00	531	11,042,104.55	666,813,631.45	5,115,621.95	139	5,926,482.60
34	United Commercial Bank	275,907,082.61	5,162	34,098,734.12	241,808,348.49	26,224,336.18	1,697	7,874,397.94

APPENDIX 1: DEPOSIT PAYOUT FOR CLOSED DMBS AS AT 31ST DECEMBER, 2019

S/N	Bank Name	Total Deposits At Closure (₦)	Total Number of Depositors At Closure	Total Insured Deposits At Closure (₦)	Total Excess Deposits (₦)	Total Insured Paid (₦)	No. of Insured Depositors Paid	Outstanding Insured (₦)
35	Victory Merchant Bank	114,856,351.58	227	4,454,777.77	110,401,573.81	1,865,681.20	48	2,589,096.57
36	African Express Bank	6,283,713,772.37	16,106	123,327,054.75	6,160,386,717.62	37,445,207.04	1,034	85,881,847.71
37	Allstates Trust Bank	32,936,081,583.01	427,847	3,069,106,101.55	29,865,457,942.59	1,821,695,374.28	80,667	1,247,410,727.27
38	Assurance Bank	7,859,033,181.35	105,330	708,329,249.72	7,150,703,931.63	305,986,683.52	17,734	402,342,566.20
39	City Express Bank	16,420,262,437.43	38,147	306,538,583.64	16,113,723,853.79	146,406,233.29	4,362	160,132,350.35
40	Eagle Bank	1,033,777,480.46	3,280	16,973,794.93	1,016,803,685.53	16,973,794.93	3,280	-
41	Gulf Bank	13,685,372,285.18	36,800	334,288,557.94	13,351,083,727.24	154,936,348.94	4,032	179,352,209.00
42	Hallmark Bank	65,615,609,337.30	121,552	940,276,603.77	64,675,332,733.53	455,712,845.86	17,542	484,563,757.91
43	Lead Bank	10,149,641,894.23	3,925	62,982,640.70	10,086,659,253.53	49,418,061.47	3,514	13,564,579.23
44	Liberty Bank	2,153,333,156.91	19,800	142,875,503.89	2,010,457,653.02	48,662,992.60	1,354	94,212,511.29
45	Metropolitan Bank	5,087,572,976.21	34,434	161,389,281.17	4,926,183,695.04	27,519,081.18	1,654	133,870,199.99
46	Trade Bank	10,504,293,662.05	155,178	742,179,273.89	9,762,114,388.16	430,804,810.82	21,140	311,374,463.07
47	Fortune Bank	9,244,297,624.41	33,557	302,885,618.55	8,941,412,005.86	31,022,987.61	780	271,862,630.94
48	Triumph Bank	3,239,054,791.90	3,799	45,361,908.17	3,193,692,883.73	1,879,700.86	40	43,482,207.31
49	African International Bank	9,044,160,451.58	15,024	1,419,047,353.47	7,625,113,098.11	1,419,047,353.47	15,024	-
TOTAL		215,352,556,016.58	2,769,960	13,618,588,531.25	201,732,449,946.46	8,263,765,648.84	443,72	5,354,822,882.41

Source: Claims Resolution Department, NDIC

APPENDIX 2: PAYMENT OF INSURED DEPOSITS OF THE CLOSED MFBs AS AT 31ST DECEMBER, 2019

S/N	NAME OF MFB	Total No Of Depositors At Closure	Total Deposit At Closure (₦)	Total Insured Sum At Closure (₦)	Total No. Of Depositors Verified	Total Insured Sum Paid (₦)
1	ACME	21	392,000.00	392,000.00	20	333,400.00
2	ADIF	4,195	76,954,059.49	60,762,475.13	745	35,037,306.47
3	AFAM	1,581	5,530,445.91	5,057,816.26	75	2,228,725.06
4	AGBELO	681	1,173,379.99	1,173,379.99	56	683,516.40
5	AJASSE-IPO	6,714	124,163,503.36	48,337,002.73	712	25,198,915.07
6	AKPOR COE	4,470	43,570,156.22	26,906,401.18	240	12,727,990.87
7	ALLIANCE	4,756	33,093,386.58	27,000,318.76	700	10,079,224.74
8	ALLOVER	2,906	106,620,590.63	18,528,741.86	10	410,208.76
9	ALLSTAR	587	25,151,377.15	13,017,023.71	74	5,523,845.45
10	AMAZING GRACE	6,503	41,848,067.22	23,986,705.97	402	10,967,220.27
11	APEX GOLDEN	1,850	38,221,206.75	17,427,862.62	172	7,756,232.14
12	ASABARI	3,468	35,585,936.89	24,228,787.51	522	17,699,820.64
13	ASAGA - UKWU	3,709	96,988,545.81	48,513,457.97	543	13,941,834.74
14	ASCENT	1,790	13,033,167.09	10,932,666.43	484	7,771,506.76
15	ATTA NWAMBIRI	1,746	27,636,461.09	23,514,827.11	638	21,178,463.47
16	BEULAH	1,602	36,807,892.72	5,081,921.77	110	3,236,261.40
17	BIRAIDU	1,790	3,718,888.38	3,423,754.35	220	2,101,506.49
18	BIRNIN KUDU	1,261	15,359,096.76	6,291,228.37	208	5,875,394.10
19	BONNY	2,174	27,582,625.54	23,056,016.54	548	17,578,341.50
20	BRISTOL	387	5,354,654.53	3,682,654.53	6	469,396.88
21	BROADBASED	2,896	27,058,006.76	21,276,954.38	296	13,290,239.39
22	CAPITAL	1,930	34,890,305.28	15,240,153.47	123	7,097,256.91
23	CASHJET	3,782	53,677,932.01	23,688,311.94	542	17,142,940.35
24	CENTURY	2,777	45,342,759.02	18,489,609.88	232	9,968,581.64
25	CHAT	2,225	13,756,878.10	11,126,331.74	555	5,744,730.84
26	CIRCULAR	5,732	104,357,105.95	36,440,920.20	212	12,325,433.98
27	CLASSIC	17,261	93,635,446.38	65,966,973.73	1,423	38,609,087.71
28	COMMON BENEFIT	655	7,465,174.10	7,096,590.10	271	4,818,837.00
29	CUBIC	-	-	-	-	-
30	CUTTING EDGE	4,639	31,749,293.14	19,422,452.33	201	7,567,741.21
31	DANMUSA	575	989,024.96	770,491.69	62	427,169.43
32	DIVINE	1,309	20,755,047.59	12,474,360.73	63	4,212,294.44
33	DOGON DAJI	950	7,348,256.35	5,216,125.96	96	3,107,471.66
34	DYNAMIC	3,407	34,847,423.58	21,678,034.34	75	2,129,220.97
35	EBEM OHA	2,157	18,801,695.14	15,132,835.96	504	12,392,133.10
36	EBENATOR	2,319	74,215,206.48	52,209,988.15	778	44,451,918.78
37	EKWEMA	1,348	20,151,611.44	11,870,897.41	51	3,172,262.75
38	EMBRACE	-	-	-	-	-
39	EMEVOR	956	5,496,608.74	5,098,811.74	163	3,542,919.10
40	ETITI	1,800	58,095,301.15	31,103,366.36	498	16,871,797.82
41	EVO	1,409	21,207,956.90	13,756,628.77	242	7,505,421.81
42	EZIMUZO	1,997	21,961,194.81	17,239,884.81	634	7,214,731.61
43	FESTAC 77	521	15,666,921.73	7,393,903.38	98	4,272,830.00
44	FREEDOM	2,893	29,336,046.21	12,259,469.35	220	6,472,707.97
45	FUND EXPRESS	807	21,464,760.98	14,630,869.67	62	2,932,554.99
46	GALAXY	-	-	-	-	-
47	GAMJI	1,688	51,209,524.39	16,209,710.73	79	7,007,902.85
48	GITICOM	8,061	88,793,095.46	67,541,414.85	615	20,234,829.73
49	HARBOUR	887	5,429,378.35	4,528,824.36	176	2,540,322.88
50	HAZONWAO	9,218	41,729,543.46	22,482,906.13	303	4,585,918.71
51	HILLTOP	5,374	56,201,034.47	46,538,304.20	624	14,680,162.75

APPENDIX 2: PAYMENT OF INSURED DEPOSITS OF THE CLOSED MFBs AS AT 31ST DECEMBER, 2019

S/N	NAME OF MFB	Total No Of Depositors At Closure	Total Deposit At Closure (₦)	Total Insured Sum At Closure (₦)	Total No. Of Depositors Verified	Total Insured Sum Paid (₦)
52	HOMELAND		-	-	-	-
53	I.C.MFB	8,975	52,637,923.65	21,384,201.73	215	5,605,017.31
54	IDEAL TRUST	884	4,856,238.24	4,145,088.24	89	2,613,763.34
55	IFONYIN	4,872	43,630,736.45	21,421,483.67	369	13,591,327.35
56	IHITE	3,252	84,307,716.28	49,726,983.38	1,106	46,997,698.08
57	IKWUANO	759	5,251,806.20	4,929,191.20	135	3,841,404.69
58	IMPACT	10,222	246,465,671.22	147,045,035.57	1,837	52,752,499.71
59	IMPERIAL	4,284	61,811,529.36	28,364,941.19	206	6,706,316.77
60	INTEGRATED	473,944	6,198,068,940.32	3,383,128,099.04	42,551	1,424,192,067.90
61	INVESTMENT	2,234	19,026,571.73	15,407,019.34	304	9,596,621.57
62	IPE	3,784	36,984,350.93	28,347,688.46	677	23,297,591.48
63	ITELE	504	11,858,238.89	9,339,085.98	177	7,548,206.30
64	JEGA	250	3,438,804.73	2,478,318.67	54	1,981,268.87
65	KBS	1,105	5,744,154.57	4,871,635.38	80	2,452,463.54
66	KERANA	1,810	8,830,118.57	6,399,417.19	138	1,774,521.91
67	KFC	1,567	26,676,987.33	10,231,891.10	78	3,661,187.70
68	LALUPON	7,455	69,090,311.92	36,266,469.46	549	18,522,624.32
69	MARMARA	3,123	12,065,250.05	6,990,809.73	196	4,716,720.41
70	MCB	903	33,054,818.69	11,090,221.61	11	551,728.69
71	MIC	23,190	56,092,796.23	43,482,145.40	22	988,994.85
72	MILESTONE	7,397	127,247,996.08	47,371,341.75	237	15,919,572.78
73	MOORGATE	9,997	135,745,114.15	67,771,548.26	272	13,301,327.28
74	MUNICIPAL	4,991	17,410,423.83	13,655,258.53	113	4,712,841.92
75	MUSTASONS		-	-	-	-
76	NEW GATE		-	-	-	-
77	NEXUS	4,387	26,366,099.57	9,351,675.60	188	4,521,251.49
78	NGAS	3,013	30,320,463.52	26,830,863.43	797	18,894,549.45
79	OBIOMA	2,221	149,677,074.51	56,322,509.09	907	51,594,220.48
80	OLOMI	17,452	156,270,606.50	127,553,341.36	2,398	95,742,794.97
81	OLOMOYOYO	7,385	33,557,047.51	32,787,059.29	466	11,069,523.51
82	OMNI	2,089	104,354,762.08	22,708,084.29	110	9,684,165.69
83	OPENGATE	2,709	12,624,472.51	10,031,685.18	338	6,074,591.00
84	OWENA	2,911	22,932,736.42	13,570,694.88	282	9,089,536.23
85	OWHOWHA	957	4,232,283.46	3,251,058.46	528	1,336,570.25
86	PET	4,046	64,797,309.94	42,490,232.17	451	22,741,208.20
87	PRIMATE		-	-	-	-
88	PRIME	2,754	72,257,286.12	27,341,031.88	140	8,411,336.51
89	SAMINAKA	3,637	7,528,113.05	6,340,548.55	237	2,188,726.45
90	SHIMAZ	922	9,910,169.70	7,152,659.75	312	4,575,327.43
91	SOUTH WEST		-	-	-	-
92	STANDEX	3,487	101,640,335.22	38,586,341.38	485	24,125,470.05
93	TOUCHSTONE	4,729	166,702,510.26	49,706,847.70	357	28,333,050.69
94	TRINITY	1,812	21,259,402.67	15,222,326.16	148	7,862,798.51
95	TRI-STAR	3,522	58,622,154.26	43,125,438.42	739	37,894,617.47
96	UDEZUKA	693	10,624,269.76	2,332,985.22	21	77,054.18
97	UFUMA	3,121	63,195,019.50	36,073,748.57	-	-
98	UMUNZE	3,888	53,428,950.48	44,116,865.77	805	27,552,844.27
99	UNIQUE	2,520	78,045,624.82	16,085,653.63	77	2,877,091.45
100	URUALLA	1,059	11,118,018.39	10,457,256.49	149	6,393,488.03
101	UTUGWANG	3,223	16,164,306.30	11,409,774.12	460	8,762,427.52
102	VENTURE SUPPORT	1,427	9,633,302.70	8,828,977.03	219	5,447,081.36

APPENDIX 2: PAYMENT OF INSURED DEPOSITS OF THE CLOSED MFBs AS AT 31ST DECEMBER, 2019

S/N	NAME OF MFB	Total No Of Depositors At Closure	Total Deposit At Closure (₦)	Total Insured Sum At Closure (₦)	Total No. Of Depositors Verified	Total Insured Sum Paid (₦)
103	WIZETRADE	348	12,698,105.65	3,902,942.89	45	2,421,960.09
104	Abiriba MFB	3,133	70,191,345.98	46,434,662.89	445	23,432,727.80
105	Acjec MFB	-	-	-	-	-
106	Acorn MFB	-	-	-	-	-
107	Akesan MFB	12,688	24,090,636.95	20,748,024.79	137	6,844,567.62
108	Akin MFB	1,658	10,820,903.31	9,628,837.31	59	2,235,222.13
109	Aracom MFB	-	-	-	-	-
110	Argungu MFB	1,450	8,229,195.15	4,289,149.39	33	2,002,925.50
111	Avalon MFB	-	-	-	-	-
112	Bekwarra MFB	2,049	10,701,025.84	8,580,561.62	137	3,317,452.13
113	Cedep MFB	-	-	-	-	-
114	Citigate MFB	7,495	18,430,695.62	17,202,719.71	64	3,086,184.88
115	Citiserve MFB	-	-	-	-	-
116	CKC MFB	-	-	-	-	-
117	Combined Benefit MFB	-	-	-	-	-
118	Compass MFB	-	-	-	-	-
119	Corporate MFB	-	-	-	-	-
120	Crown MFB	684	13,946,552.89	8,347,116.24	67	4,264,995.91
121	Crystal Gold MFB	-	-	-	-	-
122	Daily Capital MFB	4,727	81,983,196.71	28,693,134.49	78	5,831,310.10
123	Dikenafai MFB	945	3,714,735.36	3,670,735.36	27	763,225.51
124	Dunamis MFB	-	-	-	-	-
125	ECB MFB	793	11,362,112.82	9,970,777.08	-	-
126	Eden MFB	3,082	29,302,890.69	11,425,037.93	51	2,931,437.27
127	Edet MFB	871	10,422,355.82	6,602,326.01	33	1,466,524.11
128	EDS MFB	-	-	-	-	-
129	Egosal MFB	2,383	5,800,973.67	5,602,465.67	21	325,596.03
130	Enterprise MFB	-	-	-	-	-
131	Essence MFB	3,220	11,366,551.54	10,260,527.63	279	3,635,694.63
132	Express MFB	-	-	-	-	-
133	Fieldreams MFB	-	-	-	-	-
134	First Choice MFB	1,196	7,800,299.32	3,834,407.79	1	2,119.54
135	First Global MFB	11,581	288,613,627.23	138,430,966.53	465	44,139,774.38
136	First Golden Mercury MFB	-	-	-	-	-
137	First Herital MFB	588	73,885,111.41	32,377,562.34	161	13,050,320.60
138	First Omasi MFB	1,956	37,052,537.60	24,220,242.60	276	16,618,730.27
139	Freegate MFB	-	-	-	-	-
140	Funds Matrix MFB	-	-	-	-	-
141	GFB MFB	2,357	10,275,673.13	9,273,392.80	119	3,812,856.48
142	Gold Package MFB	-	-	-	-	-
143	Green Field MFB	-	-	-	-	-
144	GS MFB	-	-	-	-	-
145	Gusau MFB	1,841	10,724,154.10	10,596,049.10	110	2,452,532.96
146	Harmony MFB	4,368	14,843,421.22	12,639,730.43	-	-
147	Havilah MFB	86	11,295,321.90	2,727,441.90	26	2,087,500.00
148	Hebron MFB	32	7,970,577.00	3,104,903.00	21	2,301,037.00
149	Idah MFB	2,669	21,514,215.08	16,477,381.39	76	2,252,683.85
150	Ihima MFB	-	-	-	-	-
151	Interglobal MFB	-	-	-	-	-

APPENDIX 2: PAYMENT OF INSURED DEPOSITS OF THE CLOSED MFBs AS AT 31ST DECEMBER, 2019

S/N	NAME OF MFB	Total No Of Depositors At Closure	Total Deposit At Closure (₦)	Total Insured Sum At Closure (₦)	Total No. Of Depositors Verified	Total Insured Sum Paid (₦)
152	Irele MFB	1,178	20,496,088.69	14,614,218.27	117	6,478,494.28
153	Keystone MFB	-	-	-	-	-
154	Kings MFB	-	-	-	-	-
155	Landrock MFB	4,688	19,170,639.45	18,261,179.12	91	8,691,280.48
156	Lofty Heights MFB	-	-	-	-	-
157	Neighbourhood MFB	5,755	23,487,234.04	19,127,809.35	99	6,544,062.27
158	New Height MFB	11,100	120,747,476.10	73,920,665.59	17	2,201,366.60
159	New Image MFB	8,862	60,376,563.06	43,383,008.38	286	17,411,099.79
160	New Mercantile MFB	-	-	-	-	-
161	Ngegwe MFB	1,420	21,277,882.60	12,675,789.57	80	7,040,409.78
162	Nkpor MFB	1,865	54,882,181.35	28,493,442.15	299	17,716,325.03
163	Okwuta MFB	303	5,479,972.18	3,405,711.89	-	-
164	Otun-Ekiti MFB	2,409	32,706,869.68	18,379,373.15	128	7,816,039.08
165	Peopleserve MFB	-	-	-	18	163,556.20
166	Pinnacle MFB	-	-	-	-	-
167	Plannet MFB	429	1,831,470.00	1,831,470.00	168	1,208,300.00
168	Reunion MFB	4,019	24,593,586.18	12,906,244.16	55	2,406,787.69
169	Royal Trust MFB	10,214	159,624,342.58	80,487,841.97	562	39,253,411.94
170	Sama MFB	349	7,720,796.64	1,735,535.64	-	-
171	Satellite MFB	11,173	110,312,125.58	83,992,502.26	87	7,744,148.20
172	Silver MFB	-	-	-	-	-
173	Solace MFB	-	-	-	-	-
174	SVP MFB	-	-	-	-	-
175	Target MFB	2,249	9,996,741.95	6,374,504.40	15	750,289.35
176	Think MFB	3,067	47,421,486.41	19,600,726.66	122	10,469,347.15
177	Top Mega Trust MFB	-	-	-	-	-
178	Traders MFB	-	-	-	-	-
179	Ughievwen MFB	7,567	42,595,517.67	37,143,833.39	149	5,747,135.67
180	Ujoelen MFB	3,235	38,865,185.99	21,696,333.76	171	11,169,778.51
181	Umuhu Okabia MFB	5,125	78,942,542.30	54,676,056.22	611	34,432,296.10
182	Umu-Oma MFB	-	-	-	-	-
183	Unique Trust MFB	4,726	42,985,870.27	24,746,913.18	165	8,145,801.89
184	United People MFB	-	-	-	-	-
185	Vinning MFB	-	-	-	-	-
186	Yaf MFB	-	-	-	-	-
187	Crystal Edge MFB	38	449,878.10	449,878.10	1	150,000.00
188	ABATETE MFB	2,322	68,365,440.25	40,570,189.93	437	21,906,549.98
189	ABOKIE MFB	-	-	-	79	2,601,207.99
190	Acheajebwa MFB	-	-	-	12	1,239,526.88
191	ACUITY MFB	-	-	-	-	-
192	ADAIGBO MFB	2,195	133,121,268.90	35,788,652.17	137	11,307,676.23
193	Advance MFB	-	-	-	-	-
194	AFOTAMODI - OGUNOLA MFB	-	-	-	170	9,161,303.33
195	Agbarho MFB	-	-	-	93	7,156,280.53
196	Agbowu MFB	-	-	-	-	-
197	Ajaye-Jebwo MFB	2,593	6,935,750.23	6,425,253.72	11	717,711.55
198	Ajeko MFB	991	4,501,320.22	4,121,520.22	6	282,772.14
199	Ajiya MFB	1,340	25,817,955.54	13,348,864.17	46	3,485,838.53

**APPENDIX 2: PAYMENT OF INSURED DEPOSITS OF THE CLOSED MFBs
AS AT 31ST DECEMBER, 2019**

S/N	NAME OF MFB	Total No Of Depositors At Closure	Total Deposit At Closure (₦)	Total Insured Sum At Closure (₦)	Total No. Of Depositors Verified	Total Insured Sum Paid (₦)
200	ALACHE MFB	1,782	19,662,207.87	9,852,681.88	52	4,212,428.21
201	ALOAYE MFB	3,081	12,819,550.58	7,529,750.42	49	652,290.45
202	Altitude MFB				-	-
203	AMAIFEKE MFB				-	-
204	AMRAM MFB				-	-
205	AMURO MFB	437	449,436.68	449,436.68	48	3,286,483.26
206	Arochukwu MFB	2,395	14,885,965.03	11,046,468.53	18	604,697.83
207	ARONDIZUOGU MFB	680	7,870,683.77	2,877,844.47	30	404,656.00
208	Avyi MFB				122	8,112,085.55
209	AYETE MFB				197	21,286,369.71
210	BAKASSI MFB				5	181,200.00
211	BIZTRUST MFB				-	-
212	Blue Intercontinental MFB				-	-
213	Bonded MFB				-	-
214	BUNZA MFB				13	65,939.31
215	CASH COW MFB				-	-
216	Chelsea MFB				-	-
217	CHIGBE-YAJI MFB	2,452	17,060,615.56	11,325,198.29	59	3,143,556.29
218	CHIMHAM MFB	133	224,929.62	224,929.62	12	18,738.15
219	Citadel MFB				4	480,600.00
220	Coconut Avenue MFB				-	-
221	COMMONWEALTH MFB	4,919	113,052,611.14	38,076,672.72	87	9,651,643.38
222	CONFLUENCE MFB				68	4,513,478.39
223	Coral MFB				-	-
224	CREDITLINK MFB LTD				-	-
225	DARAZO MFB	711	7,180,036.46	3,333,212.99	-	-
226	Decency MFB				126	10,363,662.59
227	EAGLE MFB	717	7,378,112.06	4,896,388.95	25	1,121,137.00
228	EBU MFB	3,962	129,691,144.89	35,000,516.56	28	1,411,327.76
229	Elim MFB				-	-
230	Eruwon MFB				-	-
231	Ethics MFB				-	-
232	Faith MFB				-	-
233	FCE OBUDU MFB				259	20,413,232.79
234	FEMAZ MFB				-	-
235	First Credit MFB				-	-
236	FIRST IDEAL MFB				-	-
237	First Mutual MFB				-	-
238	GAINS MFB				34	2,444,365.13
239	Galilee (Well Woman) MFB				-	-
240	Gapbridge MFB				-	-
241	Garden City MFB				-	-
242	GARU MFB				1,174	58,941,420.97
243	GBOKO MFB	6,548	54,615,549.81	29,253,674.53	29	3,036,080.61
244	GIDEON TRUST MFB				-	-

APPENDIX 2: PAYMENT OF INSURED DEPOSITS OF THE CLOSED MFBs AS AT 31ST DECEMBER, 2019

S/N	NAME OF MFB	Total No Of Depositors At Closure	Total Deposit At Closure (₦)	Total Insured Sum At Closure (₦)	Total No. Of Depositors Verified	Total Insured Sum Paid (₦)
245	Global Trust MFB				-	-
246	Gracefield MFB				-	-
247	GUDDIRI MFB	2,431	12,008,760.61	6,149,999.20	86	2,413,594.18
248	HAMDALA MFB	3,442	15,165,292.48	11,498,227.82	51	693,519.64
249	Happy Note MFB				-	-
250	HARVEST MFB				104	1,424,737.95
251	Hillspring (Gworok) MFB	2,623	14,374,055.72	8,790,412.35	40	1,724,254.01
252	Hitech MFB				3	177,950.82
253	Hybrid MFB				-	-
254	IDEATO-SOUTH MFB	2,548	34,440,391.96	25,561,657.66	273	11,845,117.73
255	Idumuje MFB				-	-
256	Ihechiowa MFB				2	66,312.30
257	IJOMU-ORO MFB				63	2,649,250.78
258	IMAD MFB				-	-
259	INRI MFB				224	6,804,100.01
260	IPMAN SATELLITE MFB				-	-
261	Irolu-Remo MFB				40	1,110,336.46
262	Isu MFB				74	5,595,996.78
263	Ivie MFB				13	932,292.65
264	KABBA MFB	5,260	117,868,098.95	65,463,166.55	387	22,888,071.17
265	Kaugama MFB				-	-
266	KPACHARKA MFB	1,772	21,057,067.79	15,922,108.90	104	4,185,362.98
267	Krgy MFB				-	-
268	LANGTANG MFB				-	-
269	LAPAI MFB				114	4,951,008.59
270	LASU MFB				-	-
271	LAVUNKPAN MFB	2,140	15,996,397.03	11,781,191.08	-	-
272	Leap MFB				31	1,252,469.10
273	LIBERTY MFB				-	-
274	Mar-Bonch MFB				-	-
275	Marvelous MFB				-	-
276	MASOYI MFB	2,515	21,130,095.98	9,818,902.70	37	864,401.55
277	MBA MFB				218	6,270,011.24
278	MISAU MFB	2,440	35,760,002.49	11,575,725.73	7	1,278,000.00
279	Mustard MFB				-	-
280	Mutunchi MFB	957	11,306,478.30	7,172,026.65	19	988,612.72
281	NEU-KOM MFB	621	19,261,797.00	4,080,198.42	24	434,548.61
282	New Vision MFB				-	-
283	OBUDU MFB				-	-
284	Oduduwa MFB				-	-
285	OGIDI MFB	872	19,789,460.30	11,361,135.75	159	7,092,420.35
286	OHAMBELE MFB				107	7,680,986.36
287	Oke-Oba MFB				-	-
288	OKPORO MFB				-	-
289	OMU MFB				110	4,825,811.97
290	ORAEZUE MFB	1,812	27,775,812.80	18,067,645.29	187	7,861,201.26
291	ORIE-ORBA MFB				-	-
292	Peoples MFB	3,338	17,926,246.89	14,949,012.66	35	2,464,912.51

**APPENDIX 2: PAYMENT OF INSURED DEPOSITS OF THE CLOSED MFBs
AS AT 31ST DECEMBER, 2019**

S/N	NAME OF MFB	Total No Of Depositors At Closure	Total Deposit At Closure (₦)	Total Insured Sum At Closure (₦)	Total No. Of Depositors Verified	Total Insured Sum Paid (₦)
293	Royal Child Heritage MFB				-	-
294	SADAU MFB				14	293,550.11
295	Sanga MFB	742	16,186,421.72	8,574,252.04	63	3,810,626.71
296	Santrust MFB				-	-
297	Savings Corp MFB				-	-
298	SAVIOUR MFB	2,561	15,908,407.87	11,094,685.60	67	3,916,969.65
299	SHELTER MFB				-	-
300	SHINKAFI MFB	543	7,298,656.06	5,576,429.32	19	1,490,327.02
301	Shoreline MFB				-	-
302	SKY-LINE MFB				36	2,744,698.63
303	Sovereign MFB				-	-
304	Spec MFB				-	-
305	Stako MFB				-	-
306	Tattali MFB	2,403	25,118,986.53	12,389,847.11	35	2,281,500.34
307	Taura MFB				20	1,837,242.12
308	Time MFB				1	46,540.41
309	Titare MFB				-	-
310	TOKI RAINBOW MFB	4,014	15,901,185.52	10,387,869.36	56	1,470,218.73
311	TRANSWEALTH MFB				33	519,253.86
312	TRUEBOND MFB				-	-
313	TSM MFB				-	-
314	UBULU MFB				357	20,906,058.72
315	UGBOJU MFB	439	30,482,128.92	18,238,618.79	45	3,049,173.54
316	ULAYIN MFB				63	2,038,692.28
317	Unicredit MFB				-	-
318	UNITED MFB				120	8,413,838.33
319	UVWIE MFB				-	-
320	VANTAGE MFB				85	6,055,703.11
321	WARJI MFB				-	-
322	Wealthbasket MFB				-	-
323	Yerwa MFB				8	296,261.00
324	Zumwa MFB	1,317	26,489,866.54	13,315,849.54	124	5,788,975.95
325	Fortis MFB				945	64,627,129.78
	TOTAL	1,045,249	13,185,855,650.59	7,196,560,054.92	89,718	3,340,777,634.90

Source: Claims Resolution Department, NDIC

**APPENDIX 3: SUMMARY OF RECOVERIES FOR MFBs (IN-LIQUIDATION
AS AT 31ST DECEMBER, 2019**

S/N	MFBs IN-LIQUIDATION	TOTAL LOANS AT CLOSURE (₦ MILLION)	CUMULATIVE RECOVERIES AS AT DEC. 2019 (₦ MILLION)
1	ABOKI MFB	0	0.15
2	ACME MFB	0.18	0
3	ADIF MFB	41.67	0
4	AFAM MFB	8.56	0
5	AGBELO MFB	31.9	0.2
6	AGWU CROWN	7.6	0
7	AJASSE MFB	0	0.02
8	AKESAN MFB	138.14	0
9	AKIN MFB	5.62	0
10	ALLIANCE MFB	81.26	0
11	ALLOVER MFB	124.81	4.2
12	ALLSTAR MFB	37.55	0.13
13	AMAZING GRACE MFB	0	0.06
14	APEX GOLDEN GATE MFB	11.86	0
15	ASABARI MFB	7.77	0.46
16	ASAGA-UKWU MFB	73.59	0.05
17	ASCENT MFB	14.19	0
18	ATTA NWAMBIRI MFB	8.62	0.23
19	BASIC MFB	0	0.02
20	BEKWARRA MFB	69.04	0
21	BEULAH MFB	16.91	1.91
22	BIRAIKU MFB	33.94	0
23	BIRNIN KUDU MFB	74.79	0
24	BONNY MFB	25.92	0
25	BRISTOL MFB	13.18	0
26	CAPITAL MFB	63.73	0.34
27	CASHJET MFB	49.08	0
28	CEDEP MFB	0	0.02
29	CENTURY MFB	2.54	0
30	CHAT MFB	6.56	0
31	CHIMHAN MFB	0	0.02
32	CIRCULAR MFB	215.03	0.84
33	CITIGATE MFB	27.78	0
34	CLASSIC MFB	67.64	4.26
35	COMMON BENEFIT MFB	9.19	0
36	CRYSTAL EDGE MFB	0	0.05
37	CONFLUENCE MFB	0	0.01
38	CUTTING EDGE MFB	81.69	0.07
39	DANMUSA MFB	11.9	0.13
40	DIVINE MFB	33.41	0
41	DOGONDAJI MFB	0	0.04
42	DYNAMIC MFB	5.2	0
43	EBEM-OHAFIA MFB	4.96	0.01
44	EBENATOR MFB	43.74	17.92

**APPENDIX 3: SUMMARY OF RECOVERIES FOR MFBs (IN-LIQUIDATION
AS AT 31ST DECEMBER, 2019**

S/N	MFBs IN-LIQUIDATION	TOTAL LOANS AT CLOSURE (₦ MILLION)	CUMULATIVE RECOVERIES AS AT DEC. 2019 (₦ MILLION)
45	EDET MFB	28.23	0
46	EGOSIL MFB	16.86	0
47	EMEVOR MFB	7.76	0
48	ESSENCE MFB	28.42	0
49	ETITI MFB	0.16	0
50	EVO MFB	22.18	4.79
51	EZIMUZO MFB	17.31	0.11
52	FESTAC MFB	10.82	0
53	FIRST CHOICE	28.28	0
54	FIRST HERITAL	5.8	0
55	FIRST OMASI	38.9	0
56	FORTIS MFB	12607.83	14.31
57	FREEDOM MFB	21.54	0.85
58	FUND EXPRES MFB	26.37	0
59	GUSAU MFB	122.5	0
60	GFB MFB	17.85	0
61	GITICOM MFB	103.66	1.63
62	HARBOUR MFB	3.51	0
63	HAVILAH MFB	40.9	0
64	HEBRON MFB	51.05	0
65	HOZONWAO MFB	31.28	0
66	HILLTOP MFB	17	0.28
67	IC MFB	23.8	0.09
68	IDAH MFB	23.47	0
69	IDEA TRUST MFB	0	0.01
70	IFONYIN MFB	45.63	0.39
71	IHECHIOWA MFB	0	0.17
72	IHITTE MFB	42.85	0
73	IKWUANO MFB	2.73	0
74	IMPACT MFB	77.71	0.06
75	INTEGRATED MFB	1,617.19	3.27
76	INVESTMENT MFB	6.03	0
77	IPE MFB	15.92	0
78	ISERI MFB	0	0.02
79	IRELE MFB	14.15	0.17
80	ITELE MFB	6.82	0.17
81	JEGA MAGAJI MFB	47.79	2.28
82	KBS MFB	2.47	0
83	KERANA MFB	2.69	0
84	KFC MFB	1.48	0
85	LALUPON MFB	11.34	0.2
86	LANDROCK MFB	16.23	0

APPENDIX 3: SUMMARY OF RECOVERIES FOR MFBs (IN-LIQUIDATION AS AT 31ST DECEMBER, 2019)

S/N	MFBs IN-LIQUIDATION	TOTAL LOANS AT CLOSURE (₦ MILLION)	CUMULATIVE RECOVERIES AS AT DEC. 2019 (₦ MILLION)
87	MARMARA MFB	94.62	0
88	MCB MFB	30.1	0.06
89	MIC MFB	0	0.02
90	MILESTONE MFB	246.32	0.24
91	MOORGATE MFB	67.89	0
92	MUNICIPAL MFB	14.43	0
93	NEW GATE MFB	15.07	0
94	NGAS MFB	23.69	0.03
95	NGEGWE MFB	13.73	0.4
96	NKPOR MFB	7.34	0
97	OKWUTA MFB	3.24	0
98	OBIOMA MFB	120.04	0
99	OLOMI MFB	132.56	1.33
100	OLOMOYOYO MFB	2.57	0
101	OMNI MFB	175.07	0
102	OPENGATE MFB	3.79	3.08
103	OTUN-EKITI	43.98	0
104	OWENA MFB	69.49	0.08
105	OWHOWHA MFB	0	0
106	PET MFB	36.89	0.63
107	REUNION MFB	12.53	0
108	ROYAL TRUST MFB	190.8	0
109	SILVER MFB	10.87	0
110	STANDEX MFB	0	0.04
111	TARGET MFB	14.21	0
112	THINK MFB	31.52	0
113	TRINITY MFB	1.98	0
114	TRISTAR MFB	20.03	0.1
115	UBULU MFB	0	0.04
116	UDEZUKA MFB	316.33	75
117	UFUMA MFB	21.77	0
118	UGHIEVWEN MFB	187.03	0
119	UJOELEN MFB	43.52	
120	UMUNZE MFB	5.62	0.02
121	UMU-OMA	66.74	0
122	UNIQUE MFB	9.29	0
123	UTUGWANG MFB	21.18	1.1
124	VENTURE SUPPORT MFB	2.82	0
	UNRECONCILED MFBs		0.42
	TOTAL	18,713.12	142.53

Source: Asset Management Department, NDIC

APPENDIX 4: SUMMARY OF PROCEEDS FROM THE SALE OF PHYSICAL ASSETS OF MFBs IN-LIQUIDATION AS AT 31ST DECEMBER, 2019

S/N	MFB-In-Liquidation	Landed Property/Rent (₦ Million)	Vehicles/Gen. Set (₦ Million)	Chattels (₦ Million)	Total (₦ Million)
1	ABIRIBA MFB	0	0	0.548	0.548
2	ACDEC MFB	0	0	0.115	0.115
3	ACME MFB	0	0	0.154	0.154
4	ADIF MFB	0	0	0.404	0.404
5	AFAM MFB	0	0	0.227	0.227
6	AGBELO MFB	0	0	0	0
7	AJASSE MFB	0	0.3	0.787	1.087
8	AKESAN MFB	0	0	1.1	1.1
9	AKPOR-COE MFB	0	0	1.744	1.744
10	ALLIANCE MFB	0	0	2.86	2.86
11	ALLOVER MFB	0	0.33	2	2.33
12	ALLSTAR MFB	0	0	0.13	0.13
13	AMAZING GRACE MFB	0	0.4	0.377	0.777
14	APEX GOLDEN GATE MFB	0	0	0.33	0.33
15	ARUGUNGU MFB	0.4	0	0.17	0.57
16	ASABARI MFB	0	0	0.362	0.362
17	ASAGA-UKWU MFB	0	0	0	0
18	ASCENT MFB	0	0	0.22	0.22
19	ATTA NWAMBIRI MFB	3.15	0	0.696	3.846
20	BEKWARA MFB	4.5	0	0.472	4.972
21	BEULAH MFB	0	0	1.88	1.88
22	BIRaidu MFB	0	0	0.69	0.69
23	BIRNIN KUDU MFB	0	0	1.24	1.24
24	BONNY MFB	0	0	0.158	0.158
25	BRISTOL MFB	0	0	0.09	0.09
26	BROAD BASE MFB	0	0	0	0
27	CAPITAL MFB	0	0	1.76	1.76
28	CASHJET MFB	0	1.4	2.867	4.267
29	CEDEP MFB	0	0	0.384	0.384
30	CENTURY MFB	0	0.15	0.3	0.45
31	CHAT MFB	0	0	0	0
32	CIRCULAR MFB	0	0	1.02	1.02
33	CITIGATE MFB	0	0	1.286	1.286
34	CLASSIC MFB	31.07	0	3.134	34.204
35	CREDENCE MFB	0	0	0.12	0.12
36	CROWN MFB	0	0	0.257	0.257
37	COMMON BENEFIT MFB	0	0	0.69	0.69
38	CUBIC MFB	0	0	0	0
39	CUTTING EDGE MFB	0	0	0.202	0.202
40	DANMUSA MFB	0	0	0	0
41	DAILY CAPITAL MFB	0	0	0.986	0.986
42	DIVINE MFB	0	0	1.185	1.185
43	DIKENAFI MFB	0	0	0.061	0.061
44	DOGONDAJI MFB	0	0	0.21	0.21

APPENDIX 4: SUMMARY OF PROCEEDS FROM THE SALE OF PHYSICAL ASSETS OF MFBs IN-LIQUIDATION AS AT 31ST DECEMBER, 2019

S/N	MFB-In-Liquidation	Landed Property/Rent (₦ Million)	Vehicles/Gen. Set (₦ Million)	Chattels (₦ Million)	Total (₦ Million)
45	DUNAMIS MFB	0	0	0.486	0.486
46	DYNAMIC MFB	0	0	0.41	0.41
47	EBEM-OHA MFB	0	0	0.01	0.01
48	EBENATOR MFB	0	0	0.4	0.4
49	ECB MFB	0.25	0	2.265	2.515
50	EDEN MFB	0	0	0.259	0.259
51	EDET MFB	6.89	0	7.78	14.67
52	EGOSAL MFB	0	0	0.17	0.17
53	EMBRACE MFB	0	0	0	0
54	EMEVOR MFB	0	0	0.05	0.05
55	ESSENCE MFB	0	0	0.119	0.119
56	ETITI MFB	0	0	0.296	0.296
57	EVO MFB	0.2	0	0.92	1.12
58	EZIMUZO MFB	0	0	0.25	0.25
59	FESTAC MFB	0	0	0.07	0.07
60	FIELDREAMS MFB	0	0	0.06	0.06
61	FIRST CHOICE MFB	0	0	0.987	0.987
62	FIRST GLOBAL MFB	0	0	2.825	2.825
63	FIRST HERITAGE MFB	0	0	0.213	0.213
64	FIRST OMASI MFB	0	0	0.36	0.36
65	FREEDOM MFB	1.5	0	2.4	3.9
66	FUND EXPRES MFB	0	0	0.78	0.78
67	G S MFB	0	0	0.393	0.393
68	GALAXY MFB	0	0	0	0
69	GAMJI MFB	25.1	0	0.31	25.41
70	GITICOM MFB	0	0.1	0.867	0.967
71	GRAND FORTRESS MFB	0	0	0.15	0.15
72	GREENFIELD MFB	0	0	0.11	0.11
73	GUSAU MFB	0	0	0.19	0.19
74	HARBOUR MFB	0	0	0.142	0.142
75	HAZONWAO MFB	0	0	0.27	0.27
76	HAVILAH MFB	0	0	0.165	0.165
77	HEBRON MFB	0	0	1	1
78	HILLTOP MFB	0.85	0	8.947	9.797
79	HOMELAND MFB	0	0	0.53	0.53
80	IC MFB	0	0.76	0.331	1.091
81	IDAH MFB	0	0	0.25	0.25
82	IDEA TRUST MFB	0	0	0.602	0.602
83	IFONYIN MFB	0	0.07	0.21	0.28
84	IHITTE MFB	0	0	2.464	2.464
85	IRELE MFB	0	0	0.86	0.86
86	IKWUANO MFB	0	0	0.915	0.915
87	IMPACT MFB	0	0	4.61	4.61
88	IMPERIAL MFB	0	0.4	0.86	1.26
89	INTEGRATED MFB	84.22	2.88	56.819	143.919
90	INVESTMENT MFB	0	0	0.585	0.585
91	IPE MFB	0	0	0.62	0.62

APPENDIX 4: SUMMARY OF PROCEEDS FROM THE SALE OF PHYSICAL ASSETS OF MFBs IN-LIQUIDATION AS AT 31ST DECEMBER, 2019

S/N	MFB-In-Liquidation	Landed Property/Rent (₦ Million)	Vehicles/Gen. Set (₦ Million)	Chattels (₦ Million)	Total (₦ Million)
92	ITELE MFB	0	0	0.13	0.13
93	JEGA MAGAJI MFB	0	0	0	0
94	KBS MFB	0	0	0.27	0.27
95	KERANA MFB	0	0	0.64	0.64
96	KFC MFB	0	0	0.08	0.08
97	LALUPON MFB	0	0	0.01	0.01
98	LANDROCK MFB	0	0	0.158	0.158
99	MARMARA MFB	0	0	1.038	1.038
100	MUNICIPAL MFB	0	0	1.48	1.48
101	MCB MFB	0	0	0.14	0.14
102	MIC MFB	0	0	3.988	3.988
103	MILESTONE MFB	0	0	0	0
104	MOORGATE MFB	6.9	0.95	4.94	12.79
105	MUSTASONS MFB	0	0	0	0
106	NEIGHBOURHOOD MFB	0	0	2.345	2.345
107	NEW GATE MFB	0	0	0.18	0.18
108	NEW HEIGHT MFB	1.505	0	0	1.505
109	NEW IMAGE MFB	0	0	0.775	0.775
110	NEXUS	0	0	2.93	2.93
111	NGAS MFB	0	0	0.58	0.58
112	NGEGWE MFB	0	0	0.422	0.422
113	NKPOR MFB	0	0	0.377	0.377
114	OBIOMA MFB	0	0	1.84	1.84
115	OLOMI MFB	13.5	0.6	0.48	14.58
116	OLOMOYOYO MFB	6	0	0.213	6.213
117	OMNI MFB	0	0	4.03	4.03
118	OPENGATE MFB	0	0	1.73	1.73
119	OTUN-EKITI MFB	0	0	0.07	0.07
120	OWENA MFB	0	0	0.311	0.311
121	OWHOWHA MFB	0	0	0.05	0.05
122	OWKUTA MFB	0	0	0.517	0.517
123	PET MFB	0	0	3.61	3.61
124	PEOPLE SERVE MFB	0	0	1.339	1.339
125	PLANET MFB	0	0	0.13	0.13
126	PRIMATE MFB	0	0	0	0
127	PRIME MFB	0.2	0	3.055	3.255
128	REUNION MFB	0	0	0.27	0.27
129	ROYAL TRUST MFB	0	0	0.826	0.826
130	SATELLITE MFB	5	0.355	4.632	9.987
131	SHIMAZ MFB	0	0	0.15	0.15
132	SILVER MFB	0	0	0.258	0.258
133	SOUTH WEST IKOYI MFB	0	0	0	0
134	STANDEX MFB	0	0	0.008	0.008
135	TARGET MFB	0	0	0.66	0.66
136	THINK MFB	0	0	1.44	1.44
137	TOUCH STONE MFB	0	0	0.682	0.682
138	TRINITY MFB	0	0	0.517	0.517

APPENDIX 4: SUMMARY OF PROCEEDS FROM THE SALE OF PHYSICAL ASSETS OF MFBs IN-LIQUIDATION AS AT 31ST DECEMBER, 2019

S/N	MFB-In-Liquidation	Landed Property/Rent (₦ Million)	Vehicles/Gen. Set (₦ Million)	Chattels (₦ Million)	Total (₦ Million)
139	TRISTAR MFB	0	0	2.565	2.565
140	UDEZUKA MFB	0	0	0.48	0.48
141	UFUMA MFB	0	0	0	0
142	UGHIEVWEN MFB	0	0	0.38	0.38
143	UJOELEN MFB	0	0	0.44	0.44
144	UMUHU MFB	0	0	0.53	0.53
145	UMUNZE MFB	0.496	0.01	1.071	1.577
146	UNITED PEOPLE MFB	0	0	0.067	0.067
147	UNIQUE MFB	0	0.5	1.701	2.201
148	URUALLA MFB	0	0	0.211	0.211
149	UTUGWANG MFB	0	0	0.032	0.032
150	VENTURE SUPPORT MFB	0	0	0.23	0.23
151	WIZETRADE MFB	0	0	0	0
152	SAMINAKA MFB	0.63	0	0	0.63
153	CRYSTAL GOLD MFB	0	0	0.217	0.217
154	YERWA MFB	0	0	1.009	1.009
155	AFOTAMODI MFB	0	0	0.386	0.386
156	ZUMWA MFB	0	0	0.34	0.34
157	NEW VISSION MFB	0	0	0.301	0.301
158	GARU MFB	0	0	2.784	2.784
159	ALACHE MFB	0	0	1.102	1.102
160	ABOKI MFB	0	0	1.563	1.563
161	NEU-KOM MFB	0	0	0.826	0.826
162	SAVIOUR MFB	0	0	0.202	0.202
163	UNITED MFB	0	0	0.594	0.594
164	ALOAYE MFB	0	0	0.219	0.219
165	INRI MFB	0	0	2.007	2.007
166	BAKASI MFB	0	0	0.523	0.523
167	HARVEST MFB	0	0	0.122	0.122
168	GAINS MFB	0	0	0.046	0.046
169	ADAIGBO MFB	0	0	0.93	0.93
170	EBU MFB	0	0	0.229	0.229
171	ARONDIZUOGU MFB	0	0	0.086	0.086
172	UGBOJU MFB	0	0	0.246	0.246
173	AMURO MFB	0	0	0.651	0.651
174	FCE MFB	0	0	0.53	0.53
175	M.B.A MFB	0	0	0.818	0.818
176	KPACHARKA MFB	0	0	1.204	1.204
177	IJOMU ORO MFB	0	0	0.632	0.632
178	SKYLINE MFB	0	0	1.662	1.662
179	ERUNWON MFB	0	0	0.265	0.265
180	COMMON WEALTH MFB	0	0	0.708	0.708
181	OGIDI MFB	0	0	0.352	0.352
182	STAKO MFB	0	0	0.295	0.295
183	GUDDIRI MFB	0	0	0.733	0.733
184	TRANATLANTIC MFB	0	0	1.025	1.025
185	SHINKAFI MFB	0	0	0.477	0.477

APPENDIX 4: SUMMARY OF PROCEEDS FROM THE SALE OF PHYSICAL ASSETS OF MFBs IN-LIQUIDATION AS AT 31ST DECEMBER, 2019

S/N	MFB-In-Liquidation	Landed Property/Rent (₦ Million)	Vehicles/Gen. Set (₦ Million)	Chattels (₦ Million)	Total (₦ Million)
186	OHAMBELE MFB	0	0	0.2	0.2
187	ABATETE MFB	0	0	0.334	0.334
188	AGBARHO MFB	0	0	0.771	0.771
189	BUNZA MFB	0	0	0.453	0.453
190	LAPAI MFB	0	0	0.405	0.405
191	MASOYI MFB	0	0	0.6	0.6
192	TAURA MFB	0	0	0.525	0.525
193	IROLU-REMO MFB	0	0	0.354	0.354
194	LAVUNKPAN MFB	0	0	0.231	0.231
195	EAGLE MFB	0	0	0.283	0.283
196	VANTAGE MFB	0	0	1.696	1.696
197	AJIYA MFB	0	0	0.841	0.841
198	AJEKO MFB	0	0	0.12	0.12
199	ISU MFB	0	0	0.112	0.112
200	CHIGBE-YAJI MFB	0	0	0.542	0.542
201	CHIMHAM MFB	0	0	0.65	0.65
202	SANGA MFB	0	0	0.459	0.459
203	TIME MFB	0	0	0.671	0.671
204	IDUMUJE MFB	0	0	0.366	0.366
205	HILLSPRING MFB	0	0	0.404	0.404
206	CONFLUENCE MFB	0	0	0.645	0.645
207	KABBA MFB	0	0	1.461	1.461
208	HITECH MFB	0	0	0.212	0.212
209	LEAP MFB	0	0	0.394	0.394
210	IDEATO SOUTH MFB	0	0	0.445	0.445
211	GBOKO MFB	0	0	0.544	0.544
212	ORAEZUE MFB	0	0	0.441	0.441
213	TRANSWEALTH MFB	0	0	0.978	0.978
214	AMAIFEKE MFB	0	0	0.581	0.581
215	SADAU MFB	0	0	0.266	0.266
216	MISAU MFB	0	0	0.033	0.033
217	WARJI MFB	0	0	0.81	0.81
218	UBULU-UKU- MFB	0	0	1.196	1.196
219	ODUDUIWA MFB	0	0	0.173	0.173
220	BLUE INTERCONTINENTAL MFB	0	0	6.485	6.485
221	CITADEL MFB	0	0	0.045	0.045
222	ACUITY MFB	0	0.185	0.334	0.519
223	DARAZO MFB	0	0	0.325	0.325
224	MULUNCHI MFB	0	0	0.256	0.256
225	IVIE MFB	0	0	0.023	0.023
226	GOLD PACKAGE MFB	0	0	0.147	0.147
227	AYETE MFB	0	0.171	0.219	0.39
228	FORTIS MFB	0	18.151	13.68	31.831
229	NDIC-103-MFB A/C IN CBN	0	0	0.73	0.73
	TOTAL MFBs	192.361	27.712	253.047	473.12

Source: Asset Management Department, NDIC

APPENDIX 5: DMBS' HEAD OFFICE ADDRESSES, NUMBER OF BRANCHES, DIRECTORS AND APPROVED EXTERNAL AUDITORS AS AT 31ST DECEMBER, 2019

S/N	Names & Addresses	No. of Branches	Directors' Name	Status	Approved Auditors
1.	Access Bank Plc Plot 999c, Danmole Street, P.M.B. 80150, Victoria Island, Lagos. www.accessbankplc.com info@accessbankplc.com	586	Mrs. Mosunmola T. Belo-Olusoga Mr. Herbert Onyewumbu Wigwe Mr. Roosevelt Michael Ogbonna Mrs. Chizoma Okoli Mr. Victor O. Etuokwu Dr. Gregory Ovie Jobome Mrs. Hadiza Ambursa Mr. Adeolu Bajomo Mrs. Anthonia O. Ogunmefun Mr. Paul Usoro Mr. Abba Mamman Tor Habib Dr. Ernest Chukwuka Ndukwe Mrs. Ajoritsedere J. Awosika Mr. Iboroma T. Akpana Mr. Adeniyi A. Adekoya Mr. Ifeyinwa Osime Dr. Okey Nwuke (17)	Chairman GMD/CEO GDMD ED ED ED ED NED NED NED IND IND IND IND IND IND NED	Price Waterhouse Coopers (PwC)
2.	Citibank Nigeria Limited Charles S. Sankey Building, 27, Kofo Abayomi Street, P.O. Box 6391, Victoria Island, Lagos. www.citigroup.com publicaffairs.nigeria@citi.com	8	Mr. Olayemi Cardoso Mr. Akinsowon Dawodu Mrs. Funmi Ogunlesi Mrs. Nneka Enwereji Mr. Oluwole Awotundun Dr. Hilary Onyiuke Mrs. Ireti Samuel-Ogbu Mr. Peter Mccarthy Mr. Oyesoji Oyeleke Mr. Daphne Dafinone Dr. Shamsuddeen Usman (12)	Chairman MD/CEO ED ED ED NED NED NED NED IND IND	Price waterhouse Coopers (PwC)
3	Coronation Merchant Bank Coronation house, 10, Amodu Ojikutu Street, Victoria Island, Lagos www.coronationmb.com cmb@coronationmb.com	3	Mr. Babatunde Folawiyo Mr. Abubakar Jimoh Mrs. Onome Komolafe Mr. Adebajo Adegbohunge Mr. Larry Ettah Mr. Babatunde Dabiri Mrs. Suzanne Iroche Ms. Evelyn Oputu Mr. Adamu Atta Mr. Idaere Gogo Ogan Mr. Olubunmi Fayokun (11)	Chairman MD/CEO ED ED NED NED NED NED NED NED NED	Price waterhouse Coopers (PwC)

**APPENDIX 5: DMBs' HEAD OFFICE ADDRESSES, NUMBER OF BRANCHES,
DIRECTORS AND APPROVED EXTERNAL AUDITORS AS AT 31ST DECEMBER, 2019**

5.	Ecobank Nig. Plc Plot 21, Ahmadu Bello Way, P.O. Box 72688, Victoria Island, Lagos www.ecobank.com ecobank@ecobank.com	370	Mr. John O. Aboh Mr. Patrick Akinwutan Mrs. Carol Oyedeji Mr. Akin Dada Malam Garba Imam Prof. Franca Ovadje Mrs Funmi Oyetunji Mr. Ayeyemi Ade Mr. Olufemi Ayeni Mr. Eric Jones Odhiambo Mr. Emeka Onwuka Mrs. Anel Bosman (12)	Chairman MD/CEO ED ED NED NED NED NED NED NED NED NED	Delloitte & Touche
6.	FBN Merchant Bank Limited, No 10, Keffi Street, Off Awolowo Road, Ikoyi, Lagos. www.fbnquest.com	3	Mallam Bello Maccido Mr. Kayode Akinugbe Mr. Taiwo Okeowo Mr. Urum K. Eke, MFR. Mrs. Omobola Johnson Mr. Akin Osinbajo , SAN Mr. Babatunde Odunayo Mr. Oluyele Delano, SAN (8)	Chairman MD/CEO DMD NED NED NED NED IND	Price waterhouse Coopers (PwC)
7.	Fidelity Bank Plc., Fidelity Place, 2 Kofo Abayomi Street, P.O.BOX. 72439, Victoria Island, Lagos. www.fidelitybank.ng info@fidelitybank.ng	237	Mr. Ebi Ernest Chukwudi Mr. Nnamdi J. Okonkwa Mr. Mohammed L. Balarabe Mr. Chijioko Ugochukwu Mr. Aku Odinkemelu Mrs. Nneka Onyeali-Ikpe Mr. Gbolahan Joshua Mr. Obaro Odeghe Mr. Alex Chinele Ojukwu Mr. Ezechukwu M. Okeke Mr. Seni Adetu Mr. Umolu Charles Chiedebe Pst. Akuma Kings Mr. Chidozie Agbapu (14)	Chairman MD/CEO DMD ED ED ED ED ED NED NED NED NED NED NED	Ernst & Young
8.	First Bank of Nigeria Limited, Samuel Asabia House, 35, Marina, Lagos www.firstbanknigeria.com firstcontact@firstbanknigeria.com	760	Mrs. Ibukun A. Awosika Dr. Adesola K. Adeduntan Mr. Gbenga Francis Shobo Mr. Ibrahim A. Muhammadu Mr. Oni Oyindasola Oluremi Mr. Lawal Kankia Ibrahim Mr. Urum Kalu Eke Mr. B. O. Hassan-Odukale Mr. Obafemi A. Otudeko Mr. Wanka Ado Yakubu Dr. (Mrs.) Ijeoma E. Jidenma Mrs. Olushola Oworu Adetoun Mr. Lateef Bakare Akande (13)	Chairman MD/CEO DMD ED ED NED NED NED NED NED NED IND IND IND	Price waterhouse Coopers (PwC)

APPENDIX 5: DMBs' HEAD OFFICE ADDRESSES, NUMBER OF BRANCHES, DIRECTORS AND APPROVED EXTERNAL AUDITORS AS AT 31ST DECEMBER, 2019

9.	First City Monument Bank Plc No. 17A, Tinubu Street, Marina, P. O. Box 9117, Lagos. www.fcmb.com customerservice@fcmb.com	206	Mr. Otunba O. Senbore Mr. Adam Nuru Mrs. Yemisi Edun Mrs. Bukola Smith Mr. Akanmu Olumide A. Mrs. Tokunboh Ishmael Mrs. Mfon Usoro Mr. Olusegun Odubogun Mr. Roger Ellender (9)	Chairman GMD ED ED ED NED NED NED NED	Messrs KPMG
10.	FSDH Merchant Bank Ltd 1/5 Odunlami Street (5 th -8 th Floors, UAC House), P.M.B 12913. Marina, Lagos. www.fsdhgroup.com	3	Mr.Femi Agbaje Mr. Hamda Ambah Mr. Olufunsho Olusanya Mr. Taiwo Otiti Mr. Bello Garba Mr. Vincent Omoike Mr. Tosayee Ogbomo Mrs Patrice Backer Mr. Godwin Ize- Iyamu (9)	Chairman MD/CEO ED ED NED NED NED NED NED	Price waterhouse Coopers (PwC)
	Globus Bank 6, Adeyemo Alakija Street, Victoria Island, Lagos	3	Mr. Charles Osezua Mr. Elias Igbinakenzua Mr. Augustine Okere Mr. Olayide Abel Mr. Vincent Okeke Mr. Isioma Ezi-Ash Mr. Nixon Iwedi (7)	Chairman MD/CEO NED NED NED NED ED	Price waterhouse Coopers (PwC)
11.	GT Bank Plc Plot 635, Akin Adesola Street, P.O. Box 75455, Victoria Island, Lagos. www.gtbank.com	228	Mrs. Osaretin Demuren Mr. Olusegun Agbaje Mr. Ademola Odeyemi Mrs. Miriam Olusanya Mr. Haruna Musa Mr. Mobolaji Lawal Mr. Okuntola Babajide Engineer Adebayo Adeola Mr. Olabode Augusto Mr. Ibrahim Hassan Mr. Hezekiah Oyinlola Ms. Imoni Akpofure Mr. Babatunde Soyoye Mrs. Adefala Victoria (13)	Chairman MD/CEO ED ED ED ED ED NED NED NED IND IND IND NED	Price waterhouse Coopers (PwC)

**APPENDIX 5: DMBs' HEAD OFFICE ADDRESSES, NUMBER OF BRANCHES,
DIRECTORS AND APPROVED EXTERNAL AUDITORS AS AT 31ST DECEMBER, 2019**

12.	Heritage Bank Ltd Plot 292B, Ajoye Adeogun Street, Victoria Island, Lagos. www.hbng.com info@hbng.com	127	Mr. Ibrahim Jani Abdulganiyu Mr. Sekibo Ifie Melvin Precious Mr. Monye Jude Chucks Mr. Ogunsanya Adewunmi A. Mr. Alaibe Ndutimi Adedeji Mr. Disu Oluwayemisi (6)	Chairman MD/CEO ED NED NED NED	HorwathDafinone
13	Jaiz Bank Plc Kano House, No 73 Ralph Shodeinde Street, Central Business District, P.M.B 31, Garki, Abuja www.jaizbankplc.com	39	Alh. (Dr) Umar Abdul-Mutallab Mr. Hassan Usman Mr. Abubakar Mahmud Mahe Mal. Abdulfattah O. Amoo Alh. (Dr.) Aminu A. Dantata Alh. Musbahu Mohammed Bashir Alh. Mukthar Sani Hanga Mal. Falalu Bello Mr. Muhammad Ali Chatti Alh. (Dr) Muhammad Indimi Mal. Nafiu Baba Ahmed Prof. Tajudeen A. Adebisi Dr. Umaru Kwairanga Engr. Bello Muhammad Sani (14)	Chairman MD/ CEO DMD ED NED NED NED NED NED NED IND NED NED	Ahmed Zakari & Co.
14.	Keystone Bank Nig. Ltd. No. 1, Keystone Bank Crescent, Off Adeyemo Alakija Street, P.M.B. 80054. Victoria Island, Lagos. www.keystonebankng.com contactcentre@keystonebanking.com	160	Mr. Umaru Hamidu Modibbo Mr. Ohiwerei Obeahon Asekhome Mr. Tijjani Aliyu Mr. Olaniran Olayinka Mr. Odusanya A. Oluwasesan Mr. B.B. Dan-Habu Mrs. Adebisi Titilayo Tairat (7)	Chairman MD/CEO ED ED ED NED NED	KPMG Professional Services
15.	Nova Merchant Bank Ltd 23 Kofo Abayomi Street, Victoria Island, Lagos. info@novambl.com	1	Mr. Phillips Oduoza Mr. Anya Duroha Mr. Ayodeji Adigun Chief Malachy Nwaiwu Mr. Emmanuel Ijewere Mrs Habiba Wakil Mr. Shams Butt Ms. Bolanle Onagoruwa (8)	Chairman MD/ CEO ED NED NED NED NED NED	PricewaterhouseCoopers (PwC)
16.	Polaris Bank Ltd No. 3 Akin Adesola Street, Victoria Island, Lagos. www.polarisbanklimited.com	257	Mr. Muhammad K. Ahmad Mr. Adetokunbo Mukhail Abiru Mr. Innocent C. Ike Mr. Abdullahi S. Mohammed Mr. Olu Odugbemi Mr. Austin Jo- Madugu Alh. Abdullahi Umar Mr. Bata Garba Wakawa (8)	Chairman GMD ED ED NED NED NED NED NED	PricewaterhouseCoopers (PwC)

APPENDIX 5: DMBS' HEAD OFFICE ADDRESSES, NUMBER OF BRANCHES, DIRECTORS AND APPROVED EXTERNAL AUDITORS AS AT 31ST DECEMBER, 2019

17.	Providus Bank Plot 54, Adetokunbo Ademola Street, Victoria Island, Lagos. www.providusbank.com	10	Mr. Hussaini Dikko Mr. Walter Akpani Mr. Kingsley Aigbokhaevbo Mr. Chuka Eseka Mrs. Obafunmilayo Augusto Mrs. Bernadine Okeke Mr. Maurice Onokwai (7)	Chairman MD/ CEO ED NED NED NED NED	Delloitte & Touche
18.	Rand Merchant Bank Nigeria Limited. 3 rd Floor, Wings East tower, 17A Ozumba Mbadiwe Street, Victoria Island. Lagos www.rmb.com.ng	1	Mr. Formby James Mr. Larbie Micheal Mr. Chukwudalu Ajene Mr. Adebayo Ajayi Mr. Jordaan Louis Mr. Spangenberg Philip Mr. Annerie Cornelissen Mr. Theo Thomas Mr. Motala Ebrahim Mr. Remilekun Odunlami Mrs Kemi Segun Mr. Samuel Ogbu Mr. Savage Babatundes Mrs. Enase Okonedo (14)	Chairman MD/CEO ED ED NED NED NED NED NED NED IND IND IND IND	PricewaterhouseCoopers (PwC)
19.	Stanbic-IBTC Bank Plc. IBTC Place, Walter Carrington Crescent, P.O. Box 71707, Victoria Island, Lagos. www.stanbicibtcbank.com investorrelationsnigeria@stanbicibtc.com	175	Mr. Barend Kruger Dr. Demola Sogunle Mr. Andrew Mashanda Mrs. Bunmi Dayo-Olagunju Mrs. Rabi Isma Mr. Zweli Manyathi Mr. Yinka Sanni Mr. Miannaya Essien (SAN) Mr. Simon Ridley Mr. Zweli Manyathi (10)	Chairman MD/CEO ED ED NED NED NED IND NED NED	Messrs KPMG Professional Services
20.	Standard Chartered Bank Nigeria Ltd. No. 142, Ahmadu Bello Way, Victoria Island, Lagos www.sc.com/ng callcentre.nigeria@sc.com	23	Mr. Adesola Adepetun Mr. Manjang Lamin Mr. Oludayo Omolokun Mrs Mobola Faloye Mr. Leke Ogunlewe Mr. Richard Etemesi Mr. Emmanuel Degroote Opunimi Akinkugbe Mr. Kyari Abba Bukar (9)	Chairman MD/CEO ED ED NED NED NED IND IND IND	Deloitte & Touche
21.	Sterling Bank Plc Sterling Towers, No. 20, Marina, P.M.B. 12735, Lagos. www.sterlingbankng.com	161	Mr. Asue Ighodalo Mr. Abubakar Suleiman Mr. Yemi Odubiyi Mr. Emmanuel Emefienim Mr. Grama Narasimhan Mr. Abdulsabur Adeola	Chairman MD/CEO ED ED ED ED	Ernst & Young

**APPENDIX 5: DMBs' HEAD OFFICE ADDRESSES, NUMBER OF BRANCHES,
DIRECTORS AND APPROVED EXTERNAL AUDITORS AS AT 31ST DECEMBER, 2019**

			Mr. Raheem Bankole Mr. Olaitan Kajero Mrs. Tairat Tijani Mr. Micheal Jituboh Mr. Rajapur Ramesh Mrs Folasade Kilaso Dr. (Mrs) Omolara Akanji Mr. Micheal Ajukwu (14)	ED NED NED NED NED NED IND IND	
22.	Suntrust Bank Nigeria Limited No. 1, Oladele Olashore Street, Off Sanusi Fafunwa Street, Victoria Island, Lagos. www.suntrustng.com	5	Mr. Jibril Aku Mr. Ayodeji Babatunde Mr. Umar Dan- Umma Mr. Yewande Amusan Mr. Muhammad Jibrin Engr. Nasiru Dantata Mr. A. Sadiq Mohammed Mr. Richard Howarth Mr. Augustine Alegeh Mrs Amal peple Inyingiala (10)	Chairman MD ED NED NED NED NED IND IND IND	Aminu Ibrahim & Co., Chartered Accountants
23	Taj Bank Ltd Plot 72, Ahmadu Bello Way, Central Business District, Abuja. www.tajbank.com	2	Alh. Tanko Isiaku Gwamna Mr. Tata Shakarau Omar Barr. Habib Alkali Haj. Mariam Ibrahim Alh. Ahmed Joda Mr. Adekunle James Awe Mr. Charles Ebiengang Mr. Norfadelizan AbdulRahman Alh. Hamid Joda Mr. Kogis Jonathan Luka (10)	Chairman NED NED NED NED NED MD ED NED	Ahmed Zakari & Co.
	Titan Bank Plot 1680, Sanusi Fafunwa Street, Victoria Islan, Lagos	1	Mr. Babatunde Lemo Mr. Andrew Chukwudi Ojei Alh. Aminu Bashari Alh. Aminu Abubakar Mr. Mudassir Amray Mrs. Adaeze Udensi	Chairman NED NED NED MD/CEO ED	KPMG
23.	Union Bank of Nigeria Plc Stallion Plaza, 36 Marina, Lagos. P.M.B. 2027, www.unionbankng.com	264	Mr. Hamza-Bassey, Beatrice Aisha Mr. Emuwa Emeka Albert Mr. Kasongo Kandolo Mr. Okonkwo C. Godson Mr. Sonola Adekunle B. Mr. Ude Nathan Madu Mr. Alade-Adeyefa Obafunke M. Mrs. Jumare Furera Isma	Ag. Chairman MD/CEO ED ED ED ED IND IND NED	Messrs KPMG

APPENDIX 5: DMBS' HEAD OFFICE ADDRESSES, NUMBER OF BRANCHES, DIRECTORS AND APPROVED EXTERNAL AUDITORS AS AT 31ST DECEMBER, 2019

			Mr. Kenroy Dowers Mr. Burrett Richard Mr. Clyne Ian Barton Mr. Patterson Mark Mr. Labib Taimoor (13)	NED NED NED NED	
24.	United Bank for Africa Plc UBA House, 57, Marina, P. O. Box 2406, Lagos. www.ubagroup.com info@ubagroup.com	650	Mr. Tony Elumelu Mr. Kennedy Uzoka Mr. Victor Osadolor Mr. Dan I. Okeke Mr. Chukwuma E. Nweke Mr. Puri Ibrahim Mr. Uche R. Ike Mr. Emeka E. Iweriebor Mr. Samuel A. Oni Mr. Ayoku A. Liadi Mr. Oliver Alawuba Mr. Joe C. Keshi Mrs Angela Adebayo Mr. Abdulqadir Bello Mrs. Onawari B. Duke Mr. Abdulrazaq Foluke Mrs. Angela Aneke Mr. Fashola Kayode Mr. Diya Abdoul (19)	Chairman MD/CEO ED ED ED ED ED ED NED ED ED ED NED NED NED NED NED NED NED NED	PricewaterhuseCo opers
25.	Unity Bank Plc, Plot 42, Ahmed Onibudo Street, Off Adeola Hopewell Street, Victoria Island, Lagos. www.unitybanking.com we_care@unitybankng.com	231	Mr. Aminu Babangida Mrs. Tomi Somefun Mrs. Temisan Tuedor Mr. Abdulkadir Usman Mr. Ebenezer Kolawole Dr. Oluwafunsho Obasanjo Mr. Yabawa Lawan Wabi Mr. Hafiz Muhammed Bashir Mr. Sam N. Okagbue (9)	Chairman MD/CEO ED ED ED NED NED NED IND	KPMG
26.	Wema Bank Plc Wema Tower, 54, P.M.B. 12860, Marina, Lagos. www.wemebank.com	147	Mr. Babatunde Kasali Mr. Ademola Adebise Mr. Moruf Oseni Mr. Wole Akinleye Mrs. Folake Sanu Mr. Adebode Adefioye Mr. Abubakar Lawal Mr. Samuel Durojaye Mrs. Abolanle Matel Okoh Mrs. Omobosola Ojo Mrs. Tina Vukor-Quarshie (11)	Chairman MD/CEO DMD ED ED NED NED NED NED IND IND	(i) Deloitte & Touche (Chartered Accountants) (ii) KPMG

**APPENDIX 5: DMBs' HEAD OFFICE ADDRESSES, NUMBER OF BRANCHES,
DIRECTORS AND APPROVED EXTERNAL AUDITORS AS AT 31ST DECEMBER, 2019**

27.	Zenith Bank Plc, Plot 87, Ajose Adeogun Street, P. O. Box 75315, Victoria Island, Lagos. www.zenithbank.com	384	Mr. Jim Ovia, CON Mr. Ebenezer Onyeagwu Mrs. Adaora Umeoji Dr. Temitope Fasoranti Mr. Umar S. Ahmed Mr. Henry Oroh Mr. Dennis Olisa Prof. Chukuka Enwemeka Mr. Jeffrey Efeyini Mr. Gabriel I. Okpoh Prof. Oyewusi Ibidapo-Ope Engr. Mustafa Bello Dr. Almuftaba Abubakar (13)	Chairman GMD/CEO DMD ED ED ED ED IND NED IND IND IND IND	Messrs KPMG Professional Services
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Source: Banks Returns

**APPENDIX 6: PMBS' HEAD OFFICE ADDRESSES, NUMBER OF BRANCHES,
DIRECTORS AND APPROVED AUDITORS AS AT 31ST DECEMBER, 2019**

S/N	Names & Addresses	No. of Branches	Director's Names	Status	Approved Auditors
1	Abbey Mortgage Bank 23 Karimu Kotun Street, Victoria Island Lagos www.abbeymortgagebank.com	10	Chief Ifeanyi B. Ochonogor Mrs. Rose A. Okwechime Mr. Madu Hamman Mr Andrew Nwosisi Mazi Emmanuel K. O. Ivi AVM. Olufemi Soewu Mr. Bernard Okumagba High Chief Samuel Oni Mr. Uzochukwu Odunukwe (9)	Chairman MD/CEO ED ED NED NED NED NED	Ernst & Young
2	AG Mortgage Bank PLC 96 Opebi Road, Ikeja, Lagos State www.agmortgagebankplc.com	5	Rev. Chidi Okoroafor Mr. Ngozi Anyogu Rev. Vincent Alaje Barr. Patrick Abuka Mr Emmanuel Ocholi Mr Ugo Chime Mr. Sally Biose Rev. Ejikeme Ejim Barr. Theresa Ntong (9)	Chairman MD/CEO ED ED ED ED ED ED	Baker Lilly (Chartered Accountants)
3	Akwa Savings and Loan Ltd Plot 1, Block 1, Federal Housing Estate, Abak Road by Esuene Street, Uyo, Akwa Ibom State www.akwasavings.com	5	Mr. Uduak Ewitat Mr. Ebong O. Bassey Mr. Patrick N. Ifon Mr. Peter E. Udo Barr. Akan Mary E. Udo Engr. Asukwu E. Odiong Hon. Nsikan L. Nkan (7)	Chairman MD/CEO ED ED ED ED ED	J. Walter Udoeyop & Co
4	ASO Savings and Loans Plc Plot 266 FMBN Building, Cadastral Zone AO, Central Business District Abuja www.asopl.com	13	Alh. Ali Magashi Mr. Adekunle Adedigba Mrs. Risikatu Ahmed Mr. Olutoyin Okeowo (4)	Chairman MD/ CEO ED NED	Ernst & Young and Aminu Ibrahim & Co
5	Brent Mortgage Bank Ltd 192A Jide Oki Street, Off Ligali Ayorinde Street, Victoria Island, Lagos www.brentng.com	3	Alh. Muri Salami Mr. Kola Abdul Alh. Umar Abdu Alh. S. A. Awosanya Mr. Gabriel Kembi Mr. Lanre Obisesan Mr. Bola Oyebamiji (7)	Chairman MD/ CEO NED NED NED NED NED	Messrs M. A. Alawode & Co

APPENDIX 6: PMBS' HEAD OFFICE ADDRESSES, NUMBER OF BRANCHES, DIRECTORS AND APPROVED AUDITORS AS AT 31ST DECEMBER, 2019

S/N	Names & Addresses	No. of Branches	Director's Names	Status	Approved Auditors
6	Centage Savings and Loans Limited. 7B Benghazi Street, Opposite Old Sahad Stores, Wuse Zone 4, Abuja. Email: centagemortgagebank@gmail.com	1	Mr. Gabriel Johnson Mr. Gabriel Egwu Mr. Victor Oyedu Mr. John Nwosu Mr. Ayotunde Ayotunde Mr. Philip Onyiruka (6)	Ag. Chairman Ag. MD/ CEO NED NED NED	Abdulmalik Ahmed & Co.
7	City Code Mortgage Bank Ltd. 21/25 Broad Street, Investment House, 1 st floor, Marina, Lagos. www.citycodemortgagebank.com	1	Mrs O. Mudasiru Mr. E. Mac-Yoroki Mrs C. O. Egharevba Mr. Oyatoye M. Abiodun Mr. Adekunle Osibodu Mr. Ebibimo Timitimi Barr. Adebisi Adeniji Mrs Magdalene Akikibofori (8)	Chairman MD/ CEO ED NED NED NED NED NED	Abayomi Dosunmu & Co.
8	Cooperative Savings and Loans Ltd. 11, University Crescent, Beside Access Bank, Along UI Secretariat road, Bodija, Ibadan, Oyo state. info@cmbankng.com	7	Mr. Nasir A. Abdullahi Mr. Kabir Ayinde-Tukur Chief Oluwole Okunnuga Mrs. Kudi Badmus Aum Walter Ogunjiofor Mr. Samuel Akinsele Mrs. Fatima Ibrahim Mr. Adeleke Adeleye (8)	Chairman MD/CEO NED NED NED NED NED NED	BDO Nigeria
9	Delta Trust Mortgage Finance Ltd. 126 Nnebisi Road, Asaba, Delta State. www.deltatrstmortgagefinance.net	2	Dr. Francis F. Abudu Mrs. Ruby I. Okoro Barr. Joshua O. Muwhen Engr. John Agori Mr. Edward Mekwuye Mrs. Maria Adaigbe Prince George Ugen Dr Henry Nzekwue Mr. Meggison Omatseyin Mr. Gibson Pinnick Arch. Emmanuel Isichei (11)	Chairman MD/ CEO ED NED NED NED NED NED NED NED NED	Mathew Iyeke & Co.
10	FBN Mortgages Ltd. No. 124, Awolowo Road, Ikoyi Lagos www.fbnmortgages.com	4	Mr. Uduma Kalu Mrs. Korede Adedayo Mrs. Ngozi Ogunwa Mrs Ola Ifezulike Mr. Adeniyi Akinlusi (5)	Chairman MD/CEO ED INED INED	KPMG
11	FHA Homes Ltd. Asande House, No. 39, Durban Street, Off Ademola Adetokunbo Crescent, Wuse II, Abuja www.fhamortgage.gov.ng	5	Prof. Mohammed Al-Amin Mr. Hayatuddeen A. Awwal Barr. Hajara A. Kadir Barr. Aniedi Akpabio	Chairman MD/CEO ED ED ED ED	Iyornumbe Ime & Co

APPENDIX 6: PMBS' HEAD OFFICE ADDRESSES, NUMBER OF BRANCHES, DIRECTORS AND APPROVED AUDITORS AS AT 31ST DECEMBER, 2019

S/N	Names & Addresses	No. of Branches	Director's Names	Status	Approved Auditors
			Col. Rufus A. Adejoro (Rtd) Mr. Effiong Akwa Barr. Umar S. Gonto Mr. Jonah S. Saidu (8)	ED ED	
12	First Generation Mortgage Bank Ltd. No. 86 Aminu Kano Crescent, Wuse 11, Abuja www.fgmb-ng.com	7	Mrs Evelyn Ngozi Nwaora Sir Young-Toby Ekechi Barr Mrs Gloria Ogechukwu Mr Innocent Ifeayi Nwaora Mr. Chijioke Ekechukwu Mr. Kelechi Nzewuihe Chief Gabriel Ugwuozor Mr. Patrick Eneape (8)	Chairman MD/CEO ED ED ED ED ED ED	Abdullahi Bin Suleiman & Co
13	Gateway Savings and Loans Ltd. Plot 10 & 11 Aderupoko Drive, Ibara Housing Estate, Oke-Ilewo Abeokuta, Ogun State. gatewaysavings@yahoo.com	4	Mr Samuel Durojaye Mr. Olawale Osisanya Mr. Adewale Oshinowo Ms. Adenrele Adesina Mr Olaolu Olabimtan Mrs Oluyemisi Dawodu Ms Sola Arobieke Mr. Hassan Adekunle Mrs. Ibiyemi Adesoye Mr Akande Omoniyi (10)	Chairman MD/CEO NED NED NED NED NED NED NED NED	S. I. A. O. Partners
14	Global Trust Savings & Loans Plot 740, Adeola Hopewell Street, Victoria Island Lagos www.globaltrustsavings.com	1	Mr. Rotimi Fashola Mr. Oluyemi Fatokun Mr Olabisi Elusakin Mr. Obalade Yinka Mr. Bashorun O. Adegbite Mr. Doyin Adebambo Mr. Obayomi Lawal (7)	Chairman MD/CEO ED NED NED NED NED	ATC Professional Services.
15	Haggai Mortgage Bank Ltd 119 Bode Thomas Street, Surulere, Lagos. www.haggaiibank.com	2	Elder S. M. Olakunri Mr. Richard Olubameru Mr. Obafunmilayo Augusto Mr. Bababode Osunkoya Chief. S. Ayo Oso Mrs. Abiodun Oyeperu (6)	Chairman MD/CEO NED NED NED NED IND	Baker Tilly (Chartered Accountants)
16	Homebase Mortgage Bank Ltd 639 Adeyemo Alakija Street, Victoria Island Lagos	1	Mr. Fela Durotoye Mr. Femi Johnson Mr. Ronald Igbinoba Mr. Friday Nwajei	Chairman MD/CEO ED ED	Olusegun Akinosi & Co

APPENDIX 6: PMBS' HEAD OFFICE ADDRESSES, NUMBER OF BRANCHES, DIRECTORS AND APPROVED AUDITORS AS AT 31ST DECEMBER, 2019

S/N	Names & Addresses	No. of Branches	Director's Names	Status	Approved Auditors
	www.homebasebank.com		Capt. Femi Olaiya Mr. Temitope Adegbomire Mrs. Adetola Owolabi (7)	ED ED ED	
17	Imperial Homes Mortgage Bank Ltd. 28 Saka Tinubu Street, Victoria Island, Lagos. www.imperialmortgagebank.com	2	Mr. Mutiu Simonu Mr. Ayodele Olowookere Mrs. Salamatu Aderinokun Oba Adeyeye Ogunwusi Mr. Emeka Ndu Mr. Oludolapo Ajayi Mr. Ikenna Nwizu Mr. Ralph Gilchrist Mr. Cyrille Nkontchau (9)	Chairman MD NED NED NED NED NED Awaiting Approval Awaiting Approval	KPMG Professional Services
18	Infinity Trust Savings and Loans www.itmbplc.com 11 Kaura Namoda Street, off Faskari Street. Area 3, Garki Abuja www.itmbplc.com	4	Engr. Adeyinka Bibilari Mr. Obaleye Olabanjo Mr. Dada Ademokoya Engr. Tunde Olaleke Mr. Akin Arikawe Gen. Ishaku Pennap (Rtd) Alh. Muhammed Abubakar Mrs. Ene Okwa Iyana (8)	Chairman MD/CEO NED NED NED NED IND IND	Messrs Aminu Ibrahim & Co
19	Jigawa Savings and Loans Ltd. 1 st floor, Binta Sanusi House, Kiyawa road, Dutse, Jigawa state. www.jigawasavingsandloans.com.ng	7	Mr. Suleiman S. Baffa Alh. Nasir Musa Arc. Adamu M. Tahir Engr. Habu A. Gumel Alh. Haliru Said Haj. Habiba I. Dutse Hon. Aminu S. Gumel (7)	Chairman MD/CEO ED ED ED ED ED	Ahmed Tanko & Co.
20	Jubilee-Life Mortgage Bank Plot 730, Adeola Hopewell, Victoria Island, Lagos. www.jubileelifeng.com	10	Elder F.O.A. Ohiwerei Mr. John Obi Mr. Iyiola Adegboye Dr. Fidelis Ayebae Mr. Obafunso Ayinoluwa Pastor. Bitrus Yayala Mr. Olukayode Awolu Mr. Andrew Aluya Mr Salu Abolarinwa (9)	Chairman MD/CEO NED NED NED NED NED NED NED	Deloitte & Touche
21	Kebbi Homes Savings and Loans Ltd. No. 66 Ahmadu Belloway, GRA, Birnin Kebbi. Kshsl-bk@hotmail.com	4	Isah Abubakar Tunga (1)	MD/CEO	Ubada Abah & Co.

APPENDIX 6: PMBS' HEAD OFFICE ADDRESSES, NUMBER OF BRANCHES, DIRECTORS AND APPROVED AUDITORS AS AT 31ST DECEMBER, 2019

S/N	Names & Addresses	No. of Branches	Director's Names	Status	Approved Auditors
22	Lagos Building Investment Company PLC. Plot 1, ASSBIFI road, Central Business District, Alausa, Ikeja, Lagos. www.lbic.com	2	Arch Adeshina Soyabo Mr Tobiloba Lawal Mr. Olugbenga A. Olaleye Mr. Biodun Dosunmu Mr. Abiodun Afinowi Femi Adewole (6)	Chairman MD/ CEO ED ED NED INED	Akapo and Partners
23	Mayfresh Mortgage Bank Ltd. 83 Aba/Owerri roadUmungasi, Aba, Abia state. www.mayfreshmortgageLtd.com	22	Dr. Okwudili Micheal Lady Maria-Goretti Omego Mr. Andrew Offor O. Mr. Egbegolu Mark Mr. Aaron Amaechi Ude Mr. Peter Nwosu C. Rev.Fr. Prof. E.M.P. Edeh Mr. Iwuchukwu Vernatius (8)	Chairman CEO ED ED ED NED NED NED	Theophilus Ohazulike & Co.
24	Mutual Alliance Mortgage Bank Ltd 209 Oron Road, Uyo, Akwa Ibom State www.mutualalliance.com	1	Mr. Elisha Yahaya Mr. Okon Amasi Mr Kodi Ohakah Mr. Aneiefiok Iwok Mr Andy Wabali Mr. Sammy Adiqun Mr. Blankson Assi Mr Petersiye Dienye (8)	Chairman MD/CEO ED ED ED ED ED ED	Olutoyin Lasisi & Co
25	New Prudential Mortgage Bank Ltd 55 Bishop Oluwole Street, Victoria Island, Lagos www.newprudential.com	1	Mr. Gboyega Fatimilehin Mr. Eyo Asuquo Mr. Gboyega Fatimilehin Mr. Adebisi Adebutu Mr. Babatunde Edun (5)	Chairman MD/CEO NED NED NED	Pedabo Audit Services
27	Nigeria Police Mortgage Bank Ltd Plot 11, Port Said Street, Wuse Zone 4, Abuja. info@nigeriapolicemortgagebank.com	1	DIG. Uba B. Ringin (Rtd) Mr. Abubakar Suleiman Mr. Abdulrahman Ibrahim Mr. Dasuki Galadanchi CP. Egbunike O. Joseph ACP. Iloka N. Innocent CP. Samson Wudah (Rtd) CSP. Jubril G. Gani Prince Goodluck Odimegwu (9)	Chairman MD/ CEO ED NED NED NED NED NED IND.	Abdulmalik Ahmed \$ Co.
28	Omoluabi Mortgage Bank Plc. Old Governor's Office, Gbongan Ibadan Road, Ogo Oluwa Area, Osogbo, Osun state. www.ombplc.com	3	Mr. Adebayo Jimoh Mrs. Olaitan Aworonke Mr. Bola Oyebamiji Prof. Olalekan Yinusa Mr Micheal Omolaja Mrs. Eyitola Adu Mr Adeyemi Adefisan	Chairman Acting MD NED NED NED NED NED	PKF Professional Services.

**APPENDIX 6: PMBS' HEAD OFFICE ADDRESSES, NUMBER OF BRANCHES,
DIRECTORS AND APPROVED AUDITORS AS AT 31ST DECEMBER, 2019**

S/N	Names & Addresses	No. of Branches	Director's Names	Status	Approved Auditors
			Mr Adeniran Adewole Mr Olufemi Adesina Prince Gbadebo Adekunle (10)	NED NED NED	
29	Platinum Mortgage Bank Ltd. Plot 161 Yakubu Gowon Crescent, Asokoro Abuja. www.pmbml-ng.com/ info@pmbml-ng.com	15	Mr. Taiwo Bankoko Dr. Emmanuel N. Mbaka Mrs. Ucheoma Iroha H.R.H. Victor Egbe Sir David Nwosu Mrs. Lydia Shaibu Mrs. Maureen N. Emeani Mr Akinloye Kolawole Alh Zanna Abba-Gana (9)	Chairman MD/CEO ED ED ED ED ED ED INED	Kuseme Ibok & Co.
30	Refuge Mortgage Bank Ltd 66 Opebi Road, Ikeja Lagos www.refugebank.com.ng	1	Pastor. Matthew Okojie Mrs. Florence Adeola-Dada Pastor. Yemisi Kudehinbu Evan. Dr. Eddy Owase Pastor Tom Obiasi Pastor Ose Oyakihlome (6)	Chairman MD ED ED ED ED	David Odiwo & Co
31	Resort Savings & Loans Plc. 25 Olowu Street, off Awolowo way, Ikeja, Lagos. www.resortng.com	4	Barr. J.O.J Chukwuocha Mr. Olayemi Rabi Mr. Kolawole Adesina Senator Sunday O. Fajinmi Mr. Umar Karaje (5)	Chairman MD/CEO ED NED NED	BBC Professionals
32	Safetrust Mortgage Bank Limited 18 Keffi Street, Ikoyi, Lagos state www.safetrustmortgagebank.com	2	Mr. Ayodele O. Arogbo Mr. Akin Opeodu Mr. Joseph Adeyanju Mr. Bola Oduyale Mr. Yinka Odeleye Mrs. Damilola Olawoye (6)	Chairman MD ED NED NED NED NED	Messrs KPMG Professional Services
33	STB Building Society No. 1 First Avenue, Bourdillon Court, Chevron Drive, Lekki, Lagos. www.stbsociety.com	1	Mr. Adeyemi Idowu Mr. Olaitan Kasero Mr. Sunday Olabode Mr. Olusoji Oladokun Mr. Adeolu Idowu Mr. Abisoye Sonoiki (6)	Chairman MD ED NED NED NED	Uche Okoye & Co.

**APPENDIX 6: PMBS' HEAD OFFICE ADDRESSES, NUMBER OF BRANCHES,
DIRECTORS AND APPROVED AUDITORS AS AT 31ST DECEMBER, 2019**

S/N	Names & Addresses	No. of Branches	Director's Names	Status	Approved Auditors
34	MGSL Mortgage Bank Ltd. 23, Aminu Kano Crescent, Wuse II, Abuja. www.mgslmortgagebank.com	1	Dr. Ambroise B. C. Orjiako Mr. Emmanuel Ossai Dr. Virginia Anohu HRH Dr. Christine Nwuche Engr. Victor Anohu Alh Tukur Ibrahim Bakori AVM Adebisi B. Okonlawon Mr Daniel Ndunaka Aujobi (8)	Chairman MD/CEO ED ED ED INED INED INED	Olawale Shorunke & Co.
	TOTAL	149	233		

Source: Banks' Returns



Nigeria Deposit Insurance Corporation

Protecting your bank deposits

