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# **PART ONE**

## **NDIC OPERATIONS AND PERFORMANCE**

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## SECTION 1

### OVERVIEW OF MANDATE, CORE VALUES AND STRATEGIC PLAN

#### 1.0 Introduction

The NDIC is an independent agency of government established by the NDIC Act No. 22 of 1988, now repealed and re-enacted as NDIC Act No. 16, 2006 with the key role of providing financial guarantee to depositors of licensed deposit-taking financial institutions. It is a key component of the Nigerian financial safety-net. It has the responsibility of administering deposit insurance scheme in Nigeria, with a view to protecting depositors and promoting public confidence thereby contributing to financial system stability.

#### 1.1 Public Policy Objectives

The public policy objectives of the NDIC are as follows:

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

#### 1.2 Vision

To become one of the leading deposit insurers in the World

#### 1.3 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 financial institutions, prompt payment of guaranteed sums and orderly resolution of failed insured financial institutions.

#### 1.4 Mandate

The NDIC is vested with a wide range of powers and authorities to enable it effectively discharge its mandate as an insurer and liquidator. It also possesses supervisory powers and authorities to monitor the financial condition of deposit-taking financial institutions licensed by the CBN as well as ensure their orderly resolution when they fail.

Derived from its mission, public policy objectives and functions, the mandate of NDIC is as follows:

**a) Deposit Guarantee**

The deposit guarantee mandate of the NDIC is its most unique and distinct activity. As an insurer, NDIC guarantees depositors' funds in licensed deposit-taking financial institutions in Nigeria and also reimburses insured depositors up to the maximum limit in accordance with its statute in the event of failure of an insured institution so as to engender public confidence in the nation's banking system. The maximum coverage limit remained at ₦500,000 per depositor of DMBs (including non-interest banks) and ₦200,000 per depositor of MFBs and PMBs during the period under review. The NDIC also guarantees funds of subscribers of Mobile Money Operators in Nigeria up to the set coverage limit of ₦500,000 per subscriber per DMB where MMOs maintain pool account.

**b) Bank Supervision**

Bank supervision is an essential element of a risk minimiser type of deposit insurance system as it seeks to reduce the potential risk of failure and ensure that unsafe and unsound practices by operators do not go unchecked. In that regard, the NDIC undertakes bank supervision of licensed deposit-taking financial institutions through on-site examination and off-site surveillance in collaboration with the CBN. The aims of supervision include: protecting depositors; contributing to monetary stability; promoting an effective payment system as well as encouraging healthy competition in the Nigerian banking system.

**c) Distress Resolution**

The NDIC ensures that failing and failed insured institutions are resolved in a timely and efficient manner. In that regard, the NDIC provides financial and technical assistance to eligible insured financial institutions in the interest of the depositors. The financial assistance could be in the form of loans, guarantees or accommodation bills. Similarly, the technical assistance includes assumption of control and management of a failing institution, change of management or assisted merger/acquisition with another viable institution. The NDIC also decides on the least-cost resolution option to adopt in the event that the licence of an insured institution is revoked. In addition, the NDIC shares the responsibility of distress resolution with the CBN.

**d) Bank Liquidation**

The NDIC is the sole liquidator of any closed insured deposit-taking financial institution in Nigeria. The discharge of this mandate ensures that NDIC's responsibility is not only limited to the reimbursement of insured amount but also it reimburses other depositors, creditors, and shareholders from the disposal of physical assets as well as recovery of debts owed the closed insured institutions. Similarly, depositors have priority of claim on a failed bank's assets over other stakeholders such as preferred creditors, general creditors and shareholders.

## 1.5 Core Values

The NDIC is guided by the following core values and beliefs to effectively discharge its mandate:

### ➤ **Honesty**

The NDIC is committed to doing what is right and just at all times. In that regard, NDIC employees are required to:

- Adhere to the highest ethical standards in performing their duties;
- Act and negotiate in good faith and in the best interest of the NDIC; and
- Display the highest level of integrity.

### ➤ **Respect And Fairness**

The Management, in partnership with the employees, ensures that:

- Employees treat each other with mutual respect;
- Employees are given equal opportunities and treated with fairness;
- Employees career advancement are based on merit; and
- Work environment is conducive for the employees.

### ➤ **Discipline**

All NDIC employees are required to:

- Exhibit a clear understanding of their responsibilities, powers and duties and discharge same in a responsible and professional manner;
- Demonstrate a high degree of tact and discretion and be circumspect in their dealings with stakeholders of the NDIC; and
- Employ utmost decorum, courtesy, politeness and consideration and yet maintain firmness in all dealings with colleagues and other NDIC's stakeholders.

### ➤ **Professionalism And Team Work**

The NDIC employees are required to be good team players and demonstrate a high level of professionalism in performing their duties. In that regard, NDIC employees are expected to:

- Improve their skills and performance;
- Endeavour to attain excellence in all aspects of their work;
- Aspire to exceed and accomplish set targets;
- Seek innovative and creative solutions to problems;
- Abide by all codes of conduct and professional ethics/good corporate governance at all times;
- Be objective and factual in their work presentation and also be constructive in their criticism;
- Promote and reinforce cooperation with other relevant agencies locally and internationally;
- Acknowledge the contributions of others; and
- Provide and solicit support to and from colleagues.

➤ **Passion**

All NDIC employees are required to be passionate in carrying out their duties and in doing so, they are expected to:

- Be motivated and enthusiastic in all aspects of their work;
- Be dedicated and proactive;
- Be responsive in facing and tackling challenges; and
- Improve and gain skills in both areas of strength and otherwise.

## **1.6 Progress Made In The Implementation Of The 2011 - 2015 Strategic Plan As At 31st December, 2015**

The 2011-2015 Strategic Plan is hinged on a comprehensive and integrated approach to achieve the various objectives which incorporated the assessment of significant risks using Enterprise Risk Management (ERM) framework, Balanced Scorecard (BSC) which align strategic objectives with associated Key Performance Indicators (KPIs) with specific initiatives, projects and performance budgeting.

The NDIC has made remarkable progress in the implementation of its five (5)-year strategic plan. The plan was built on four strategic themes, namely: Operational Readiness; Culture of Continuous Performance Management; Collaboration and Strategic Partnering and Promoting Public Confidence in Deposit Insurance System. Although the 5-year strategic plan ended as at 31st December 2015, Management had approved a new 5-year plan to commence on 1st January, 2016.

### **1.6.1 Status Of Implementation Of Key Strategic Initiatives And Projects On a Thematic Basis As At 31st December, 2015**

The effective execution of the initiatives and projects with continuous focus on the strategic themes had yielded the desired strategic results within the life span of the strategy. The Strategic theme and the results are as shown in Table 1.1. The status of implementation of the strategic initiatives as at 31st December, 2015 is presented on a thematic basis in Table 1.2 and Chart 1.1 below. Overall, in aspiring to achieve its Vision, the NDIC successfully completed 22 initiatives, 37 initiatives were in progress while the implementation of 4 initiatives were yet to commence as at 31st December, 2015 as depicted in the chart. It is worthy of note that the successful completion of some of the initiatives had strengthened the NDIC's capacity in the four strategic areas of the plan leading to positive trend towards achieving some of its objectives. For example, the public awareness survey carried out indicated that public awareness of the NDIC's activities improved from 25% in 2009 to 42% in 2013. Staff welfare/motivation index was 69.37% as at 31st December, 2015.

Some of the key strategic initiatives and projects that were successfully completed and or nearing completion under the 2011-2015 strategic plan are as follows:

- I. Implementation of Risk Based Auditing.
- II. Implementation of Enterprise Risk Management System (ERMS).
- III. Rebranding of the Corporation and the review of the Corporate Values.
- IV. Information Technology Security System and Architecture (ITSSA).
- V. E-FILMS.
- VI. Implementation of Performance Management System PMS (Automation).
- VII. Implementation of Electronic Document Management System (EDMS).
- VIII. Implementation of Performance Budgeting.
- IX. Oracle Treasury Management System.
- X. Capacity building in Risk Based Supervision, Basel II & III and IFRS.
- XI. Establishment of Training Academy.
- XII. Organisational renewal through strategic recruitment and retention policy.
- XIII. Implementation of Non-Interest Deposit Insurance System (NIDIS).
- XIV. Implementation of International Financial Reporting Standards (IFRS).
- XV. Implementation of Corporate Performance Management System (CPMS).

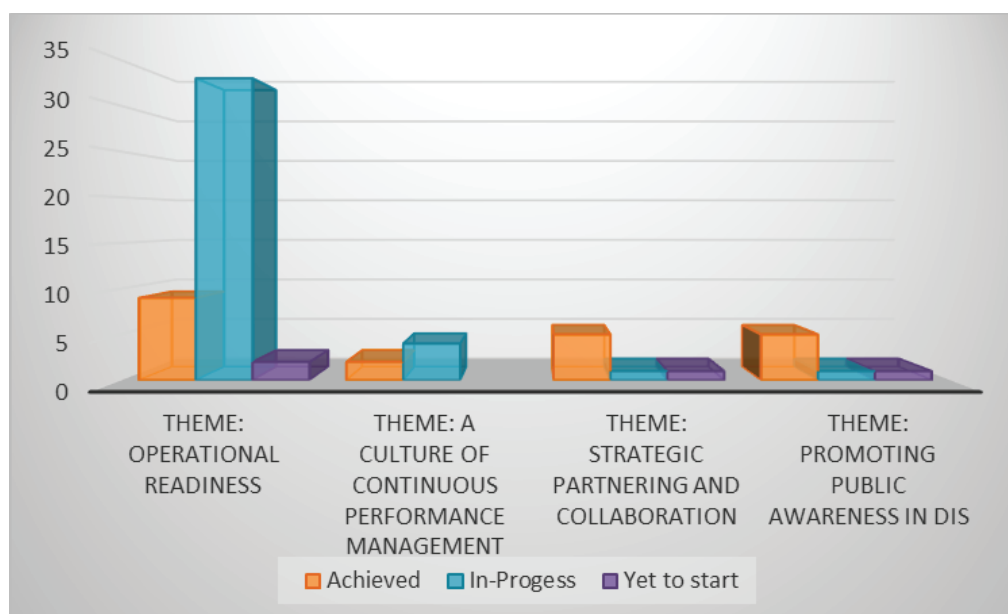
Table 1.1  
**STRATEGIC THEME AND STRATEGIC RESULTS**

S/N	Strategic Theme	Strategic Results
1	Operational Readiness	Readiness to fulfil the mandate in terms of the organizational capacity, processes and financial strength.
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.

Table 1.2  
**SUMMARY OF IMPLEMENTATION STATUS OF INITIATIVES BY THEMES**

STATUS OF INITIATIVES/ PROJECTS	TOTAL NUMBER OF INITIATIVES/ PROJECTS	ACHIEVED	IN- PROGRESS	YET TO START
OPERATIONAL READINESS	43	10	30	3
A CULTURE OF CONTINUOUS PERFORMANCE MANAGEMENT	6	2	4	Nil
COLLABORATING AND STRATEGIC PARTNERING	7	5	1	1
PROMOTING PUBLIC AWARENESS IN DIS	7	5	1	1
<b>TOTAL</b>	<b>63</b>	<b>22</b>	<b>37</b>	<b>4</b>

Chart 1.1  
**IMPLEMENTATION STATUS OF INITIATIVES BY THEMES**



## SECTION 2

### DEPOSIT INSURANCE ACTIVITIES AND MANAGEMENT OF DEPOSIT INSURANCE FUNDS

#### 2.0 Introduction

In its role as a deposit insurer and the body responsible for administering DIS in Nigeria, the NDIC promotes the safety and soundness of the insured financial institutions. The scheme also serves as a safety-net that engenders public confidence in the banking system, thereby making incidence of bank run less likely. In Nigeria, membership of the DIS is mandatory for all deposit-taking financial institutions.

The NDIC continually evaluates and effectively manages the impact of changes in the economy, financial markets, and banking system as they affect the adequacy and the viability of the Deposit Insurance Fund. Consequently in 2015, the NDIC carried out a review of the Deposit Insurance Coverage Level to examine the adequacy of the current maximum deposit insurance coverage levels for insured institutions in Nigeria. It is instructive to note that the last time such a review was carried out was in 2010.

The principal and sustainable source of funds for a DIS is premium contribution by member institutions. Such premium contributions constitute the Insurance Fund. The NDIC administers three (3) Insurance Funds, namely: Deposit Insurance Fund (DIF), Special Insured Institutions Fund (SIIF) and Non-Interest Deposit Insurance Fund (NIDIF) for DMBs, MFBs/PMBs and Non-Interest Banks, respectively.

This section discusses developments on the generation and management of the three funds. It also highlights the insurance activities of the NDIC with respect to coverage and premium contribution by the participating institutions in 2015.

#### 2.1 Deposit Insurance Premium

Deposit insurance premium is the amount an insured institution pays for deposit insurance on a periodic basis usually quarterly or yearly. The Core Principle for Effective DIS indicates the differential risk adjusted premium system as the best approach in premium administration. It is a method of assessment in which a member institution is assessed in relation to the risk it poses to the DIS.

The NDIC, like most other jurisdictions, continued to adopt risk-based premium assessment method in calculating the premium payable by DMBs and Non-Interest Banks (NIBs). However, the flat rate method was used to assess premium for MFBs and PMBs in 2015.

The assessment rate under DPAS is divided into base rate which is paid uniformly by all insured institution and the add-ons based on the risk appetite of each institution.

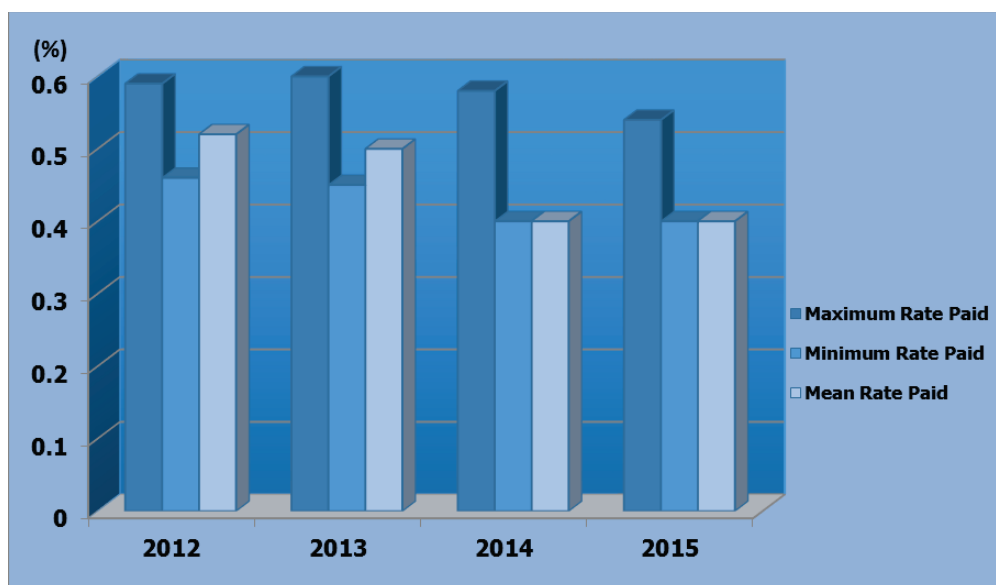
During the year under review, the NDIC used 35 basis points as the base rate plus whatever a bank was charged from the add-ons in calculating the premium for DMBs/NIBs under the DPAS. A flat rate of 50 basis points was used for PMBs and MFBs in computing their premium payable in 2015.

TABLE 2.1  
**Premium Rates Paid By Deposit Money Banks From 2012 To 2015**

	2012	2013	2014	2015
Maximum Rate Paid (%)	0.59	0.60	0.58	0.54
Minimum Rate Paid (%)	0.46	0.45	0.40	0.40
Mean Rate Paid (%)	0.52	0.50	0.48	0.40

Source: NDIC.

Chart 2.1  
**PREMIUM RATES PAID BY DMBs FROM 2012 TO 2015**



During the year under review, the maximum rate paid by the most risky bank decreased by four basis points from 0.58% in 2014 to 0.54% in 2015. The minimum rate paid by the least risky bank remained unchanged at 0.40% for 2014 and 2015. The mean rate paid by DMBs also decreased by eight basis points from 0.48% in 2014 to 0.40% in 2015. The range of premium rates for a greater number of DMBs was between 40 and 54 basis points. The reduction in the maximum, minimum and mean rates paid in 2015 was attributable to the reduction in base rate, which was aimed at reducing the



premium burden on banks as well as the improvement in the risk profile of banks. Effectively, the NDIC reduced the premium paid by banks by ₦9.09 billion in 2015 following the reduction of the premium base rate from 40 basis point to 35 for each DMB/NIB under the DPAS.

## 2.2 Deposit Insurance Coverage

The year under review had recorded positive increments in the Insurance Funds, scope and level of coverage. That was as a result of the combined efforts of CBN/NDIC especially in public awareness campaigns and financial inclusion.

Table 2.2 and Chart 2.2A show that the total number of accounts in DMBs increased by 4.19% from 64,314,151 in 2014 to 67,014,595 in 2015. Similarly, the number of fully covered accounts at ₦500,000 in DMBs grew by 3.70% from 62,447,952 in 2014 to 64,760,480 in 2015. However, the proportion of total accounts that were fully covered at ₦500,000 declined slightly to 96.64% in 2015 compared to 97% in 2014. The proportion of partially covered accounts at ₦500,000 increased slightly to 3.36% compared to 2.90% in 2014. Also, there was an increase in total deposits fully covered at ₦500,000 from ₦1,375.79 billion in 2014 to ₦1,535.08 billion in 2015, while total deposits partially covered at ₦500,000 increased from ₦933.10 billion in 2014 to ₦1,127.06 billion in 2015.

Chart 2.2a:  
**GROWTH IN NUMBER OF ACCOUNTS**

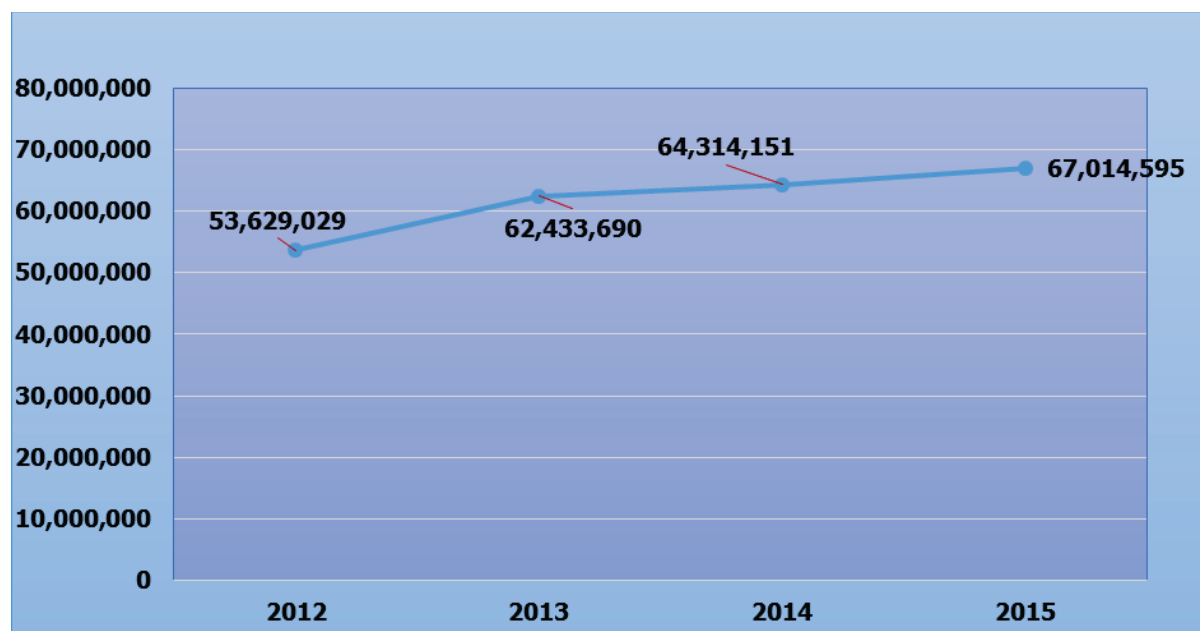


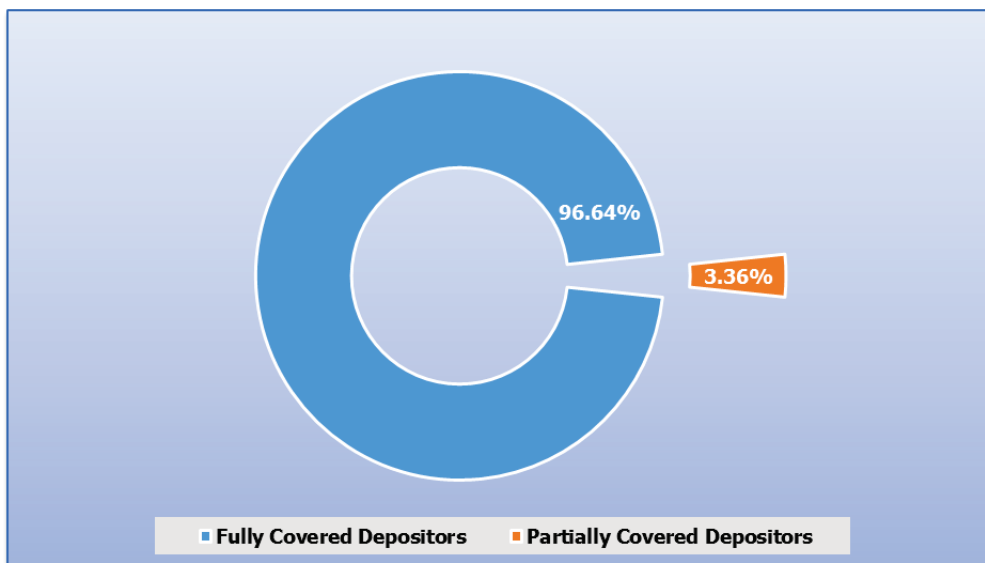
Table 2.2:  
**DEPOSIT INSURANCE COVERAGE FOR DEPOSIT MONEY BANKS FROM 2012 TO 2015**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Total number of Accounts	53,629,029	62,433,690	64,314,151	67,014,595
Total number of Accounts fully covered at ₦500,000	51,189,518	60,601,039	62,447,952	64,760,480
% of fully covered Accounts	95.45	97.06	97.10	96.64
Total number of accounts partially covered at ₦500,000	2,439,511	1,832,651	1,866,199	2,254,115
% of partially covered accounts	4.55	2.94	2.90	3.36
Total Deposits fully covered at ₦500,000 (₦' Billion)	1,090.37	1,279.56	1,375.79	1,535.08
Total deposits partially covered at ₦500,000 (₦' Billion)	1,219.75	916.33	933.10	1,127.06

Source: NDIC

Chart 2.2b

**FULL AND PARTIAL COVERAGE AT ₦500,000 AS AT 31ST DECEMBER, 2015**



## 2.3 Insurance Fund and Fund Management

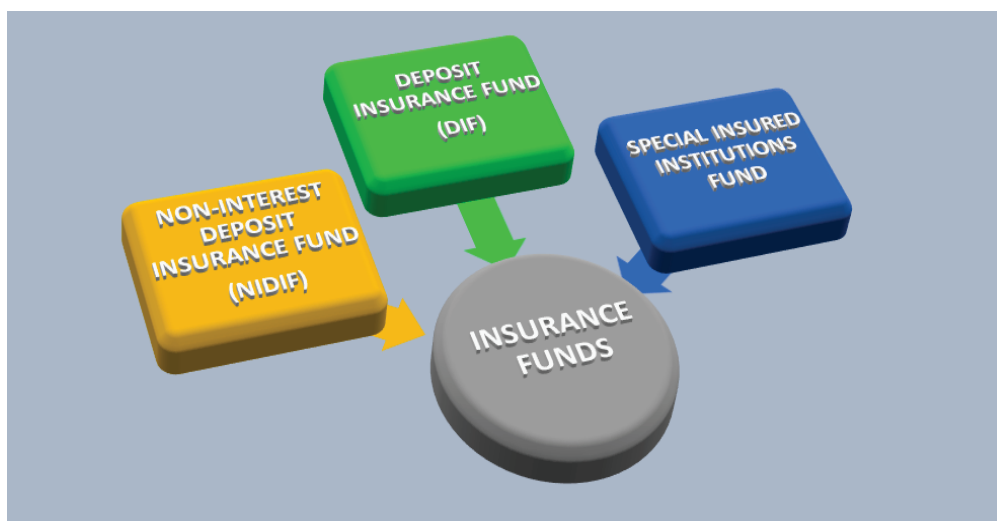
### 2.3.1 Insurance Fund (IF)

Efficient and sound funding arrangements are critical to the effectiveness of a DIS. A DIS should have available all funding mechanisms necessary to ensure the prompt reimbursement of depositors' claims. This fund is referred to as the Insurance Fund (IF).

The NDIC maintains three (3) Funds, namely: Deposit Insurance Fund (DIF); Special Insured Institutions Fund (SIIF); and Non-Interest Deposit Insurance Fund (NIDIF). Chart 2.2C depicts the basic structure of the NDIC's insurance funds as at 31st December, 2015.

Chart 2.2c

**BASIC STRUCTURE OF NDIC INSURANCE FUNDS**



During the period under review, the sum of ₦78.28 billion was collected as premium from the DMBs. Similarly, the sum of ₦1.21 billion was collected from the microfinance banks and primary mortgage banks while ₦118.67 million was received from the non-interest banks. Table 2.3 shows the trend of NDIC's cumulative insurance funds from 2012 to 2015.

Table 2.3:  
**CUMULATIVE INSURANCE FUNDS FROM 2012 TO 2015**

S/N	Particulars		2012	2013	2014	2015
1	Deposit Insurance Fund (DIF)	Amount (₦'billion)	425.21	508.06	614.16	725.58
		Growth rate (%)	19.15	19.48	20.88	18.14
2	Special Insured Institutions Fund (SIIF)	Amount (₦'billion)	39.79	57.71	71.21	77.49
		Growth Rate (%)	99.45	45.04	23.39	8.82
3	NIDIF	Amount (₦'billion)	N/A	0.02	0.12	0.24
		Growth Rate (%)	N/A	N/A	500.00	100.00

Source: NDIC

Table 2.3 shows a growth in DIF of 18.14% from ₦614.16 billion in 2014 to ₦725.58 billion in 2015. Also, SIIF increased by 8.82% from ₦71.21 billion in 2014 to ₦77.49 billion in 2015, while NIDIF increased by 100.00% from ₦118.5 million in 2014 to ₦237.1 million in 2015. Charts 2.3A and 2.3B further illustrate the movements in the DIF and SIIF respectively for a period of 4 years while Chart 2.3C shows the trend in NIDIF for a period of 3 years.

Chart 2.3a  
**DEPOSIT INSURANCE FUND (DIF) FROM 2012 TO 2015**

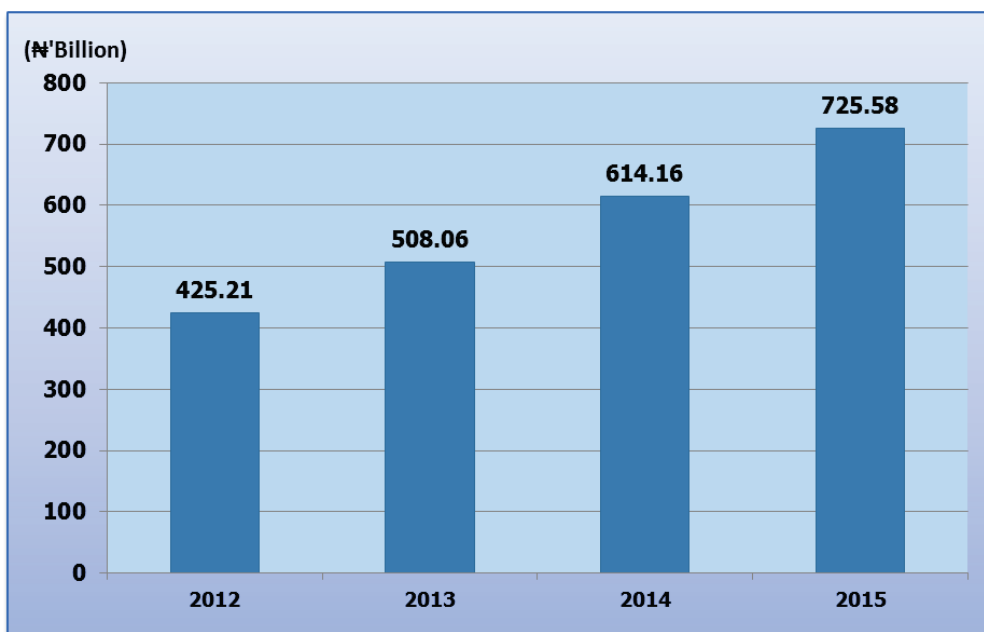
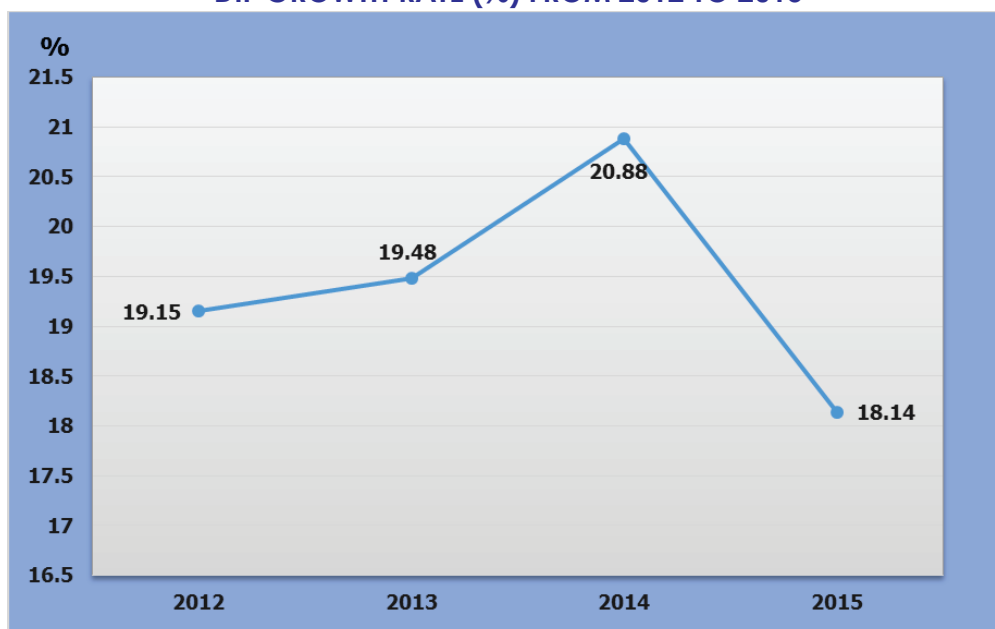


Chart 2.3b  
**DIF GROWTH RATE (%) FROM 2012 TO 2015**



As depicted in Chart 2.3B, there was a reduction in the growth rate of DIF from 20.88% in 2014 to 18.14% in 2015. That was attributable to the reduction in base rate from 40 basis points to 35 which took effect from January 2015.

Chart 2.3c  
**SPECIAL INSURED INSTITUTIONS FUND (SIIF) FROM 2012 – 2015**

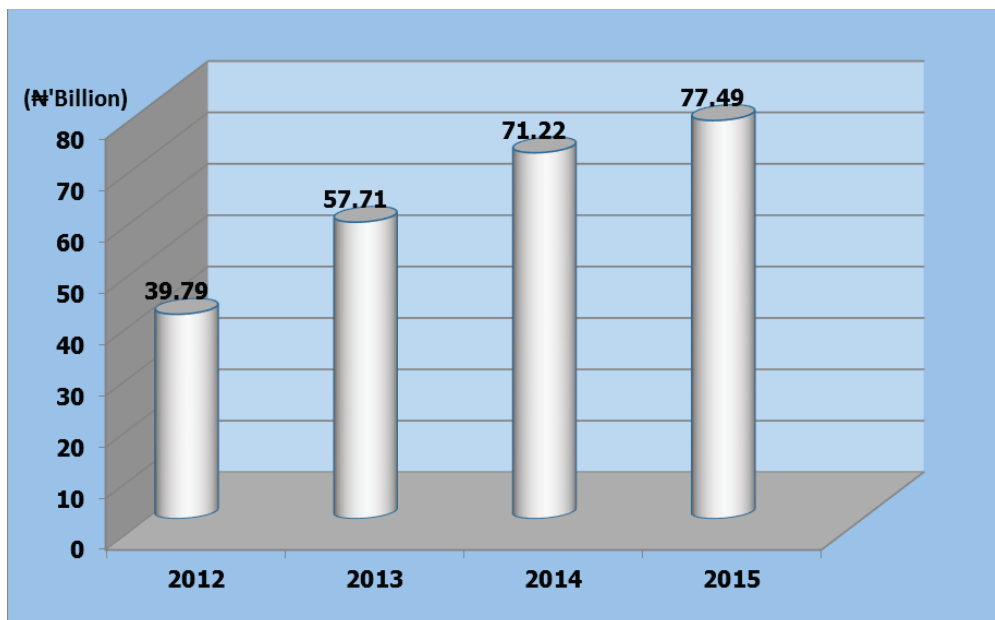
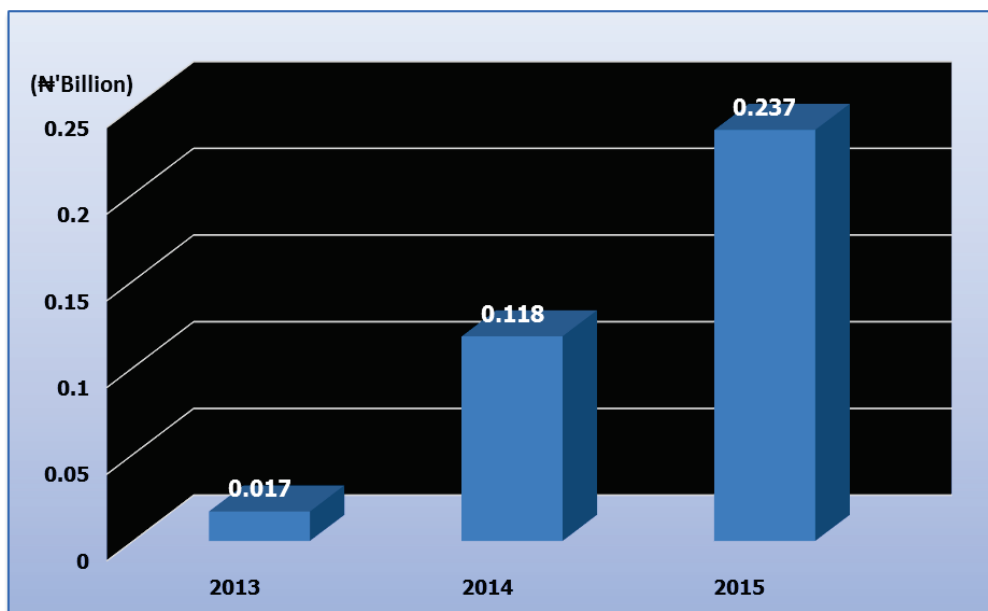


Chart 2.3d  
**NON-INTEREST DEPOSIT INSURANCE FUND (NIDIF) FROM 2013 – 2015**



### 2.3.2 Insurance Fund Management

The Funds investment policy in Nigeria is guided by the provisions of the NDIC Act, 2006 Section (13)(1) which states that "The Corporation shall have powers to invest money not immediately required in Federal Government securities or in such other securities as the Board may from time to time determine". The main objective of this policy is to

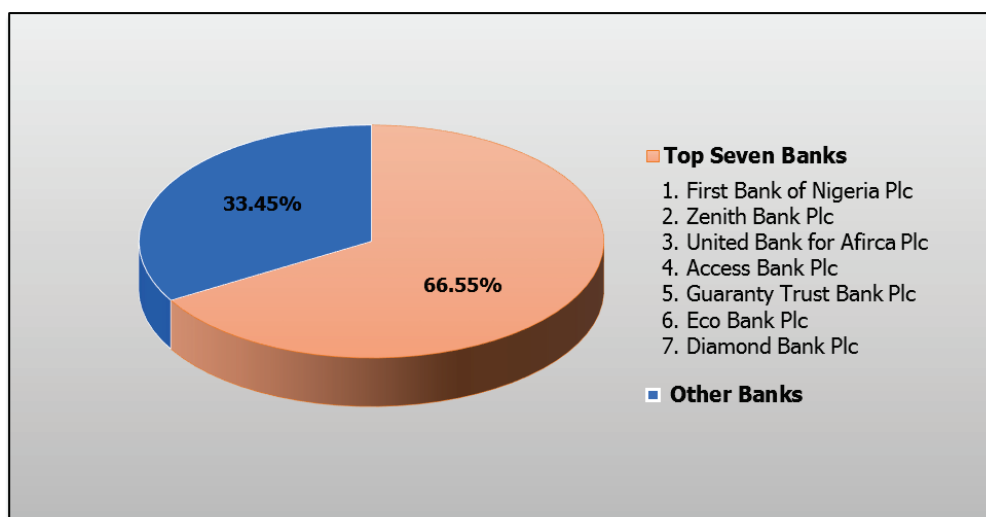
make a positive return on investment without compromising safety and liquidity of the Funds.

Therefore, the NDIC Board needs to consider which investment policy would effectively utilize the funds available for deposit insurance purposes. Also the Funds should be protected from fraud and defalcation. The Fund, not immediately required, is accordingly invested in risk free instruments such as Treasury Bills and Bonds issued by the Federal Government and the income from such investments is used by the NDIC to finance its operations.

## 2.4 Estimated Insurance Fund Risk Exposure

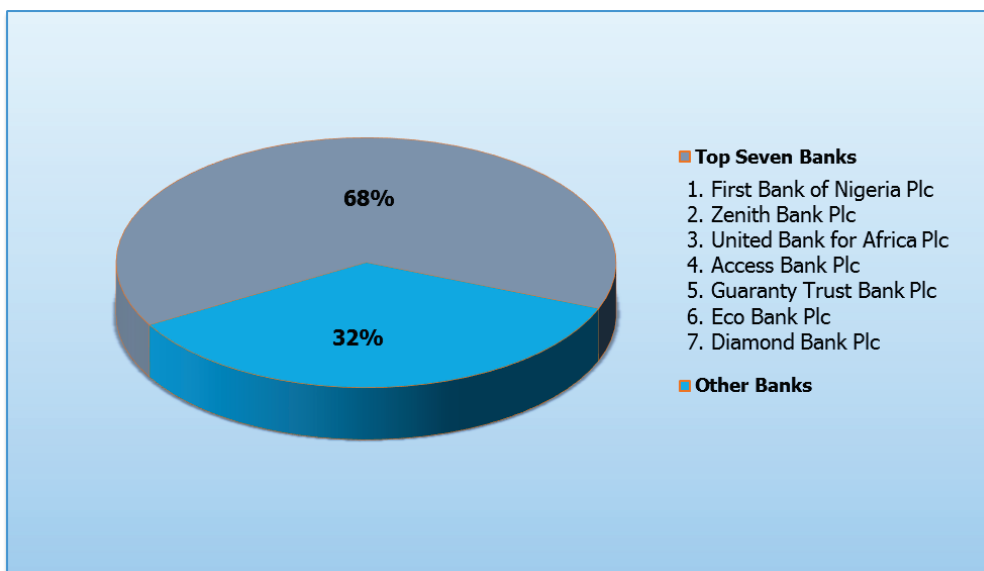
During the year under review, the total assets and total deposits of the banking industry were concentrated in the hands of few big banks in Nigeria. As at 31st December 2015, top seven (7) banks with over a trillion naira deposit base accounted for 66.55% of the industry's total deposit liabilities while the remaining sixteen (16) banks accounted for 33.45% as at 31st December, 2015. Also, a further analysis of the number of account holders revealed that out of 67,014,595 account holders in the industry, only 16,171 (0.02%) of the total number of account holders with deposit base of over N100 million accounted for 53.95% of the total deposits in the country. This was further depicted in Charts 2.4 and 2.5.

Chart 2.4  
**BANKS' TOTAL DEPOSITS AS AT 31ST DECEMBER, 2015**



The NDIC's level of risk exposure, as depicted by the amount of insured deposits in the industry at ₦500,000 maximum claim per depositor per bank, stood at ₦2.66 trillion in 2015, representing 15.19% of industry total deposits of ₦17.51 trillion. The insured deposits of the top 7 banks accounted for 68% while the remaining banks accounted for 32% of total insured deposit of the industry.

Chart 2.5:  
**BANKS' INSURED DEPOSITS AS AT 31ST DECEMBER 2015**





## SECTION 3

### SURVEILLANCE OF INSURED FINANCIAL INSTITUTIONS

#### 3.0 INTRODUCTION

In fulfilment of its core mandate of bank supervision, the NDIC carries out the supervision of insured financial institutions in collaboration with the CBN with a view to ensuring safe and sound banking practices thereby sustaining public confidence in banks. The NDIC, through its on-site examination and off-site surveillance exercises supervisory oversight over the insured financial institutions (IFIs) with the primary purpose of protecting the depositors.

In 2015, the NDIC continued to discharge its mandate of bank supervision through its Bank Examination, Insurance and Surveillance and the Special Insured Institutions Departments.

As in previous years, all IFIs continued to be members of the DIS, being administered by the NDIC in line with the provisions of the NDIC Act No.16 of 2006. The highlights of supervisory activities of the NDIC and major examination findings in 2015 are presented in this section of the report.

#### 3.1 On-Site Supervisory Activities of Deposit Money Banks

In 2015, the NDIC, in collaboration with CBN, conducted the Risk Assets Examination of the twenty-four (24) DMBs (including one Non-Interest Bank) in the system. The purpose of the examination was to assess the quality of the banks' risk assets, the adequacy of their loan loss provisions and risk-weighted capital ratios to facilitate the approval of their 2014 annual accounts.

Furthermore, the NDIC and CBN jointly carried out the risk-based examination of all the DMBs. The examination of fifteen (15) DMBs with Composite Risk Rating (CRR) of "High" and "Above Average" as well as eight (8) with the CRR of "Moderate" and "Low" were conducted as at 30th September, 2015. Similarly, the risk-based examinations of Jaiz Bank and Stanbic-IBTC Non-Interest Window were jointly carried out by the NDIC and CBN in 2015. In the same vein, the risk-based examinations of FCMB Group Plc and Stanbic-IBTC Holdings Plc were also jointly carried out by the CBN and NDIC during the period under review.

The risk-based examinations were conducted to determine the financial health of the insured institutions, their level of compliance with banking rules and regulations, their risk appetite as well as the adequacy of their risk management frameworks.

During the year under review, the NDIC, in collaboration with the CBN and some other members of the Financial Services Regulation Coordinating Committee (FSRCC),

namely: National Insurance Commission (NAICOM), Pension Commission (PENCOM) and the Securities and Exchange Commission (SEC), conducted the pilot Consolidated risk-based examination of FBN Holdings Plc.

Furthermore, the NDIC actively participated in the joint CBN/NDIC monitoring of the implementation of recommendations contained in the risk-based examination reports to ensure compliance.

Table 3.1 presents a four-year comparison of the on-site examination activities of the NDIC in respect of DMBs from 2012 to 2015.

Table 3.1  
**DEPOSIT MONEY BANKS EXAMINED AND PETITONS INVESTIGATED  
 FOR THE PERIOD 2011 - 2014**

Year	Joint CBN/NDIC Routine/RBS Examination	Joint CBN/NDIC Maiden Examination	Joint CBN/NDIC FOREX Examination	Joint CBN/NDIC Target Examination	Joint CBN/NDIC Risk Assessment Exercise	Joint CBN/NDIC Monitoring Exercise	Special Investigation /Verifications	Special Exams. Discount Houses
2015	24	-	-	-	24	16	47	-
2014	24	3	24	-	24	15	32	-
2013	20	2	20	-	20	16	11	2
2012	16	5	-	-	19	11	75	-

Source: NDIC

The joint CBN/NDIC on-site examinations conducted in 2015 revealed the continued existence of the following weaknesses in some of the DMBs:

- Poor internal controls;
- Inadequate loss provision;
- High Non-performing insider-loans;
- Non-compliance with Corporate Governance Codes;
- Poor loan underwriting and administration procedures;
- Loan and deposit concentrations;
- Non – Implementation of Examiners' recommendations;
- Poor risk management practices; and
- Contraventions of banking rules and regulations.

The NDIC, in line with its public policy objective of promoting public confidence in the banking industry through consumer protection, investigated 47 petitions/complaints received from bank customers and other stakeholders during the period under review. It ensured that where necessary, the affected customers' complaints were appropriately addressed. The complaints ranged from ATM frauds, conversion of cheques to suppression of deposits, amongst others.

### 3.2 Off-Site Surveillance of DMBs

The NDIC continued to carry out off-site surveillance on 24 DMBs (19 Commercial Banks, 1 Non-Interest Bank, and 4 Merchant Banks) that were in operation during the year under review. The financial health of the insured institutions were monitored on a continuous basis using the call reports rendered by banks through FinA (Financial Analysis) platform, the stop-gap regulatory solution.

In 2015, the CBN licensed two (2) new merchant banks, namely: Coronation and FBN Merchant which commenced operations same year. That brought the number of banks in the industry to 24 as at 31st December, 2015. It is noteworthy that towards the end of December 2014, Enterprise Bank Limited and Mainstreet Bank Limited were acquired by Heritage Banking Company Limited and Skye Bank Plc, respectively and that reduced the number of banks to 22 as at December, 2014.

### 3.3 Supervision of Special Insured Institutions.

The NDIC continued to discharge its supervisory role over other insured financial institutions subsector by conducting on-site examination and off-site surveillance of the institutions to enhance public confidence and contribute to financial system stability.

#### 3.3.1 On-Site Examination of MFBs and PMBs

During the period under review, the NDIC conducted risk-based examinations of 205 MFBs. The examinations revealed that some of the institutions were incapable of honouring their obligations to their customers as at when due. Thus, thirty-five (35) MFBs were found with regulatory concerns while a total of five (5) MFBs were running skeletal services. In the same vein, eight (8) MFBs were undergoing restructuring while twenty-two (22) had voluntarily closed shop. The major findings from the examination of the active MFBs were as follows:

- Inappropriate business model in microfinance practice;
- Inadequate capital;
- Weak Board oversight;
- Huge operating expenses;
- Huge non-performing loans (NPLs);
- Insider abuses; and
- Poor internal controls and record keeping.

In addition, the inappropriate business model which manifested by MFBs operating like DMBs with huge expenditures on fixed assets and unsustainable overhead costs was the most significant factor limiting the success of MFBs' operations in Nigeria. That situation left little room for lending to the economically active poor. Consequently, out of the MSME ₦220 billion set up by the Federal Government to provide funding to the active poor through MFBs and DMBs (Participating Financial Institutions), only ₦52.3 billion or 23% was disbursed. The idle funds showed the MFBs' poor focus on their target market.

During the year under review, six (6) PMBs were examined as against three (3) in 2014. The on-site examinations carried out on the PMBs revealed the following weaknesses, amongst others:

- Inability of the institutions to honour withdrawal requests from depositors;
- Huge non-performing loans and advances;
- Preference for investing in bank placements;
- Inappropriate target market definition; and
- Unsustainable interest charges.

Table 3.2 shows the breakdown of the examination activities of the NDIC on Special Insured Institutions in the past five (5) years.

Table 3.2  
**MFBS and PMBS Examined by NDIC**

Year	Number of MFBS Examined	Number of PMBS Examined	Total
<b>2015</b>	205	6	211
<b>2014</b>	250	3	253
<b>2013</b>	260	40	300
<b>2012</b>	246	40	286
<b>2011</b>	195	37	232

Source: NDIC

### 3.3.2 Off-Site Surveillance of MFBS & PMBS

In 2015, the NDIC continued its off-site surveillance of PMBs and MFBS through the analysis of quarterly call reports rendered by them. It also continued with the premium assessment and collection from PMBs and MFBS during the year under review. The challenges noted in the premium administration and collection from PMBs/MFBS remained as in previous years. The poor rendition of returns by some of the institutions remained a constraint in the assessment of premium payable by them. Out of the 951 MFBS, in operation, only 739 or 77.71% rendered returns as at 31st December, 2015. The challenge of under-payment of the assessed premium, returned cheques, and issuance of unreliable Certified Statement of Deposit Liabilities by the external auditors of these institutions persisted.

To further strengthen the PMB subsector, the CBN approved the merger and acquisition (M&A) of Aso Savings and Loans Plc and Union Homes Savings and Loans Plc. However, as at 31st December, 2015, the M&A remained inconclusive as the affected institutions were yet to fulfil the CBN's requirements.

### **3.4 Financial Stress Test of the Banking Industry**

The financial stress test of the Nigerian banking industry was conducted using the CBN-Modified Template of the IMF Stress Testing Framework as at 31st December, 2015. The resilience and vulnerability of the banking industry was tested using various exceptional but plausible shocks on the expanded credit and liquidity risks. Using deposit size, the twenty three (23) Deposit Money Banks (excluding Jaiz Bank) were categorized into three main peer groups: Large (7), Medium (5) and Small (11).

The result of the stress test of the banks' financials revealed that most banks were resilient to various levels of increases in NPLs as their CARs remained above the prescribed 10% threshold. However, when the NPLs were increased by 100%, the banking industry CAR declined to 15.57%, large-sized banks to 18.03%, medium-sized banks to 14.92% while small-sized banks' CAR deteriorated to 4.47%. It should be noted that the banks showed less vulnerability even after subjecting them to the extreme shock of 200% increase in NPLs.

### **3.5 Domestic Systemically Important Banks (D-SIBs)**

Against the back drop of the requirements for classification as D-SIB contained in the supervisory Framework for D-SIBs, six (6) banks, namely: Access, Eco, FBN, GTB, UBA and Zenith cumulatively satisfied all the conditions precedent to classification during the period, June to December 2015 and were therefore classified as D-SIBs during the period. Recall that SIBs are banks that control a significant portion of total industry assets, credits and net interbank deposits whose failure could have severe consequences for the financial system. The banks in that category are required to fulfil certain additional supervisory requirements to forestall any systemic risk of failure and further enhance financial system stability.

### **3.6 Sustainable Banking**

Sequel to the adoption of the Sustainable Banking Principles by the Bankers Committee in July 2012, the NDIC set up a Sustainable Banking Desk in the Managing Director's Office and an Implementation Committee to drive the process. In the year 2015, the NDIC appointed Sustainable Banking Champions for Departments Units and Zones to drive and deepen the implementation and integration process across the Corporation. The Champions were expected to, among other duties, ensure continuous sensitization and awareness creation at the Departmental, Unit and Office levels; drive the implementation of the approved framework at the Departmental, Unit and Office levels; monitor, assess and ensure compliance with the waste, water, paper

and power/energy management initiatives; ensure paperless environment; monitor and ensure compliance with the shared-files service; and render periodic reports to Management on level of compliance.

In its effort to integrate environmental and social considerations into its decision-making process relating to its business activities to avoid, minimize or offset negative impacts on its environment, the Corporation had, in 2014, commenced the implementation of energy efficiency alternatives like the installation of renewable energy at its various offices and locations nationwide. The initiative was continued and expanded in 2015 with the engagement of a consultant to advise on how best to implement the process.

Other areas of compliance by the NDIC included the promotion of inclusive finance for people and communities with little or no access to formal financial services; sustained and continuous training and capacity building for staff on environmental and social risks issues; collaboration with other stakeholders to promote and expand the Sustainable banking space not only in the banking sector but also in the financial services industry as a whole. Furthermore, the NDIC had integrated Sustainable Banking principles to its On-site supervisory processes.

## SECTION 4

### RESOLUTION AND MANAGEMENT OF FAILED INSURED FINANCIAL INSTITUTIONS

#### 4.0 Introduction

During the period under review, the NDIC continued to adopt orderly mechanism for resolving failed insured financial institutions towards the discharge of its mandate of failure resolution as well as liquidation. Its liquidation activities entailed bank closure, cost-effective realization of assets and settlement of claims of depositors, creditors and shareholders. The NDIC settles insured deposits from the insurance funds while liquidation dividends are paid from the funds realized from the assets of banks-in-liquidation.

This section presents information on NDIC's activities in 2015 with respect to claims administration, recovery of debts owed failed banks, investment realization as well as sale of physical assets of DMBs, MFBs and PMBs (in-liquidation).

#### 4.1 Failed Banks Resolution Activities

In pursuant of its liquidation mandate, liquidation activities continued in 2015 both for the thirty-five (35) Commercial/Merchant Banks whose licences were revoked prior to the banking consolidation exercise of December, 2005 and the thirteen (13) Commercial Banks whose licences were revoked in January, 2006 due to their inability to recapitalize before the December 2005 deadline. It would be recalled that out of the thirteen (13) commercial banks, eleven (11) were resolved using the Purchase and Assumption option, while two (2), namely, Fortune International Bank and Triumph Bank Limited had not been successfully resolved due to pending litigation.

The eleven banks and the assuming banks and date of handover are shown in Table 4.1.

The court cases instituted by the shareholders of Fortune International Bank Plc and Triumph Bank Ltd challenging the revocation of their banking licences were undecided as at December, 2015. A management team from NDIC was appointed to take over the activities of Fortune International Bank on the 12th of February, 2013. As at 31st December, 2015, the Management was still overseeing the affairs of the defunct bank. Another management team was appointed by the NDIC to take over the affairs of Triumph Bank Limited with effect from 1st April, 2014. The team was also overseeing the affairs of the defunct bank pending the resolution of the cases in court.

The litigation in respect of the revocation of the licence of Peak Merchant Bank Ltd was also not resolved as at 31st December, 2015. It would be recalled that on 5th August, 2011, the CBN revoked the licences of Afribank Plc, Spring Bank Plc and Bank PHB Plc

and in their place established 3 bridge banks to acquire their assets and assume the liabilities. The NDIC had obtained the orders for the winding-up of Spring Bank and Afribank while that of Bank PHB was still pending in court. From the foregoing, the total number of closed DMBs stood at 52 in 2015. The names of the closed banks in order of the year of closure are listed in Table 4.2.

Table 4.1:  
**CLOSED/ASSUMING BANK AS AT 31ST DECEMBER, 2015**

S/N	CLOSED BANKS	ASSUMING BANK UNDER P&A	HANDOVER DATE
1.	Afex Bank Plc	UBA Plc	9 <sup>th</sup> Oct., 2007
2.	Allstates Trust Bank	Ecobank Plc	16 <sup>th</sup> May, 2006
3.	Assurance Bank Plc	Afribank Plc	16 <sup>th</sup> Aug., 2006
4.	City Express Bank Plc	UBA Plc	9 <sup>th</sup> July, 2007
5.	Eagle Bank Ltd	Zenith Bank Plc	14 <sup>th</sup> Jan., 2008
6.	Gulf Bank Plc	UBA Plc	14 <sup>th</sup> Jan., 2008
7.	Hallmark Bank Plc	Ecobank Plc	24 <sup>th</sup> July, 2007
8.	Lead Bank Plc	Afribank Plc	11 <sup>th</sup> Aug., 2006
9.	Liberty Bank Plc	UBA Plc	23 <sup>rd</sup> June, 2008
10.	Metropolitan Bank	UBA Plc	11 <sup>th</sup> June, 2007
11.	Trade Bank Plc	UBA Plc	15 <sup>th</sup> Jan., 2007

Source: NDIC



Table 4.2  
**CLOSED DMBs AS AT 31ST DECEMBER, 2015**

S/N	CLOSED BANK	DATE OF CLOSURE	REMARKS
1	Financial Merchant Bank Ltd	21-Jan-1994	In-Liquidation
2	Kapital Merchant Bank Ltd	21-Jan-1994	In-Liquidation
3	Alpha Merchant Bank Plc	8-Sep-1994	In-Liquidation
4	United Commercial Bank Ltd	8-Sep-1994	In-Liquidation
5	Republic Bank Limited	29-Jun-1995	In-Liquidation
6	Abacus Merchant Bank Ltd	16-Jan-1998	In-Liquidation
7	ABC Merchant Bank Ltd	16-Jan-1998	In-Liquidation
8	Allied Bank of Nigeria Plc	16-Jan-1998	In-Liquidation
9	Amicable Bank of Nigeria Plc	16-Jan-1998	In-Liquidation
10	Century Merchant Bank Ltd	16-Jan-1998	In-Liquidation
11	Commerce Bank Plc	16-Jan-1998	In-Liquidation
12	Commercial Trust Bank Ltd	16-Jan-1998	In-Liquidation
13	Continental Merchant Bank Plc	16-Jan-1998	In-Liquidation
14	Cooperative & Commerce Bank Ltd	16-Jan-1998	In-Liquidation
15	Credite Bank of Nigeria Ltd	16-Jan-1998	In-Liquidation
16	Crown Merchant Bank Ltd	16-Jan-1998	In-Liquidation
17	Great Merchant Bank Ltd	16-Jan-1998	In-Liquidation
18	Group Merchant Bank Ltd	16-Jan-1998	In-Liquidation
19	Highland Bank of Nigeria Plc	16-Jan-1998	In-Liquidation
20	Icon Ltd (Merchant Bankers)	16-Jan-1998	In-Liquidation
21	Ivory Merchant Bank Ltd	16-Jan-1998	In-Liquidation

22	Lobi Bank of Nigeria Ltd	16-Jan-1998	In-Liquidation
23	Mercantile Bank of Nigeria Ltd	16-Jan-1998	In-Liquidation
24	Merchant Bank for Africa Ltd	16-Jan-1998	In-Liquidation
25	Nigeria Merchant Bank Plc	16-Jan-1998	In-Liquidation
26	North-South Bank Limited	16-Jan-1998	In-Liquidation
27	Pan African Bank Limited	16-Jan-1998	In-Liquidation
28	Pinacle Commercial Bank Ltd	16-Jan-1998	In-Liquidation
29	Prime Merchant Bank Ltd	16-Jan-1998	In-Liquidation
30	Progress Bank of Nigeria Ltd	16-Jan-1998	In-Liquidation
31	Royal Merchant Bank Ltd	16-Jan-1998	In-Liquidation
32	Victory Merchant Bank Ltd	16-Jan-1998	In-Liquidation
33	Premier Commercial Bank Ltd	20-Dec-2000	In-Liquidation
34	Rims Merchant Bank Ltd	20-Dec-2000	In-Liquidation
35	Peak Merchant Bank Ltd	28-Feb-2003	<b>Under Litigation</b>
36	Allstates Trust Bank Plc	16-Jan-2006	In-Liquidation
37	Afex Bank Limited	16-Jan-2006	In-Liquidation
38	Assurance Bank Nig. Limited	16-Jan-2006	In-Liquidation
39	City Express Bank Plc	16-Jan-2006	In-Liquidation
40	Eagle Bank Limited	16-Jan-2006	In-Liquidation
41	Fortune Bank Plc	16-Jan-2006	<b>Under Litigation</b>
42	Gulf Bank Plc	16-Jan-2006	In-Liquidation
43	Hallmark Bank Plc	16-Jan-2006	In-Liquidation

44	Lead Bank Plc	16-Jan-2006	In-Liquidation
45	Liberty Bank Plc	16-Jan-2006	In-Liquidation
46	Metropolitan Bank Limited	16-Jan-2006	In-Liquidation
47	Trade Bank Plc	16-Jan-2006	In-Liquidation
48	Triumph Bank Limited	16-Jan-2006	<b>Under Litigation</b>
49	African International Bank Ltd	02- Sept-2013	In-Liquidation
50	Spring Bank Plc	05-Aug-2011	Winding-up Orders obtained 6/7/2012
51	Afribank Plc	05-Aug-2011	Winding-up Orders obtained 2/7/2012
52	Bank PHB Plc	05-Aug-2011	<b>Under Litigation</b>

Source: NDIC

#### 4.1.1 Liquidation of MFBs and PMBs

##### 4.1.1.1 Liquidation of MFBs

During the period under review, seven (7) out of the one hundred and three (103) Microfinance Banks that had their licenses revoked in September, 2010, were yet to be traced. The banks were: Cubic MFB, Galaxy MFB, Homeland MFB, Mustason MFB, New gate MFB, Primate MFB and South-west MFB. Investigations were being carried out into sourcing information from the defunct banks for proper liquidation to be carried out. Furthermore, out of the eighty-three (83) MFBs whose licences were revoked on 4th February 2014, fourteen (14) were not located. The names of the Microfinance Banks whose licenses had been revoked are listed in Table 4.3.

Table 4.3  
**CLOSED MICROFINANCE BANKS AS AT 31ST DECEMBER, 2015**

<b>S/N</b>	<b>CLOSED MFB</b>	<b>STATE LOCATED</b>	<b>DATE OF CLOSURE</b>
1	ACME TRUST MFB	LAGOS	Sept.2010
2	ADIF MFB	LAGOS	Sept.2010
3	AFAM MFB	RIVERS	Sept.2010
4	AGBELO MFB	EDO	Sept.2010
5	AJASE-IPO MFB	KWARA	Sept.2010
6	AKPOR-COE MFB	RIVERS	Sept.2010
7	ALLIANCE MFB	ABUJA	Sept.2010
8	ALLOVER MFB	LAGOS	Sept.2010
9	ALSTAR MFB	LAGOS	Sept.2010
10	AMAZING GRACE MFB	OGUN	Sept.2010
11	APEX GOLDEN MFB	LAGOS	Sept.2010
12	ASABARI MFB	OYO	Sept.2010
13	ASAGA-UKWU MFB	ABIA	Sept.2010
14	ASCENT MFB	OGUN	Sept.2010
15	ATTA NWAMBIRI MFB	IMO	Sept.2010
16	BEULAH MFB	LAGOS	Sept.2010
17	BIRAIDU MFB	KOGI	Sept.2010
18	BIRNIN KUDU MFB	JIGAWA	Sept.2010
19	BONNY MFB	RIVERS	Sept.2010
20	BRISTOL MFB	LAGOS	Sept.2010
21	BROADBASED MFB	DELTA	Sept.2010
22	CAPITAL MFB	ADAMAWA	Sept.2010
23	CASHJET MFB	DELTA	Sept.2010
24	CENTURY MFB	LAGOS	Sept.2010
25	CHAT MFB	KADUNA	Sept.2010
26	CIRCULAR MFB	EDO	Sept.2010
27	CLASSIC MFB	OGUN	Sept.2010

28	COMMON BENEFIT MFB	LAGOS	Sept.2010
29	CUBIC MFB*	EDO	Sept.2010
30	CUTTING EDGE MFB	EDO	Sept.2010
31	DANMUSA MFB	KATSINA	Sept.2010
32	DIVINE MFB	RIVERS	Sept.2010
33	DOGON DAJI MFB	SOKOTO	Sept.2010
34	DYNAMIC MFB	LAGOS	Sept.2010
35	EBEM-OHA MFB	ABIA	Sept.2010
36	EBENATOR MFB	IMO	Sept.2010
37	EKWEMA MFB	IMO	Sept.2010
38	EMBRACE MFB	BAYELSA	Sept.2010
39	EMEVOR MFB	DELTA	Sept.2010
40	ETITI MFB	IMO	Sept.2010
41	EVO MFB	RIVERS	Sept.2010
42	EZIMUZO MFB	ANAMBRA	Sept.2010
43	FESTAC 77 MFB	LAGOS	Sept.2010
44	FREEDOM MFB	KANO	Sept.2010
45	FUND EXPRESS MFB	LAGOS	Sept.2010
46	GALAXY MFB *	DELTA	Sept.2010
47	GAMJI MFB	KEBBI	Sept.2010
48	GITICOM MFB	RIVERS	Sept.2010
49	HARBOUR MFB	ANAMBRA	Sept.2010
50	HAZONWAO MFB	LAGOS	Sept.2010
51	HILLTOP MFB	EKITI	Sept.2010
52	HOMELAND MFB *	BAYELSA	Sept.2010
53	IC MFB	LAGOS	Sept.2010
54	IDEAL TRUST MFB	ANAMBRA	Sept.2010

55	IFONYIN MFB	OGUN	Sept.2010
56	IHITTE MFB	IMO	Sept.2010
57	IKWUANO MFB	ABIA	Sept.2010
58	IMPACT MFB	LAGOS	Sept.2010
59	IMPERIAL MFB	LAGOS	Sept.2010
60	INTEGRATED MFB	LAGOS	Sept.2010
61	INVESTMENT MFB	ABIA	Sept.2010
62	IPE MFB	ONDO	Sept.2010
63	ITELE MFB	OGUN	Sept.2010
64	JEGA MFB	KEBBI	Sept.2010
65	KBS MFB	LAGOS	Sept.2010
66	KERANA MFB	PLATEAU	Sept.2010
67	KFC MFB	LAGOS	Sept.2010
68	LALUPON MFB	OYO	Sept.2010
69	MARMARA MFB	TARABA	Sept.2010
70	MCB MFB	LAGOS	Sept.2010
71	MIC MFB	LAGOS	Sept.2010
72	MILESTONE MFB	LAGOS	Sept.2010
73	MOORGATE MFB	LAGOS	Sept.2010
74	MUNICIPAL MFB	ABUJA	Sept.2010
75	MUSTASONS MFB*	LAGOS	Sept.2010
76	NEW GATE MFB*	LAGOS	Sept.2010
77	NEXUS MFB LTD	NIGER	Sept.2010
78	NGAS MFB	PLATEAU	Sept.2010
79	OBIOMA MFB	ABIA	Sept.2010
80	OLOMI MFB	OYO	Sept.2010
81	OLOMOYOYO MFB	OYO	Sept.2010

82	OMNI MFB	LAGOS	Sept.2010
83	OPENGATE MFB	ABUJA	Sept.2010
84	OWENA MFB	OSUN	Sept.2010
85	OWHOWHA MFB	DELTA	Sept.2010
86	PET MFB	RIVERS	Sept.2010
87	PRIMATE MFB *	LAGOS	Sept.2010
88	PRIME MFB	A. IBOM	Sept.2010
89	SAMINAKA MFB	KADUNA	Sept.2010
90	SHIMAZ MFB	OSUN	Sept.2010
91	SOUTH WEST IKOYI MFB*	LAGOS	Sept.2010
92	STANDEX MFB	ANAMBRA	Sept.2010
93	TOUCHSTONE MFB	LAGOS	Sept.2010
94	TRINITY MFB	A. IBOM	Sept.2010
95	TRI-STAR MFB	ENUGU	Sept.2010
96	UDEZUKA MFB	ANAMBRA	Sept.2010
97	UFUMA MFB **	ANAMBRA	Sept.2010
98	UMUNZE MFB	ANAMBRA	Sept.2010
99	UNIQUE MFB	LAGOS	Sept.2010
100	URUALLA MFB	IMO	Sept.2010
101	UTUGWANG MFB	CROSS RIVER	Sept.2010
102	VENTURE SUPPORT MFB	LAGOS	Sept.2010
103	WIZETRADE MFB	LAGOS	Sept.2010
104	ABIRIBA MFB	ABIA	4-Feb-14
105	ACJEC MFB	ANAMBRA	4-Feb-14
106	ACORN MFB	RIVERS	4-Feb-14
107	AKESAN MFB	OYO	4-Feb-14

108	ARACOM MFB	ONDO	4-Feb-14
109	AKIN MFB	CROSS RIVER	4-Feb-14
110	ARGUNGU MFB	KEBBI	4-Feb-14
111	AVALON MFB	LAGOS	4-Feb-14
112	BEKWARRA MFB	CROSS RIVER	4-Feb-14
113	CEDEP MFB	BAUCHI	4-Feb-14
114	CITIGATE MFB	LAGOS	4-Feb-14
115	CITISERVE MFB*	LAGOS	4-Feb-14
116	CKC MFB	RIVERS	4-Feb-14
117	COMBINED BENEFIT MFB	OGUN	4-Feb-14
118	COMPASS MFB*	LAGOS	4-Feb-14
119	CORPORATE MFB	OYO	4-Feb-14
120	CROWN MFB	ENUGU	4-Feb-14
121	CRYSTAL GOLD MFB*	LAGOS	4-Feb-14
122	DAILY CAPITAL MFB	LAGOS	4-Feb-14
123	DIKENAFI MFB	IMO	4-Feb-14
124	DUNAMIS MFB	LAGOS	4-Feb-14
125	ECB MFB	OSUN	4-Feb-14
126	EDEN MFB	OSUN	4-Feb-14
127	EDET MFB	AKWA IBOM	4-Feb-14
128	EDS MFB*	LAGOS	4-Feb-14
129	EGOSAL MFB	ABIA	4-Feb-14
130	ENTERPRISE MFB*	LAGOS	4-Feb-14
131	ESSENCE MFB	EKITI	4-Feb-14
132	EXPRESS MFB	ABIA	4-Feb-14
133	FIELDREAMS MFB	LAGOS	4-Feb-14
134	FIRST CHOICE MFB	LAGOS	4-Feb-14
135	FIRST GLOBAL MFB	RIVERS	4-Feb-14



136	FIRST GOLDEN MERCURY MFB	OSUN	4-Feb-14
137	FIRST HERITAL MFB	LAGOS	4-Feb-14
138	FIRST OMASI MFB	ENUGU	4-Feb-14
139	FREGATE MFB*	LAGOS	4-Feb-14
140	FUNDS MATRIX MFB*	LAGOS	4-Feb-14
141	GFB MFB	OYO	4-Feb-14
142	GOLD PACKAGE MFB	DELTA	4-Feb-14
143	GREEN FIELD MFB	LAGOS	4-Feb-14
144	GS MFB	LAGOS	4-Feb-14
145	GUSAU MFB	ZAMFARA	4-Feb-14
146	HARMONY MFB	LAGOS	4-Feb-14
147	HAVILAH MFB	LAGOS	4-Feb-14
148	HEBRON MFB	LAGOS	4-Feb-14
149	IDAH MFB	KOGI	4-Feb-14
150	IHIMA MFB	KOGI	4-Feb-14
151	INTERGLOBAL MFB*	LAGOS	4-Feb-14
152	IRELE MFB	ONDO	4-Feb-14
153	KEYSTONE MFB*	LAGOS	4-Feb-14
154	KINGS MFB*	LAGOS	4-Feb-14
155	LANDROCK MFB	DELTA	4-Feb-14
156	LOFTY HEIGHTS MFB	EDO	4-Feb-14
157	NEIGHBOURHOOD MFB	EDO	4-Feb-14
158	NEW HEIGHT MFB*	LAGOS	4-Feb-14
159	NEW IMAGE MFB	OGUN	4-Feb-14
160	NEW MERCENTILE MFB	FCT	4-Feb-14
161	NGEGWE MFB	RIVERS	4-Feb-14
162	NKPOR MFB	ANAMBRA	4-Feb-14
163	OKWUTA MFB	RIVERS	4-Feb-14

164	OTUN-EKITI MFB	EKITI	4-Feb-14
165	PEOPLESERVE MFB	LAGOS	4-Feb-14
166	PINNACLE MFB	FCT	4-Feb-14
167	PLANNET MFB	LAGOS	4-Feb-14
168	REUNION MFB	EBONYI	4-Feb-14
169	ROYAL TRUST MFB	RIVERS	4-Feb-14
170	SAMA MFB	RIVERS	4-Feb-14
171	SATELLITE MFB	LAGOS	4-Feb-14
172	SILVER MFB	PLATEAU	4-Feb-14
173	SOLACE MFB	DELTA	4-Feb-14
174	SVP MFB*	RIVERS	4-Feb-14
175	TARGET MFB	FCT	4-Feb-14
176	THINK MFB	FCT	4-Feb-14
177	TOP MEGA TRUST MFB	DELTA	4-Feb-14
178	TRADERS MFB*	LAGOS	4-Feb-14
179	UGHIEVWEN MFB	DELTA	4-Feb-14
180	UJOELEN MFB	EDO	4-Feb-14
181	UMUHU OKABIA MFB	IMO	4-Feb-14
182	UMU-OMA MFB	ANAMBRA	4-Feb-14
183	UNIQUE TRUST MFB	DELTA	4-Feb-14
184	UNITED PEOPLE MFB	PLATEAU	4-Feb-14
185	VINNING MFB	LAGOS	4-Feb-14
186	YAF MFB	BENUE	4-Feb-14
187	CRYSTAL EDGE MFB	FCT	19 <sup>th</sup> Nov. 2014

Source: NDIC

\*MFBs that have not been located to effect their proper closing

\*\* Under litigation

#### 4.1.1.2 Liquidation of PMBs

During the period under review, the NDIC continued with the liquidation activities of forty-six (46) PMBs closed between 2012 and 2014. Similarly, the closing and verification of nine (9) out of the twenty-one (21) PMBs closed in 2014 were carried out between 5th of January, 2015 and 13th of April, 2015. Payments to verified depositors were being effected via e-payments platform.

The names of the closed PMBs arranged according to the year of closure are given in Table 4.4.

Table 4.4  
**CLOSED PRIMARY MORTGAGE BANKS (PMBs) AS AT 31ST DECEMBER, 2015**

S/N	NAME OF CLOSED PMB	DATE OF CLOSURE	REMARKS
1	Accalaim Homes and Loans Ltd	6-Aug-12	Liquidation yet to commence
2	Allwell Savings and Loans Ltd	6-Aug-12	In- Liquidation
3	CB Homes Savings and Loans Ltd	6-Aug-12	Liquidation yet to commence
4	Coastal Homes Savings and Loans Ltd	6-Aug-12	Liquidation yet to commence
5	Credence Savings and Loans Ltd	6-Aug-12	In- Liquidation
6	Crest Mortgage Savings and Loans Ltd	6-Aug-12	Liquidation yet to commence
7	Etaport Building Society Ltd	6-Aug-12	Liquidation yet to commence
8	Furture View Mortgages Ltd	6-Aug-12	In- Liquidation
9	Guardian Trust Savings and Loans Ltd	6-Aug-12	Liquidation yet to commence
10	Home Trust Savings and Loans Ltd	6-Aug-12	Liquidation yet to commence
11	Horizon Building Society Ltd	6-Aug-12	Liquidation yet to commence

12	Imani Savings and Loans Ltd	6-Aug-12	Liquidation yet to commence
13	Mars Home Investment Savings and Loans Ltd	6-Aug-12	Liquidation yet to commence
14	Melrose Savings and Loans Ltd	6-Aug-12	Liquidation yet to commence
15	New Capital Savings and Loans Ltd	6-Aug-12	Liquidation yet to commence
16	Niger House Building Society Ltd	6-Aug-12	In- Liquidation Liquidation yet to commence
17	Omono Building Society Ltd	6-Aug-12	Liquidation yet to commence
18	Owners Home Savings and Loans Ltd	6-Aug-12	Liquidation yet to commence
19	Perennial Building Society Ltd	6-Aug-12	Liquidation yet to commence
20	Primrose Savings and Loans Ltd	6-Aug-12	Liquidation yet to commence
21	Sakkwato Savings and Loans Ltd	6-Aug-12	In- Liquidation Liquidation yet to commence
22	Secure Savings and Loans Ltd	6-Aug-12	Liquidation yet to commence
23	Urban Shelter Savings and Loans Ltd	6-Aug-12	Liquidation yet to commence
24	Hallmark Homes Ltd	6-Aug-12	Assumed by Centage Savings & Loans
25	Peak Savings & Loans Ltd	6-Aug-12	Under Litigation
26	Alliance and General Mortgage Ltd	Nov-14	Liquidation yet to commence
27	Benhouse Savings and Loans Ltd	Nov-14	In- Liquidation
28	Consolidated Estate Building Society Ltd	Nov-14	Liquidation yet to commence

29	Cymon Savings & Loans Ltd	Nov-14	Liquidation yet to commence
30	Euro-Banc Savings and Loans Ltd	Nov-14	In- Liquidation
31	First Amalgamated B/S Ltd	Nov-14	Liquidation yet to commence
32	First Capital Savings & Loans Ltd	Nov-14	In- Liquidation
33	Global Building Society (Confluence Savings & Loans) Ltd	Nov-14	Liquidation yet to commence
34	Harvard Trust Savings and Loans Ltd	Nov-14	Liquidation yet to commence
35	Home Foundation Savings & Loans Ltd		Liquidation yet to commence
36	Jubilee Building Society Ltd	Nov-14	Liquidation yet to commence
37	Lagoon Homes Savings and Loans Ltd	Nov-14	In- Liquidation
38	Leverage Home Savings & Loans Ltd	Nov-14	In- Liquidation
39	Midland Mortgages Ltd	Nov-14	Liquidation yet to commence
40	Mortgage PHB Ltd	Nov-14	In- Liquidation
41	Multibanc Savings and Loans Ltd	Nov-14	Liquidation yet to commence
42	Mustard Seed Mortgage Ltd	Nov-14	Liquidation yet to commence
43	Omega Savings and Loans Ltd	Nov-14	In- Liquidation
44	Password Savings and Loans Ltd	Nov-14	Liquidation yet to commence
45	Post Service Savings and Loans Ltd	Nov-14	In- Liquidation
46	TMC Savings and Loans Ltd	Nov-14	Liquidation yet to commence

Source: NDIC

In 2015, the promoters of Post Service Savings & Loans (The Nigerian Army) made a strong presentation to the Regulatory/Supervisory Authorities to revalidate the licence of the defunct PMB and were granted provisional approval to float a new PMB within a given timeframe which would absorb the assets and liabilities of the defunct Post Service Savings & Loans. The process was on-going as at 31st December, 2015.

#### **4.1.2 Purchase and Assumption Transactions**

During the year under review, the NDIC continued with the liquidation activities of the eleven (11) out of thirteen (13) DMBs closed under the Purchase and Assumption (P&A) transactions in 2006. As at 31st December, 2015, the databases of twelve (12) closed DMBs, namely: Afex Bank, Allstates Trust Bank, Assurance Bank, City Express Bank, Triumph Bank, Eagle Bank, Gulf Bank, Hallmark Bank, Lead Bank, Liberty Bank, Metropolitan Bank and Trade Bank had been extracted from their original servers and migrated into a single server.

#### **4.1.3 Claims Settlement and Administration**

Claims settlement and administration involves the payment of insured deposits as well as payment of liquidation dividends to uninsured depositors, creditors and other eligible claimants of closed DMBs.

During the period under review, the NDIC continued to settle the claims of depositors, creditors and shareholders of defunct insured institutions. For the eleven (11) out of thirteen (13) banks closed through the P&A transaction, the CBN guaranteed payment of full deposits to all private depositors; while the NDIC paid the insured amounts, the CBN paid the remaining uninsured deposits in full. The 100% guarantee was available up to 29th February, 2012. The CBN had been recouping this payment from declared liquidation dividends as the failed banks' assets were realized. The payment of insured deposits and liquidation dividends in respect of the 34 DMBs closed before 2006 were made through ten (10) Agent Banks appointed by the NDIC.

##### **(a) Payment of Insured Deposits to Depositors of DMBs**

During the year under review, the NDIC continued with the payment of insured deposits to depositors of the closed 48 DMBs. Table 4.5 shows the cumulative payments from 1994 to 2015. As indicated in the table, the NDIC paid a total of ₦6.796 billion to 426,324 insured depositors as at 31st December, 2015 as against ₦6.7951 billion to 426,320 insured depositors in 2014.

<sup>1</sup> There was a N35,716,205.07 overstatement of amount of Insured Deposits paid in 2014 with respect to Eagle Bank. The actual amount of Insured Deposits paid for the bank as at 2014 was N16,973,794.93, as against N52,690,000 reported. The error was corrected in 2015.

Table 4.5  
**DEPOSIT PAYOUT FOR CLOSED BANKS AS AT 31ST DECEMBER, 2015**

S/N	Bank	Total Deposits At liquidation (N) Million	Total Number of Depositors At Liquidation	Total Insured Deposits At Liquidation (N) Million	Total Excess Deposits (N) Million	Total Paid Insured (N) Million	No. of Insured Depositors Paid	Total Excess Paid (N) Million
1	ABC Merchant Bank	224.182	752	14.136	210.046	8.454	220	161.320
2	Allied Bank of Nigeria	2,777.807	365,883	1205.361	1,572.446	851.632	65,971	211.342
3	Alpha Merchant Bank	1,218.390	776	18.519	1,199.871	18.469	775	797.092
4	Abacus Merchant Bank	272.563	401	12.779	259.785	7.303	152	18.493
5	Amicable Bank of Nigeria	41.035	24,038	26.225	14.810	7.904	978	7.839
6	Commerce Bank Plc	1,156.786	37,462	199.462	957.323	109.731	5,439	338.385
7	Cooperative & Commerce Bank	1,915.587	364,239	1366.666	548.921	885.368	71,441	719.441
8	Century Merchant Bank	573.287	357	11.023	562.264	5.193	118	41.239
9	Continental Merchant Bank	1,390.27	1,060	31.450	1,358.819	19.097	408	884.833
10	Credite Bank Nigeria	155.223	5,997	24.666	130.557	10.292	473	31.596
11	Crown Merchant Bank	111.603	438	9.476	102.127	3.026	74	2.007
12	Commercial Trust Bank	215.770	13,891	29.122	186.647	5.807	496	72.546
13	Financial Merchant Bank	154.913	233	4.874	150.040	3.722	110	55.564

14	Great Merchant Bank	132.574	170	5.194	127.38	2.283	55	3.664
15	Group Merchant Bank	296.275	212	4.197	292.078	1.335	32	N/A
16	Highland Bank of Nigeria	91.275	28,186	39.490	51.784	18.765	3,394	15.731
17	ICON Merchant Bank	1,421.194	1,035	33.844	1,387.35	30.063	449	896.797
18	Ivory Merchant Bank	46.084	188	3.191	42.893	0.1	7	35.793
19	Kapital Merchant Bank	314.601	240	5.874	308.726	4.332	111	289.323
20	Lobi Bank of Nigeria	233.612	112,819	146.604	87.008	91.043	10,679	58.239
21	Merchant Bank of Africa	712.398	729	20.909	691.489	12.828	283	375.261
22	Mercantile Bank of Nigeria	807.288	276,272	581.773	225.515	370.592	38,790	236.742
23	Nigeria Merchant Bank	153.896	107	4.847	149.049	3.626	77	78.385
24	North South Bank Ltd.	354.747	68,246	155.074	199.673	80.353	7,584	35.947
25	Pan African Bank Ltd.	648.630	132,540	360.746	287.885	231.718	22,232	243.045
26	Progress Bank of Nigeria	1,096.281	255,211	738.086	358.195	440.518	35,290	156.004
27	Premier Commercial Bank	31.051	30,439	24.407	6.644	0.963	47	0.049
28	Pinnacle Commercial Bank	508.728	18,332	63.377	445.351	27.082	1,568	188.300
29	Peak Merchant Bank	3,424.404	1,044	20.468	3,403.936	2.490	74	N/A



30	Prime Merchant Bank	204.725	248	4.760	199.964	2.667	61	38.030
31	Rims Merchant Bank	263.374	299	6.957	256.417	1.047	47	199.836
32	Royal Merchant Bank	677.856	531	11.042	666.814	5.066	138	26.450
33	Republic Bank Ltd	79.182	7,416	19.923	59.260	13.068	1,277	28.741
34	United Commercial Bank	275.907	5,162	34.099	241.808	26.174	1,696	67.782
35	Victory Merchant Bank	114.856	227	4.455	110.402	1.866	48	25.220
36	African Express Bank	6,283.714	16,092	123.327	6,160.387	37.284	1,013	4,725.956*
37	Allstates Trust Bank	32,856.4	427,847	3069.049	29,787.35	1,805.752	79,905	18,980.338*
38	Assurance Bank	7,859.033	105,326	708.279	7,150.754	304.173	17,681	4,243.020*
39	City Express Bank	16,420.26	38,147	306.539	16,113.72	143.798	4,293	10,776.413*
40	Eagle Bank	1,033.777	3,280	16.974	1,016.804	16.974	3,280	1,016.804
41	Fortune International Bank	9,244.298	33,557	302.886	8,941.412	31.023	780	
42	Gulf Bank	13,685.37	36,787	334.289	13,351.08	150.127	3,927	6,865.428*
43	Hallmark Bank	65,614.16	121,545	940.055	64,674.1	447.604	17,284	22,757.939*
44	Lead Bank	10,151.12	3,925	62.983	10,088.14	49.218	3,510	8,380.592*
45	Liberty Bank	2,153.333	19,800	142.876	2,010.458	47.415	1,312	1,341.613*
46	Metropolitan Bank	5,087.573	34,409	161.389	4,926.184	27.030	1,635	2,321.713*
47	Trade Bank	10,504.08	155,177	742.179	9,761.953	429.748	21,070	8,017.113*
48	Triumph Bank	3,239.055	3,799	45.362	3,193.693	1.880	40	

Source: NDIC

\*Includes uninsured amounts paid out by CBN to public depositors of the defunct DMBs under the Purchase & Assumption Transaction

\*\* There were errors in the number of depositors paid in 2014 which had been corrected in 2015

**(b) Payment of Insured Deposits to Depositors of Closed MFBs**

The NDIC paid insured deposits of closed MFBs during the year under review. In 2015, 1,165 depositors of defunct MFBs were paid N89,889,366.97 as shown in Table 4.6.

**Table 4.6:**  
**INSURED AMOUNT PAID TO DEPOSITORS OF CLOSED MFBs IN 2015**

S/N	NAME OF MFB	TOTAL NO. OF DEPOSITORS VERIFIED	TOTAL INSURED SUM PAID (N)
1	CASHJET	1	200,000.00
2	INTEGRATED	8	569,097.30
3	LALUPON	2	297,259.11
4	WIZETRADE	1	59,915.34
5	Abiriba MFB	1	200,000.00
6	Citigate MFB	2	45,790.32
7	Daily Capital MFB	8	406,909.90
8	First Global MFB	429	40,488,249.67
9	First Herital MFB	1	35,880.95
10	First Omasi MFB	11	626,677.00
11	Havilah MFB	1	200,000.00
12	Landrock MFB	87	8,376,919.23
13	Neighbourhood MFB	5	463,751.68
14	New Image MFB	275	16,485,983.10
15	Ngegwe MFB	7	479,631.48

16	Plannet MFB	9	60,000.00
17	Reunion MFB	14	816,819.26
18	Royal Trust MFB	10	915,940.61
19	Think MFB	122	10,469,347.15
20	Ughievwen MFB	1	81,103.98
21	Ujoelen MFB	2	299,459.25
22	Umuhu Okabia MFB	5	278,534.65
23	Unique Trust MFB	162	7,882,096.99
24	Crystal Edge MFB	1	150,000.00
	<b>TOTAL</b>	<b>1,165</b>	<b>89,889,366.97</b>

Source: NDIC

Table 4.7 shows that a cumulative payment of ₦2.86 billion had been made to 81,328 verified depositors of closed MFBs in 2015 as against ₦2.77 billion paid to 80,178 verified depositors in 2014.

Table 4.7:  
**PAYMENTS OF INSURED DEPOSITS OF THE CLOSED MFBs AS AT 31ST DECEMBER, 2015**

S/N	NAME OF MFB	TOTAL NO. OF DEPOSITORS AT CLOSURE	TOTAL DEPOSITS AT CLOSURE (₦)	TOTAL INSURED AMOUNT AT CLOSURE (₦)	TOTAL NO. OF DEPOSITORS VERIFIED	TOTAL INSURED AMOUNT 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	6,715	123,943,976.90	48,146,341.27	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	699	10,072,836.30
8	ALLOVER	2,908	106,620,590.63	18,528,741.86	10	410,208.76
9	ALLSTAR	593	25,151,377.15	13,017,023.71	74	5,523,845.45
10	AMAZING GRACE	6,501	41,874,942.48	24,013,581.23	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	122	6,897,256.91
23	CASHJET	3,786	53,168,613.11	23,502,356.46	541	17,130,372.38

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	211	12,125,433.98
27	CLASSIC	17,262	93,638,793.88	65,970,321.23	1,423	38,609,087.71
28	COMMON BENEFIT	29655	7,465,174.10	7,096,590.10	271	4,818,837.00
29	CUTTING EDGE	4,639	31,749,293.14	19,422,452.33	201	7,567,741.21
30	DANMUSA	575	989,024.96	770,491.69	62	427,169.43
31	DIVINE	1,309	20,755,047.59	12,474,360.73	63	4,212,294.44
32	DOGON DAJI	950	7,348,256.35	5,216,125.96	96	3,107,471.66
33	DYNAMIC	3,407	34,847,423.58	21,678,034.34	75	2,129,220.97
34	EBEM OHA	2,157	18,801,695.14	15,132,835.96	504	12,392,133.10
35	EBENATOR	2,316	74,215,206.48	52,209,988.15	778	44,451,918.78
36	EKWEMA	1,348	20,151,611.44	11,870,897.41	51	3,172,262.75
37	EMEVAR	956	5,496,608.74	5,098,811.74	163	3,542,919.10
38	ETITI	1,800	58,095,301.15	31,103,366.36	498	16,871,797.82
39	EVO	1,409	21,207,956.90	13,756,628.77	242	7,505,421.81
40	EZIMUZO	1,997	21,961,194.81	17,239,884.81	634	7,214,731.61
41	FESTAC 77	521	15,666,921.73	7,393,903.38	98	4,272,830.00
42	FREEDOM	2,893	29,336,046.21	12,259,469.35	218	6,416,807.97
43	FUND EXPRESS	807	21,464,760.98	14,630,869.67	62	2,932,554.99
44	GAMJI	1,632	51,209,524.39	16,209,710.73	79	7,007,902.85
45	GITICOM	8,061	88,793,095.46	67,541,414.85	615	20,234,829.73
46	HARBOUR	887	5,429,378.35	4,528,824.36	176	2,540,322.88
47	HAZONWAO	9,218	41,729,543.46	22,482,906.13	303	4,585,918.71
48	HILLTOP	5,374	56,201,034.47	46,538,304.20	624	14,680,162.75
49	I.C.MFB	8,975	52,637,923.65	21,384,201.73	215	5,605,017.31
50	IDEAL TRUST	884	4,856,238.24	4,145,088.24	89	2,613,763.34
51	IFONYIN	4,872	43,630,736.45	21,421,483.67	369	13,591,327.35
52	IHITE	3,252	84,307,716.28	49,726,983.38	1,106	46,997,698.08
53	IKWUANO	759	5,251,806.20	4,929,191.20	135	3,841,404.69

54	IMPACT	10,223	243,275,120.54	146,491,935.57	1,835	52,352,499.71
55	IMPERIAL	4,285	61,811,529.36	28,364,941.19	206	6,706,316.77
56	INTEGRATED	469,049	6,795,478,591.92	3,387,764,035.20	42,529	1,421,890,919.53
57	INVESTMENT	2,234	19,026,571.73	15,407,019.34	304	9,596,621.57
58	IPE	3,784	36,984,350.93	28,347,688.46	677	23,297,591.48
59	ITELE	504	11,858,238.89	9,339,085.98	177	7,548,206.30
60	JEGA	250	3,438,804.73	2,478,318.67	54	1,981,268.87
61	KBS	1,105	5,744,154.57	4,871,635.38	80	2,452,463.54
62	KERANA	1,810	8,830,118.57	6,399,417.19	138	1,774,521.91
63	KFC	1,567	26,676,987.33	10,231,891.10	78	3,661,187.70
64	LALUPON	7,454	68,804,384.34	35,980,541.88	549	18,522,624.32
65	MARMARA	3,123	12,065,250.05	6,990,809.73	196	4,716,720.41
66	MCB	903	33,054,818.69	11,090,221.61	10	550,260.69
67	MIC	23,190	56,092,796.23	43,482,145.40	22	988,994.85
68	MILESTONE	7,397	127,247,996.08	47,371,341.75	237	15,919,572.78
69	MOORGATE	9,997	135,745,114.15	67,771,548.26	272	13,301,327.28
70	MUNICIPAL	4,991	17,410,423.83	13,655,258.53	113	4,712,841.92
71	NEXUS	4,387	26,366,099.57	9,351,675.60	188	4,521,251.49
72	NGAS	3,013	30,320,463.52	26,830,863.43	797	18,894,549.45
73	OBIOMA	2,221	149,677,074.51	56,322,509.09	907	51,594,220.48
74	OLOMI	17,452	156,335,546.50	127,618,281.36	2,398	95,742,794.97
75	OLOMOYOYO	5,896	33,557,047.51	32,787,059.29	466	11,069,523.51
76	OMNI	2,089	104,354,762.08	22,708,084.29	110	9,684,165.69
77	OPENGATE	2,709	12,624,472.51	10,031,685.18	338	6,074,591.00
78	OWENA	2,911	22,932,736.42	13,570,694.88	282	9,089,536.23
79	OWHOWHA	957	4,232,283.46	3,251,058.46	528	1,336,570.25
80	PET	4,046	64,797,309.94	42,490,232.17	451	22,741,208.20
81	PRIME	2,754	72,257,286.12	27,341,031.88	140	8,411,336.51
82	SAMINAKA	3,637	7,528,113.05	6,340,548.55	237	2,188,726.45
83	SHIMAZ	922	9,910,169.70	7,152,659.75	312	4,575,327.43
84	STANDEX	3,487	101,640,335.22	38,586,341.38	485	24,125,470.05

85	TOUCHSTONE	4,729	166,702,510.26	49,706,847.70	357	28,333,050.69
86	TRINITY	1,812	21,259,402.67	15,222,326.16	148	7,862,798.51
87	TRI-STAR	3,522	58,622,154.26	43,125,438.42	739	37,894,617.47
88	UDEZUKA	693	10,624,269.76	2,332,985.22	21	77,054.18
89	UFUMA	N/A	63,195,019.50	36,073,748.57	N/A	N/A
90	UMUNZE	3,886	53,428,950.48	44,116,865.77	805	27,552,844.27
91	UNIQUE	2,519	77,920,624.82	15,960,653.63	76	2,850,398.72
92	URUALLA	1,059	11,118,018.39	10,457,256.49	149	6,393,488.03
93	UTUGWANG	3,223	16,164,306.30	11,409,774.12	460	8,762,427.52
94	VENTURE SUPPORT	1,427	9,633,302.70	8,828,977.03	219	5,447,081.36
95	WIZETRADE	347	12,638,190.31	3,843,027.55	45	2,421,960.09
96	ABIRIBA MFB	3,133	70,191,345.98	46,434,662.89	426	21,508,911.09
97	AKESAN MFB	1,268	24,090,636.95	20,748,024.79	106	5,930,742.49
98	AKIN MFB	1,658	10,820,903.31	9,628,837.31	59	2,235,222.13
99	ARGUNGU MFB	1,450	8,229,195.15	4,289,149.39	33	2,002,925.50
100	BEKWARRA MFB	2,049	10,701,025.84	8,580,561.62	137	3,317,452.13
101	CITIGATE MFB	7,495	18,430,695.62	17,202,719.71	62	2,979,194.68
102	CROWN MFB	684	13,946,552.89	8,347,116.24	67	4,264,995.91
103	DAILY CAPITAL MFB	4,727	81,893,196.71	28,693,134.49	75	5,411,146.16
104	EDEN MFB	3,079	29,333,250.03	11,657,089.17	35	1,149,327.48
105	EDET MFB	871	10,422,355.82	6,602,326.01	33	1,266,524.11
106	EGOSAL MFB	2,383	5,800,973.67	5,602,465.67	21	325,596.03
107	ESSENCE MFB	3,214	10,867,934.40	9,761,910.49	268	3,440,776.99
108	FIRST CHOICE MFB	1,196	7,800,299.32	3,834,407.79	1	2,119.54
109	FIRST HERITAL MFB	535	70,582,032.60	30,636,049.68	140	11,205,304.42
110	FIRST OMASI MFB	1,956	36,651,587.60	24,020,643.60	274	16,318,134.27
111	FIRST GLOBAL MFB	11,581	288,613,627.23	138,430,966.53	429	40,488,249.67
112	GFB MFB	2,357	10,275,673.13	9,273,392.80	119	3,812,856.48

113	GUSAU MFB	1,841	10,724,154.10	10,596,049.10	110	2,452,532.96
114	HAVILAH MFB	71	10,325,021.90	1,938,141.90	17	1,453,000.00
115	HEBRON MFB	32	7,970,577.00	3,104,903.00	21	2,301,037.00
116	IDAH MFB	2,669	21,514,215.08	16,477,381.39	73	2,141,303.21
117	IRELE MFB	1,178	20,496,088.69	14,614,218.27	117	6,478,494.28
118	NEIGHBOURHO OD MFB	5,755	23,487,234.04	19,127,809.35	99	6,544,062.27
119	NGEGWE MFB	1,420	21,277,882.60	12,675,789.57	75	6,704,243.64
120	NKPOR MFB	1,865	54,882,181.35	28,493,442.15	298	17,695,834.67
121	OKWUTA MFB	303	5,479,972.18	3,405,711.89		N/A
122	OTUN-EKITI MFB	2,403	32,351,066.61	18,023,570.08	124	7,723,120.27
123	PLANNET MFB	429	1,831,470.00	1,831,470.00	168	1,208,300.00
124	REUNION MFB	4,018	24,193,586.18	12,706,244.16	54	2,383,187.69
125	ROYAL TRUST MFB	10,214	159,624,342.58	80,487,841.97	561	39,222,402.70
126	TARGET MFB	2,249	9,996,741.95	6,374,504.40	15	750,289.35
127	UGHIEVWEN MFB	7,567	42,595,517.67	37,143,833.39	149	5,747,135.67
128	UJOELEN MFB	3,235	38,865,185.99	21,696,333.76	170	10,972,178.24
129	UMUHU OKABIA MFB	5,125	78,942,542.30	54,676,056.22	611	34,432,296.10
130	LANDROCK MFB	4,685	18,513,134.95	17,603,674.62	87	8,376,919.23
131	NEW IMAGE MFB	8,862	60,376,563.06	43,383,008.38	283	17,019,325.95
132	THINK MFB	3,067	47,421,486.41	19,600,726.66	122	10,469,347.15
133	UNIQUE TRUST MFB	4,726	42,985,870.27	24,746,913.18	162	7,882,096.99
134	CRYSTAL TRUST MFB	38	449,878.10	449,878.10	1	150,000.00
	<b>Total</b>	<b>913,411</b>	<b>12,358,745,474.02</b>	<b>6,453,860,144.12</b>	<b>81,328</b>	<b>2,862,878,404.58</b>

Source: NDIC



### c) Payment of Insured Deposits to Depositors of Closed PMBs

The NDIC paid insured deposits to depositors of closed PMBs in 2015. The sum of N43.03 million was paid to 565 depositors of the closed PMBs in 2015 as against N2.02 million to 30 depositors in 2014 as shown in Table 4.8.

Table 4.8:  
**PAYMENT OF INSURED DEPOSITS OF CLOSED PMBs IN 2015**

S/NO	NAME OF PMB	NUMBER OF DEPOSITORS PAID	INSURED AMOUNT PAID (₦)
1	Euro-Banc Savings and Loans	64	8,148,466.64
2	First Capital Savings & Loans	57	1,431,983.21
3	Harvard Trust Savings and Loans	321	22,900,620.73
4	Lagoon Homes Savings and Loans	96	7,191,512.93
5	Leverage Home Savings & Loans	9	1,707,397.26
6	Mortgage PHB	18	1,653,416.90
	Total	565	43,032,797.67

Source: NDIC

Table 4.9 shows that a cumulative payment of N45.05 million had been made to 595 verified depositors as at 31st December, 2015 as against N2.02 million paid to 30 verified depositors of closed PMBs in 2014.

Table 4.9  
**PAYMENTS OF INSURED DEPOSITS OF THE CLOSED PMBs AS AT 31ST DECEMBER, 2015**

S/N	NAME OF PMB	NO. OF DEPOSITORS AT CLOSURE	TOTAL DEPOSITS AT CLOSURE (₦)	TOTAL INSURED DEPOSITS AT CLOSURE (₦)	TOTAL UNINSURED DEPOSITS (₦)	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	Euro-Banc Savings and Loans	2,748	288,460,426.18	15,879,618.66	272,580,807.52	64	8,148,466.64

7	First Capital Savings & Loans	143	2,613,927.44	2,345,311.95	268,615.49	57	1,431,983.21
8	Harvard Trust Savings and Loans	9,958	229,381,077.03	81,642,788.34	147,738,288.69	321	22,900,620.73
9	Lagoon Homes Savings and Loans	13,514	857,379,992.71	96,503,706.67	760,876,286.04	96	7,191,512.93
10	Leverage Home Savings & Loans	1,792	75,555,506.25	23,103,654.50	52,451,851.75	9	1,707,397.26
11	Mortgage PHB	9,997	135,745,114.15	67,771,548.26	67,973,565.89	18	1,653,416.90
12	Post Service Savings and Loans	13,856	466,274,788.73	151,048,608.85	315,226,179.88		
	<b>TOTAL</b>	<b>55,085</b>	<b>2,112,208,888.47</b>	<b>456,426,882.26</b>	<b>1,655,782,006.21</b>	<b>595</b>	<b>45,052,890.44</b>

Source: NDIC

#### (d) Payment of Liquidation Dividends to Uninsured Depositors of DMBs

The payment of liquidation dividends to the uninsured depositors of closed DMBs continued in 2015 as shown in Table 4.5. The cumulative payment of ₦95.77 billion was made to uninsured depositors of closed DMBs as at 31st December, 2015 as against ₦94.74 billion in 2014. That amount included the uninsured portion of private sector depositors of 11 out of the 13 DMBs closed in 2006, which was funded by the CBN. The payment of liquidation dividends or excess amount to public sector depositors, however, was made by the NDIC from proceeds of the residual physical assets and recoveries from debtors of the closed DMBs.

The number of DMBs in-liquidation for which a final dividend of 100% of total deposits had been declared remained at 14 as in the previous year. The DMBs are:

- ABC Merchant Bank Ltd (in-liquidation);
- Alpha Merchant Bank Plc (in-liquidation);
- Amicable Bank of Nigeria Ltd (in-liquidation);
- Commercial Trust Bank (in-liquidation);
- Continental Merchant Bank Ltd (in-liquidation);
- Co-operative & Commerce Bank (in-liquidation);
- ICON Ltd (Merchant Bankers) (in-liquidation);
- Ivory Merchant Bank (in-liquidation);
- Kapital Merchant Bank Ltd (in-liquidation);
- Merchant Bank of Africa (in-liquidation);
- Nigeria Merchant Bank Plc (in-liquidation);
- Pan African Bank Ltd (in-liquidation);
- Premier Commercial Bank Ltd (in-liquidation); and
- Rims Merchant Bank Ltd (in-liquidation).

### (e) Payment of Liquidation Dividends to General Creditors and Shareholders

The NDIC continued with the payment of liquidation dividends to creditors and shareholders of DMBs-in-liquidation in 2015. During the year under review, the NDIC advertised for creditors of Cooperative and Commerce Bank Limited to file their claims. In response to the advert, a total of 25 creditors were verified and paid the sum of ₦4.27 million. As shown in Table 4.10, ten (10) DMBs-in-liquidation had declared dividends to their general creditors as at December 31, 2015. The sum of ₦1,730.36 million was declared as dividends to 1,308 creditors of the ten DMBs. Out of that amount, the NDIC paid the sum of ₦1,261.73 million to the 965 creditors who filed their claims as at 31st December, 2015 as against ₦1,247.77 million paid to the 889 creditors as at 31st December, 2014.

Table 4.10:  
LIQUIDATION DIVIDENDS PAID TO CREDITORS AS AT 31ST DECEMBER, 2015

S/N	NAME OF BANK IN – LIQUIDATION	NUMBER OF FILED CLAIMS (CREDITORS)	NUMBER OF CREDITORS PAID	AMOUNT DECLARED FOR GENERAL CREDITORS (N' MILLION)	AMOUNT PAID TO CREDITORS (N' MILLION)	REMARKS
1	ALPHA MERCHANT BANK LIMITED	37	21	81.3	81.3	100% declared
2	AMICABLE BANK OF NIGERIA LIMITED	130	91	48.48	42.34	-
3	CONTINENTAL MERCHANT BANK LTD	30	9	312.64	304.63	100% declared
4	PREMIER COMMERCIAL BANK	24	24	1.96	1.67	-
5	EAGLE BANK LTD	85	84	214	140.91	100% declared
6	MERCHANT BANK FOR AFRICA LTD	97	15	247.62	4.20	-
7	NIGERIA MERCHANT BANK LIMITED	141	135	111.34	111.33	100% declared
8	PAN AFRICAN BANK LIMITED	133	34	251.84	222.81	100% declared
9	RIMS MERCHANT BANK LIMITED	46	35	267.21	223.27	100% declared
10	COOPERATIVE AND COMMERCE BANK LTD	585	517	193.97	129.27	100% declared
<b>Total</b>		<b>1,308</b>	<b>965</b>	<b>1,730.36</b>	<b>1,261.73</b>	

Source: NDIC

During the year under review, the NDIC paid 74 shareholders of Alpha Merchant Bank, Rims Merchant Bank, Cooperative and Commerce Bank and Continental Merchant Bank the sum of ₦9.85 million. The cumulative liquidation dividend declared for shareholders of DMBS-in-liquidation stood at ₦3.89 billion in 2015 as shown in Table 4.11. The total liquidation dividends paid to 550 shareholders of 6 DMBS-in-liquidation stood at ₦2.41 billion as at 31st December, 2015 as against ₦2.03 billion paid to 453 shareholders of DMBS-in-liquidation as at 31st December, 2014.

Table 4.11:  
**LIQUIDATION DIVIDEND PAID TO SHAREHOLDERS AS AT 31ST DECEMBER, 2015**

S/N	NAME OF DMBS (IN-LIQUIDATION)	NUMBER OF SHAREHOLDERS PAID	AMOUNT DECLARED FOR SHAREHOLDERS OF DMBS IN-LIQUIDATION (N 'MILLION)	AMOUNT PAID TO SHAREHOLDERS OF DMBS IN-LIQUIDATION (N 'MILLION)
1	Alpha Merchant Bank Limited	451	1,562.82	839.20
2	Nigeria Merchant Bank Limited	2	620.00	620.00
3	Pan African Bank Limited	2	860.55	860.55
4	Rims Merchant Bank Limited	24	125.00	84.07
5	Cooperative and Commerce Bank	1	390.70	0.00
6	Continental Merchant Bank	70	327.29	7.83
	<b>Total</b>	<b>550</b>	<b>3,886.36</b>	<b>2,411.65</b>

Source: NDIC

The cumulative insured amount and dividend amount paid to depositors and uninsured creditors as at 31st December, 2015 is presented in Table 4.12 and Chart 4.1. During the year under review, the NDIC had paid the cumulative insured amount of ₦6.796 billion to depositors of closed DMBS, ₦45.05 million to depositors of closed PMBS and ₦2.86 billion to depositors of closed MFBs.

The cumulative dividend of ₦95.77 billion paid to depositors of closed DMBS include the 100% guarantee payments by CBN to private depositors under the P&A transaction.

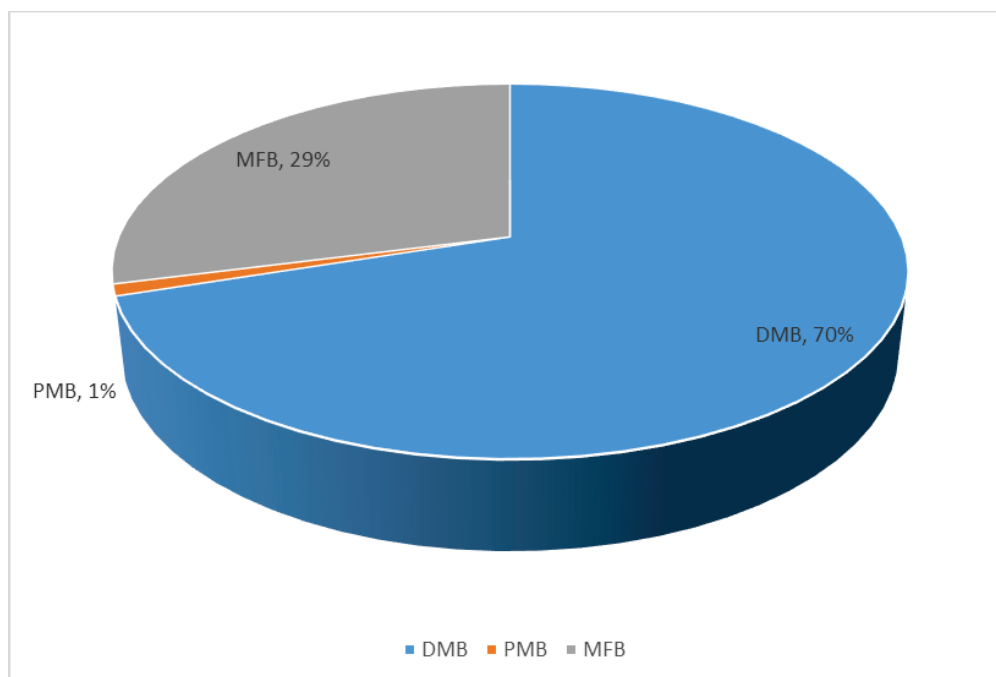
Table 4.12:  
**CUMULATIVE INSURED AMOUNT PAID AS AT 31ST DECEMBER, 2015**

	<b>Cumulative Insured Amount Paid (as at 2015) (₦' Million)</b>	<b>Cumulative Dividend Amount Paid (as at 2015) (₦' Million)</b>
<b>DMB</b>	6,796.05	95,767.97
<b>PMB</b>	45.05	N/A
<b>MFB</b>	2,862.88	N/A

Source: NDIC

\*Includes 100% guarantee payments by CBN for Private depositors of P&A Banks

Chart 4.1:  
**CUMULATIVE INSURED DEPOSITS PAID AS AT 31ST DECEMBER, 2015**



## 4.2 Asset Management Activities

In the year under review, the NDIC continued with its responsibility of realising the assets of various closed financial institutions, which involves the recovery of loans and advances (i.e. risk assets); conservation and sale of physical assets and realisation of investments of the closed insured institutions. The NDIC used the funds realised in its capacity as liquidator of closed financial institutions for the payment of liquidation dividend to uninsured depositors, settlement of other creditors as well as the liquidation expenses of failed insured institutions. As at 31st December, 2015 there were forty six (46) DMBs, one hundred and eighty seven (187) MFBs and forty six (46) PMBs in liquidation. It is worthy of note that the NDIC could not commence the liquidation of Triumph Bank Limited, Fortune Bank Plc, and Peak Merchant Bank Limited; whose licences were revoked due to litigations by the owners.

### 4.2.1 Management and Recovery of Risk Assets

The NDIC generally adopts three (3) key methods in the recovery of debts owed failed financial institutions in-liquidation, namely: direct recovery by staff of the Asset Management Department; recovery through the services of Debt Recovery Agents appointed by the NDIC; and/or through the institution of debt recovery actions in court. The NDIC continues to monitor and supervise the recovery activities of its staff, debt recovery agents and solicitors until the debts are recovered.

Where an action to recover a debt is through the court, the credit officers help with the preparation of pleadings to be filed and act as witnesses in court by giving evidence and tendering documents to support the claims of the liquidator. Risk asset recoveries (which are mostly insider-related debts) are often carried out through criminal litigation by the Legal Department.

The NDIC also leverages on the CBN strategy of exposing information on debtors of closed insured institutions in its Credit Risk Management System (CRMS) platform and those of other private credit bureaus. The objective is to make bad debtors to honour their obligations or else be denied access to further credit facilities within the financial system. To this end, the NDIC uploaded details of all debtors of DMBs on the platform of two (2) out of three (3) private credit bureau firms operating in the country. The third private credit bureau firm would be given information on debtors as soon as discussions with the debtors were finalized. The NDIC was compiling the risk assets data of the closed 187 MFBs and 46 PMBs for inclusion in the platforms of the credit bureau.

In 2015 the debt recoveries from debtors of the DMBs in-liquidation was ₦671.95 million while the cumulative risk assets recovered over the years was ₦27.41 billion as at 31st December, 2015 compared with ₦26.75 billion as at 31st December, 2014 as shown in Table 4.13. The debt recoveries from the debtors of MFBs in-liquidation was ₦1.65 million during the period under review while the cumulative risk assets recovered amounted to

₦125.61 million as at 31st December, 2015 compared with ₦124.38 million as at 31st December, 2014 (see Table 4.14). The debt recoveries from the debtors of PMBs in-liquidation was ₦24.73 million as at 31st December, 2015 as presented in Table 4.15.

Table 4.13:  
**SUMMARY OF RECOVERIES ON LOANS AND ADVANCES FOR THE CLOSED DMBS  
AS AT 31ST DECEMBER, 2015**

S/N	DMBS IN-LIQUIDATION	TOTAL LOANS & ADVANCES AS AT CLOSURE (₦) million	CUMULATIVE RECOVERIES AS AT DEC 2014 (₦) million	TOTAL RECOVERIES IN 2015 (₦) million	CUMULATIVE RECOVERIES AS AT DEC 2015 (₦) million
1	Abacus Mer Bank Ltd	1,213.87	41.81	0.00	41.81
2	ABC Mer, Bank Ltd	565.37	77.84	0.12	77.96
3	Afex Bank Ltd	9,847.81	4,109.32	2.69	4,112.01
4	African International Bank Ltd	11,688.04	-	4.14	4.14
5	Allied Bank Nig. Plc	2,535.48	393.43	0.01	393.44
6	Allstates Trust Bank Plc	25,414.95	3,509.10	370.11	3,879.21
7	Alpha Merc. Bank Plc	1,030.72	907.89	0.00	907.89
8	Amicable Bank Plc	328.99	28.21	0.00	28.21
9	Assurance Bank Ltd	6,369.79	303.77	5.38	318.86
10	Century Mer.Bank Ltd	809.81	31.66	0.00	31.66
11	City Express Bank Plc	13,323.06	918.78	130.85	1,049.58
13	Commerce Bank Ltd	1,643.59	282.01	10.89	292.90
12	Commercial Trust Bank Ltd	570.59	157.39	0.00	157.39
14	Continental Merc.Bank Plc	1,712.28	452.58	1.21	453.79
15	Co-operative Commerce Bank Plc	2,305.38	627.66	1.03	628.69
16	Credite Bank Nig. Ltd	479.92	24.27	0.00	24.27
17	Crown Merchant Bank Ltd	340.31	12.49	1.50	13.99
18	Eagle Bank Ltd	217.62	11.39	0.00	11.39
19	Financial Merchant Bank Ltd	447.19	148.98	0.00	148.98
20	Great Merchant Bank Ltd	393.44	16.12	0.00	16.12
21	Group Merchant Bank Ltd	741.81	36.82	0.00	36.82
22	Gulf Bank Ltd	21,269.06	507.01	0.57	507.58
23	Hallmark Bank Plc	29,716.74	3,695.78	7.50	3,703.28
24	Highland Bank Plc	114.05	20.07	0.94	21.01
25	ICON Ltd. [Merchant Bankers] Ltd	140.62	210.99	0.01	211.00
26	Ivory Merchant Bank Ltd	1,491.37	57.56	0.00	57.56
27	Kapital Merchant Bank Ltd	344.27	273.41	0.00	273.41

28	Lead Bank Plc	12,380.78	2,319.78	15.61	2,335.39
29	Liberty Bank Plc	5,191.10	227.41	5.12	231.93
30	Lobi Bank of Nig. Ltd	291.60	84.70	0.00	84.70
31	Merchantile Bank of Africa Ltd	2,048.81	235.74	19.70	255.44
32	Mercantile Bank of Nig. Plc	1,217.60	260.24	1.28	261.52
33	Metropolitan Bank Ltd	8,258.00	1,169.26	21.13	1,190.39
34	Nigeria Merchant Bank Ltd	1,243.15	259.71	0.35	260.06
35	North-South Bank Ltd	932.04	41.27	1.68	42.95
36	Pan African Bank Ltd	1,282.45	667.93	1.39	669.32
37	Pinacle Commercial Bank Ltd	1,551.90	155.98	1.01	156.99
38	Premier Merchant Bank Ltd	1,102.00	34.25	1.14	35.39
39	Prime Merchant Bank Ltd	838.11	52.80	0.00	52.80
40	Progress Bank of Nig. Plc	1,880.94	490.94	0.02	490.96
41	Republic Bank Ltd	232.56	33.93	0.00	33.93
42	Rims Merchant Bank Ltd	1,900.88	65.00	0.00	65.00
43	Royal Merchant Bank Ltd	1,131.07	49.08	0.00	49.08
44	Trade Bank Plc	11,901.30	3,535.01	66.55	3,601.56
45	United Commercial Bank Ltd	1,864.58	186.15	0.00	186.15
46	Victory Merchant Bank Ltd	301.47	21.10	0.00	21.10
	<b>TOTAL</b>	<b>190,606.47</b>	<b>26,746.62</b>	<b>671.95</b>	<b>27,414.41</b>

Source: NDIC

Table 4.14  
**SUMMARY OF RECOVERIES FOR MFBs (IN-LIQUIDATION)  
AS AT 31ST DECEMBER, 2015**

S/N	MFBs IN-LIQUIDATION	TOTAL LOANS & ADVANCES AS AT CLOSURE (₦ million)	CUMULATIVE RECOVERIES AS AT DEC 2014 (₦ million)	TOTAL RECOVERIES IN 2015 (₦ million)	CUMULATIVE RECOVERIES AS AT DEC 2015 (₦ million)
1	AGBELO MFB	-	0.20	-	0.20
2	AJASSE-IPO MFB	-	0.02	-	0.02
3	ALLOVER MFB	124.73	4.20	-	4.20
4	ALLSTART MFB	-	0.13	-	0.13
5	ASABARI MFB	7.75	0.46	-	0.46
6	ASAGA UKWU MFB	71.18	0.05	-	0.05
7	ATTA NWAMBIRI MFB	8.78	0.23	-	0.23
8	BASIC MFB	-	0.02	-	0.02
9	BEULAH MFB	16.91	1.91	-	1.91



10	CAPITAL MFB	63.73	0.34	-	0.34
11	CEDEP MFB	-	-	0.02	0.02
12	CIRCULAR MFB	215.03	0.84	-	0.84
13	CLASSIC MFB	25.48	2.18	0.06	2.24
14	CRYSTAL EDGE	-	-	0.05	0.05
15	CUTTING EDGE MFB	81.69	0.07	-	0.07
16	DANMUSA MFB	-	0.13	-	0.13
17	DOGON DAJI MFB	-	0.04	-	0.04
18	EBEM OHA MFB	4.96	0.01	-	0.01
19	EBENATOR MFB	-	17.92	-	17.92
20	EVO MFB	22.18	5.74	-	4.79
21	EZIMUZO MFB	17.31	0.05	-	0.05
22	FREEDOM MFB	-	0.84	0.01	0.85
23	GITICOM MFB	-	1.58	0.05	1.63
24	HILLTOP MFB	17.00	0.28	-	0.28
25	IC MFB	44.13	0.04	0.05	0.09
26	IDEAL MFB	-	0.01	-	0.01
27	IFONYIN MFB	-	0.39	-	0.39
28	IMPACT MFB	-	0.06	-	0.06
29	INTEGRATED MFB	-	2.07	1.01	3.08
30	ISERI MFB	-	0.02	-	0.02
31	ITELE MFB	-	0.16	-	0.16
32	JEGA MAGAJI MFB	47.79	2.28	-	2.28
33	LALUPON MFB	11.35	0.20	-	0.20
34	MC MFB	-	0.02	-	0.02
35	MCB MFB	-	0.06	-	0.06
36	NGAZ MFB	-	0.03	-	0.03
37	NGEGWE MFB	12.98	-	0.40	0.40
38	OLOMI MFB	132.56	1.33	-	1.33
39	OPEN GATE MFB	3.79	3.08	-	3.08
40	OWENA MFB	-	0.08	-	0.08
41	PET MFB	36.89	0.63	-	0.63
42	STANDEX MFB	-	0.04	-	0.04
43	TRISTAR MFB	20.03	0.10	-	0.10
44	UDEZUKA MFB	-	75.00	-	75.00
45	UMUNZE MFB	-	0.02	-	0.02
46	UTUGWANG MFB	21.18	1.10	-	1.10
	TOTAL MFB	1,007.43	124.38	1.65	125.61

Source: NDIC

Table 4.15  
**SUMMARY OF RECOVERIES FOR PMBs (IN-LIQUIDATION)**  
**AS AT 31ST DECEMBER, 2015**

S/N	PMBs IN-LIQUIDATION	CUMULATIVE RECOVERIES AS AT DEC 2014	TOTAL RECOVERIES IN 2015	CUMMLATIVE RECOVERIES AS AT DEC 2015
		(₦ million)	(₦ million)	(₦ million)
1	LAGOON HOMES	-	11.44	11.44
2	PHB MORGAGES	-	13.29	13.29
	TOTAL	-	24.73	24.73

Source: NDIC

#### 4.2.2 Realization of Physical Assets

The NDIC, in realizing physical assets and investments of closed institutions, continued to engage the services of reputable professional Estate Surveyors, Valuers and Stockbrokers to value all the physical assets of closed financial institutions to guide the Liquidator on the best price for disposing the assets. The assets and investments consisted of land, buildings, motor vehicles, equipment, chattels, quoted and unquoted stocks.

To ensure transparency, integrity and accountability in the disposal of assets of the closed financial institutions, the assets and disposal process are advertised in widely-circulated newspapers. High-valued items such as land and buildings, motor vehicles and plant/equipment are sold through sealed bidding system where each bidder includes a 10% bid deposit to authenticate his bid. The returned bids are then opened in the presence of all bidders, with each bidder confirming that his bid was not tampered with, before it is opened. Chattels are sold through well publicized public auction at the premises where they are found during the closing exercise.

As at 31st December, 2015, the NDIC had realized the sum of ₦17,195.12 million, ₦1,432.51 million and ₦2,580.46 million from the sale of landed properties/rent, vehicle/generator sets and chattels of DMBs, respectively. The cumulative sum realized from the sale of these assets as at 31st December, 2015 amounted to ₦21,208.08 million, as presented in Table 4.16.

Table 4.16:  
**SUMMARY OF PROCEEDS FROM SALES OF PHYSICAL ASSETS OF DMBs  
IN-LIQUIDATION AS AT 31ST DECEMBER, 2015**

S/N	DMB IN LIQUIDATION	LANDED PROPERTY (₦ million)	VEHICLES/GEN. SET (₦ million)	CHATELS (₦ 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	-	127.50	352.63
4	Allied Bank Plc	696.87	64.78	39.84	801.49
5	Allstates Trust Bank Plc	3,102.38	36.67	16.95	3,156.00
6	Alpha Merchant Bank Plc	122.24	0.11	0.71	123.06
7	Amicable Bank of Nig. Plc	8.00	7.14	17.55	32.69
8	Assurance Bank Ltd	1,297.80	456.57	-	1,754.37
9	Century Merc. Bank Ltd	-	7.10	10.51	17.61
10	City Express Bank Plc	537.00	14.42	315.31	866.73
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	32.86	772.68
15	Credite Bank Nig. 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 Ltd	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 Ltd	314.28	2.41	177.00	493.68
22	Hallmark Bank Plc	1,900.35	4.54	1,315.51	3,220.40
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	42.23	437.03
31	Merchant Bank of Africa Ltd	287.04	1.87	16.87	305.78
32	Metropolitan Bank Ltd	517.40	0.72	85.00	603.12
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	4.93	350.26
36	Peak Merchant Bank Ltd	-	0.40	-	0.40
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	39.70	191.33
41	Republic Bank Ltd	170.00	0.10	6.38	176.48
42	Rims Merchant Bank Ltd	402.40	3.11	1.42	406.93
43	Royal Merchant Bank Ltd	-	2.84	3.88	6.72
44	Trade Bank Plc	1,097.17	376.82	0.30	1,474.29
45	United Commercial Bank Ltd	-	29.13	15.68	44.81
46	Victory Merchant Bank Ltd	-	0.31	6.63	6.94
<b>TOTAL</b>		<b>17,195.12</b>	<b>1,432.51</b>	<b>2,580.46</b>	<b>21,208.08</b>

Source: NDIC

As at 31st December, 2015, the cumulative sums of ₦163.09 million, ₦8.85 million and ₦169.14 million were realized from the sales of landed properties/rent, motor vehicles/generating sets and chattels of MFBs, respectively. The cumulative amount realized from the disposal of the physical assets of failed MFBs was ₦341.08 million, as presented in Table 4.17.

Table 4.17:  
**SUMMARY OF PROCEEDS FROM THE SALES OF PHYSICAL ASSETS OF MFBs  
IN-LIQUIDATION AS AT 31ST DECEMBER, 2015**

S/N	MFB IN-LIQUIDATION	LANDED PROPERTY/RENT (₦ million)	VEHICLES/GEN. SET (₦ million)	CHATELS (₦ million)	TOTAL (₦ million)
1	ABIRIBA MFB	-	-	0.55	0.55
2	ACDEC MFB	-	-	0.10	0.10
3	ACME MFB	-	-	0.15	0.15
4	ADIF MFB	-	-	0.40	0.40
5	AFAM MFB	-	-	0.23	0.23
6	AGBELO MFB	-	-	-	-
7	AJASSE MFB	-	0.30	0.79	1.09
8	AKESAN MFB	-	-	1.10	1.10
9	AKPOR-COE MFB	-	-	1.74	1.74
10	ALLIANCE MFB	-	-	2.86	2.86
11	ALLOVER MFB	-	0.33	2.00	2.33
12	ALLSTAR MFB	-	-	0.13	0.13
13	AMAZING GRACE MFB	-	0.40	0.35	0.75
14	APEX GOLDEN GATE MFB	-	-	0.33	0.33
15	ARUGUNGU MFB	-	-	0.17	0.17
16	ASABARI MFB	-	-	0.36	0.36
17	ASAGA-UKWU MFB	-	-	-	-
18	ASCENT MFB	-	-	0.22	0.22
19	ATTA NWAMBIRI MFB	3.15	-	0.70	3.85
20	BEKWARA MFB	-	-	0.47	0.47
21	BEULAH MFB	-	-	1.88	1.88
22	BIRAIDU MFB	-	-	0.69	0.69
23	BIRNIN KUDU MFB	-	-	1.24	1.24
24	BONNY MFB	-	-	0.16	0.16

25	BRISTOL MFB	-	-	0.09	0.09
26	BROAD BASE MFB	-	-	-	-
27	CAPITAL MFB	-	-	1.76	1.76
28	CASHJET MFB	-	1.40	2.87	4.27
29	CENTURY MFB	-	0.15	0.30	0.45
30	CHAT MFB	-	-	-	-
31	CIRCULAR MFB	-	-	1.02	1.02
32	CITIGATE MFB	-	-	0.66	0.66
33	CLASSIC MFB	31.07	-	3.13	34.20
34	COMMON BENEFIT MFB	-	-	0.69	0.69
35	CREDENCE MFB	-	-	0.12	0.12
36	CROWN MFB	-	-	0.26	0.26
37	CUBIC MFB	-	-	-	-
38	CUTTING EDGE MFB	-	-	0.20	0.20
39	DAILY CAPITAL MFB	-	-	0.99	0.99
40	DANMUSA MFB	-	-	-	-
41	DIVINE MFB	-	-	1.19	1.19
42	DOGONDAJI MFB	-	-	0.21	0.21
43	DUNAMIS MFB	-	-	0.45	0.45
44	DYNAMIC MFB	-	-	0.41	0.41
45	EBEM-OHA MFB	-	-	0.01	0.01
46	EBENATOR MFB	-	-	0.40	0.40
47	EDEN MFB	-	-	0.18	0.18
48	EDET MFB	6.89	-	7.78	14.67
49	EGOSAL MFB	-	-	0.17	0.17
50	EKWEMA MFB	-	-	-	-
51	EMBRACE MFB	-	-	-	-
52	EMEVOR MFB	-	-	0.05	0.05
53	ESSENCE MFB	-	-	0.12	0.12
54	ETITI MFB	-	-	0.30	0.30
55	EVO MFB	0.20	-	0.92	1.12

56	EZIMUZO MFB	-	-	0.25	0.25
57	FESTAC MFB	-	-	0.07	0.07
58	FIELDREAMS MFB	-	-	0.06	0.06
59	FIRST CHOICE MFB	-	-	0.95	0.95
60	FIRST GLOBAL MFB	-	-	2.64	2.64
61	FIRST HERITAGE MFB	-	-	0.18	0.18
62	FIRST OMASI MFB	-	-	0.28	0.28
63	FREEDOM MFB	1.50	-	2.40	3.90
64	FUND EXPRES MFB	-	-	0.78	0.78
65	GALAXY MFB	-	-	-	-
66	GAMJI MFB	25.10	-	0.31	25.41
67	GITICOM MFB	-	0.10	0.87	0.97
68	GRAND FORTRESS MFB	-	-	0.15	0.15
69	GREENFIELD MFB	-	-	0.11	0.11
70	GUSAU MFB	-	-	0.19	0.19
71	HARBOUR MFB	-	-	0.14	0.14
72	HAZONWAO MFB	-	-	0.27	0.27
73	HEBRON MFB	-	-	1.00	1.00
74	HILLTOP MFB	-	-	1.30	1.30
75	HOMELAND MFB	-	-	0.53	0.53
76	IC MFB	-	0.76	0.33	1.09
77	IDAH MFB	-	-	0.25	0.25
78	IDEA TRUST MFB	-	-	0.60	0.60
79	IFONYIN MFB	-	0.07	0.21	0.28
80	IHITTE MFB	-	-	2.46	2.46
81	IKWUANO MFB	-	-	0.92	0.92
82	IMPACT MFB	-	-	4.61	4.61
83	IMPERIAL MFB	-	0.40	0.86	1.26
84	INTEGRATED MFB	67.47	2.88	55.37	125.72
85	INVESTMENT MFB	-	-	0.59	0.59
86	IPE MFB	-	-	0.62	0.62

87	IRELE MFB	-	-	0.76	0.76
88	ITELE MFB	-	-	0.13	0.13
89	JEGA MAGAJI MFB	-	-	-	-
90	KBS MFB	-	-	0.27	0.27
91	KERANA MFB	-	-	0.64	0.64
92	KFC MFB	-	-	0.08	0.08
93	LALUPON MFB	-	-	0.01	0.01
94	LANDROCK MFB	-	-	0.16	0.16
95	MARMARA MFB	-	-	1.04	1.04
96	MCB MFB	-	-	0.14	0.14
97	MIC MFB	-	-	3.77	3.77
98	MILESTONE MFB	-	-	-	-
99	MOORGATE MFB	6.90	0.95	4.94	12.79
100	MUNICIPAL MFB	-	-	1.48	1.48
101	MUSTASONS MFB	-	-	-	-
102	NDIC-103-MFB A/C IN CBN			0.38	0.38
103	NEIGHBOURHOOD MFB	-	-	2.34	2.34
104	NEW GATE MFB	-	-	0.18	0.18
105	NEW IMAGE MFB	-	-	0.77	0.77
106	NEXUS	-	-	2.93	2.93
107	NGAS MFB	-	-	0.58	0.58
108	NGEGWE MFB	-	-	0.42	0.42
109	NKPOR MFB	-	-	0.38	0.38
110	OBIOMA MFB	-	-	1.84	1.84
111	OLOMI MFB	13.50	0.60	0.48	14.58
112	OLOMOYOYO MFB	6.00	-	0.21	6.21
113	OMNI MFB	-	-	4.03	4.03
114	OPENGATE MFB	-	-	1.73	1.73
115	OTUN-EKITI MFB	-	-	0.07	0.07
116	OWENA MFB	-	-	0.31	0.31
117	OWHOWHA MFB	-	-	0.05	



118	OWKUTA MFB	-	-	0.49	0.49
119	PET MFB	-	-	3.61	3.61
120	PLANET MFB	-	-	0.09	0.09
121	PRIMATE MFB	-	-	-	-
122	PRIME MFB	0.20	-	3.06	3.26
123	REUNION MFB	-	-	0.27	0.27
124	ROYAL TRUST MFB	-	-	0.83	0.83
125	SAMINAKA MFB	0.63	-	-	0.63
126	SHIMAZ MFB	-	-	0.15	0.15
127	SOUTH WEST IKOYI MFB	-	-	-	-
128	STANDEX MFB	-	-	0.01	0.01
129	TARGET MFB	-	-	0.66	0.66
130	THINK MFB	-	-	1.44	1.44
131	TOUCH STONE MFB	-	-	0.68	0.68
132	TRINITY MFB	-	-	0.52	0.52
133	TRISTAR MFB	-	-	2.57	2.57
134	UDEZUKA MFB	-	-	0.48	0.48
135	UFUMA MFB	-	-	-	-
136	UGHIEVWEN MFB	-	-	0.38	0.38
137	UJOELEN MFB	-	-	0.44	0.44
138	UMUHU MFB	-	-	0.53	0.53
139	UMUNZE MFB	0.48	0.01	1.07	1.56
140	UNIQUE MFB	-	0.50	1.09	1.59
141	URUALLA MFB	-	-	0.21	0.21
142	UTUGWANG MFB	-	-	0.03	0.03
143	VENTURE SUPPORT MFB	-	-	0.23	0.23
144	WIZETRADE MFB	-	-	-	-
	<b>TOTAL</b>	<b>163.09</b>	<b>8.85</b>	<b>169.14</b>	<b>341.08</b>

Source: NDIC

Only chattels of failed PMBs were disposed of in 2015. The sum of ₦1.8 million was realized, as shown in Table 4.18.

Table 4.18:  
**SUMMARY OF PROCEEDS FROM THE SALES OF PHYSICAL ASSETS OF PMBs  
 IN-LIQUIDATION AS AT 31ST DECEMBER, 2015**

S/N	PMBS IN-LIQUIDATION	LANDED PROPERTY/RENT (₦ million)	VEHICLES/GEN. SET (₦ Million)	CHATELS (₦ million)	TOTAL (₦ million)
1	CREDENCE PMB	-	-	1.45	1.45
2	JUBILEE BUILDING SOCIETY	-	-	0.35	0.35
	TOTAL	0	0	1.8	1.8

Source: NDIC

#### 4.2.3 Realization of Investment

The amount realized from the disposal of investments from failed DMBs in liquidation during the year amounted to N82.47 million while N57,393.90 was realised from disposal of investments in one MFB in-liquidation. The total amount realized in 2015 from the disposal of investments of failed insured institutions was N82.57 million while the cumulative amount realised from the investments of both DMBs and MFBs as at December 31st, 2015 amounted to N4,415.41 million, as shown in Table 4.19.

Table 4.19:  
**SUMMARY OF PROCEEDS FROM REALISATION OF INVESTMENTS IN DMBs AND MFBs  
 IN- LIQUIDATION AS AT 31ST DECEMBER, 2015**

S/N	DMB	CUM. REALIZATION FROM 2008 TO DEC 2014 ₦	TOTAL REALIZATION JAN TO DEC 2015 ₦	CUM. REALIZATION FROM 2008 TO DECEMBER 2015 ₦
1	Afex Bank Ltd	1,552,032.00	-	1,552,032.00
2	Allstates Trust Bank Plc	382,249,272.61	2,935,340.07	385,184,612.68
3	City Express Bank Plc	979,184,280.23	-	979,184,280.23
4	Gulf Bank Ltd	1,500,000.00	-	1,500,000.00
5	Hallmark Bank Plc (Homes)	1,230,039,759.70	-	1,230,039,759.70
6	Lead Bank Plc	892,723,513.71	1,832.63	892,725,346.34
7	Liberty Bank	9,876,680.90	-	9,876,680.90
8	Metropolitan Bank Ltd	212,844,422.34	28,987,964.00	241,832,386.34

9	Nigeria Merchant Bank Plc	161,642.16	-	161,642.16
10	Rims Merchant Bank Ltd	1,735,178.50	50,544,404.10	52,279,582.60
11	Trade Bank Plc	620,183,053.00	-	620,183,053.00
	<b>TOTAL</b>	<b>4,332,049,835.15</b>	<b>82,469,540.80</b>	<b>4,414,519,375.95</b>

S/N	MFB	CUM. REALISATION FROM 2008 TO DEC 2015	TOTAL REALISATION JAN TO DEC. 2015	CUM. REALISATION FROM 2008 TO DECEMBER 2015
1	IHITTE MFB	836,268.00	57,393.90	893,661.90
	<b>TOTAL</b>	<b>836,268.00</b>	<b>57,393.90</b>	<b>893,661.90</b>
	<b>GRAND TOTAL</b>	<b>4,332,886,103.15</b>	<b>82,526,934.70</b>	<b>4,415,413,037.85</b>

Source: NDIC

During the period under review, the sum of ₦78.28 billion was collected as premium from the DMBs. Similarly, the sum of ₦1.21 billion was collected from the microfinance banks and primary mortgage banks while ₦118.67 million was received from the non-interest banks. Table 2.3 shows the trend of NDIC's cumulative insurance funds from 2012 to 2015.

#### 4.2.4 Data Management and Administration

The NDIC continued to collaborate with the CBN to contribute to safe and sound financial system. That was achieved through the continuous implementation of the policy circular issued by the CBN requesting it to issue Letters of Clearance to customers of failed insured financial institutions who were listed in the Credit Risk Management System (CRMS) after all debts had been fully paid.

The NDIC continued to respond to status enquiries on "Fit and Proper Persons" from the Supervisory/Regulatory Agencies and other stakeholders to determine the credit status of top officers of banks and other financial institutions before they are offered appointments.

#### 4.2.5 Major Challenges Faced by the NDIC in Asset Management Activities

The major challenges faced by the NDIC in 2015 were as in the previous years and they included:

- Poor records/documentation, on debtors of failed DMBs;
- Large outstanding insider-related debts usually characterized by poor or inadequate documentation;

- Unwillingness of debtors (especially prominent individuals) to honour their debt obligations;
- Difficulty in identifying assets of judgment debtors for attachment;
- Protracted legal process due to frequent adjournment by courts on debt recovery matters;
- Lack of a secondary market for sale of loans.

## SECTION 5

### CORPORATE SUPPORT INFRASTRUCTURE

#### 5.0 Introduction

This section presents, the activities of key support Departments and Units whose activities and accomplishments helped in the attainment of the NDIC's mission and vision in 2015.

#### 5.1 Legal Services

The Legal Department is responsible for covering all Board, Executive Committee (EXCO) and Management Consultative Committee (MCC) meetings in the NDIC. The Department covered four (4) Board meetings, seventeen (17) meetings of the various Board Committees, fifteen (15) meetings of the EXCO and six (6) MCC meetings during the period under review.

The Department had during the year under review, continued its business of proffering sound legal opinions and advice on relevant issues for enhanced operations and in safeguarding the interest of the NDIC. The Department also engaged in the monitoring of civil litigations filed by and against the NDIC both, in its Corporate capacity as well as liquidator of failed banks. It also engaged in debt recovery through litigation/investigation into affairs of persons suspected of infractions against the failed banks and monitoring of subsequent criminal charges filed against the suspects.

During the year under review, the Department managed the winding-up petitions and revocation of banking licences of the remaining five (5) of the fifty two (52) DMBs namely; Peak Merchant Bank, Triumph Bank, Afribank, Bank PHB and Africa International Bank (AIB) between 1994 and 2014. Accordingly, the NDIC obtained the order to wind up the affairs of AIB on 20th March, 2015. The Department also continued to monitor the court cases involving 103, 83 and 2 MFBs whose licences were revoked in 2010, 2013 and 2014, respectively. The winding-up orders for one hundred and forty eight (148) MFBs had been obtained while the remaining were being vigorously pursued. In the same vein, of the forty seven (47) PMBs whose licences were revoked between 2012 and 2014, thirty (30) winding-up orders had been obtained.

The Legal Department ensured that relevant legal documents binding the NDIC were properly drafted, vetted and executed while searches at Land Registries, Corporate Affairs Commission and other relevant bodies were conducted. The perfection of title documents as well as other legal instruments were also done during the period under review. The Department was also involved in bid openings, tender evaluation and other related legal services thereby securing the NDIC's interest.

During the year under review, the Department continued with the publication of volumes of the Nigeria Banking Law Report (NBLR), the first ever and only compendium of banking decisions of the Nigerian Courts of Records. It also coordinated the effort to amend the NDIC enabling Act, 2006.

## **5.2 Strategy Development**

The Strategy Development Department (SDD) continued to closely monitor and evaluate the implementation of the NDIC's five-year (2011-2015) Strategic Plan during the year under review. The Department also coordinated process improvement of activities for effective service delivery in line with the SERVICOM Framework.

The following activities were carried out by the Department in pursuant of NDIC's strategic objectives during the year under review:

- i) The Department, in collaboration with the Performance Management Unit (PMU), cascaded the NDIC's annual strategic objectives, to Departments/Units/Zonal offices, thus enabling it to validate the scorecards of all Departments/Units/Zonal offices.
- ii) The Department on a quarterly basis, monitored and reviewed the Strategic Plan Implementation Returns received from Departments/Units and submitted the report to Management and the Board Committee on IT/Corporate Strategy. The report was usually accompanied by detailed analysis of environmental issues and risks that could impede the implementation of the strategy.
- iii) The Department collated performance data from departments/units/zones across the NDIC, which helped to facilitate the analysis and review of data for informed decision-making by the Management.
- iv) In formulating the 2016 – 2020 Strategic Plan the Department articulated a road map on the development of a new Strategic Plan, based on which a Committee was set up to work on the proposed plan. The report of the Committee containing the draft 2016-2020 Strategic Plan was submitted to Management for consideration and approval.
- v) The Department was able to test the Strategy Module of the Corporate Performance Management (CPM) System after the completion of its configuration to facilitate the preparation of the 2016 budget. Going forward, the system would be used to monitor and report on the performance of the NDIC's strategy on a periodic basis.

- vi) The NDIC as a key stakeholder in the formulation and implementation of the Financial System Strategy (FSS) 2020 and as an implementing institution, prepared and submitted reports of its activities as in relation to the different Transformation Programmes being implemented by the FSS 2020 on a quarterly basis. Similarly, the Department prepared and sent articles on contemporary issues to the FSS 2020 Project Management Office for publication in its quarterly journals. Also, the Department participated in all the meetings of the FSS2020 during the period under review.
- vii) The Department, on a quarterly basis, provided reports to the Federal Ministry of Finance on the Performance Contract the NDIC signed with it. In addition, a mid-year report of the activities of the NDIC was prepared and submitted to the Ministry. The Department also represented the NDIC in all the meetings called by the Ministry in respect of the Performance Contract. Similarly a "Reform Unit" was inaugurated by the Management on the directives of the Federal Ministry of Finance to oversee and report on all reform activities in the NDIC.
- viii) The Department designed a template and liaised with all departments and reviewed the NDIC Process Inventory. The objective was to ensure that the NDIC's processes were consolidated, documented, standardized, and were uploaded centrally on its portal.
- ix) The Department also carried out the review of some Standard Operating Procedure (SOP) manuals during the year under review. The purpose of the review was to ensure uniform execution of tasks and to serve as reference materials that would engender speedy on-the-job training for staff.
- x) The Department commenced the review and optimization of business processes in Claims Resolution Department (CRD). The objective of the initiative was to inculcate a culture of process improvement and optimisation to achieve quality service as and when due as well as reduce wastage in the NDIC. The exercise, which was still on-going was expected to provide an opportunity for the process owners and SDD to learn and address challenges on process review and optimisation.
- xi) The Department attended all the Nodal Officers (Head of SERVICOM Unit) meetings conveyed by the SERVICOM Office in the Presidency, which provided the opportunity to report on SERVICOM activities in the NDIC. The Department also facilitated the Ministerial SERVICOM Committee Unit (MSU) evaluation of the NDIC. The MSU evaluation was carried out by the SERVICOM office with a view to ascertaining the functionality of the NDIC's SERVICOM Unit as well as its effectiveness.

### 5.3 Establishment Office

The Establishment office provides support services to departments and Units in Lagos Office by carrying out the functions of Administration and Human Resource Departments. The Establishment Office also exists in zonal offices of the NDIC. During the year under review, the Office performed the following activities:

- a) Provision and maintenance of a conducive office accommodation and support services with regards to facility management, fleet management and logistics support, human resource services, procurement and stores management;
- b) Provision of proper security for the NDIC's assets and personnel, liaising with the police and other law enforcement agencies on behalf of the NDIC on security issues relating to the Lagos Office;
- c) The Office complemented the efforts of Human Resource Department (HRD) by ensuring that all issues relating to human resources were properly attended to and some escalated to the HRD. It also collaborated with the Administration Department in liaising with relevant consultants, agencies, contractors, service providers and the Lagos State Government on issues relating to the proposed NDIC Lagos Office building.
- d) The Office, in liaison with the Research Department, provided efficient Library services to the staff of Lagos Office and other stakeholders.

### 5.4 Financial Management

The Finance Department is saddled with the responsibility of planning, organizing and controlling the NDIC's financial affairs through a robust Performance-Based Budgeting System (PBBS) which is tied to its Strategic Plan; maintaining comprehensive financial records; ensuring availability of funds for activities at all times; timely settlement of bills to beneficiaries; prompt investment of the Insurance Funds in eligible securities with safety and liquidity as guiding principles. During the year under review, the Department continued to discharge its responsibility of maximizing the NDIC's financial resources while minimizing cost in order to further improve stakeholders' satisfaction. In addition, the Department effectively managed the NDIC's funds and reduced to the barest minimum incidences of uninvested funds.

Furthermore, the NDIC remitted a total sum of ₦10.17 billion to the Consolidated Revenue Fund (CRF) of the Federal Government of Nigeria during the period under review. That represented 25% of its Gross IGR as at 31st December, 2015. Similarly, all statutory deductions, namely: [Value Added Tax (VAT); Withholding Tax (WHT); Pay As You Earn (PAYE); National Health Insurance Scheme (NHIS); National Housing Fund (NHF); and Pension Fund Contributions, were remitted to the relevant authorities as at when due.



Also during the period under review, the NDIC acquired a web-enabled payment system, Enhanced PAYiT, to improve its payment process and comply with the current payment system requirements of the CBN. The Oracle Treasury Management Software, acquired to automate the NDIC's Investment Management Process, was being enhanced to meet the requirements of IFRS.

The Infor 10 CPM Budgeting Software, was another web-enabled application acquired to automate the NDIC's budgetary process and ensure that the allocation of resources were aligned with its strategic plan. The software with the capability of consolidating, analyzing and reporting information for effective monitoring and management of financial resources, was employed in the preparation of 2016 Budget of the NDIC.

### **5.5 Information Technology**

The Information Technology Department (ITD) continued with the provision of IT support through the upgrade of its infrastructure and procurement of modern software and hardware for effective and efficient usage by the NDIC towards the actualization of its objectives. The following activities were carried out by the ITD in the year under review:

- i) The Department implemented a Cross Platform Data Centre Management System for the enterprise computing systems, which uses a single interface capable of showing the health and performance information of computer systems. It also generates alerts according to availability, performance, configuration or security situation being identified, enabling system administrators to be in tune with the health of the computer and its environment, guaranteeing high level of availability and operational efficiency.
- ii) The Department also identified and collocated the NDIC's critical servers with a tier three data centre to act as its disaster recovery site. The effective data replication process between the production and recovery sites was monitored real-time in line with recovery point and time objectives; that would guarantee seamless migration to the available site thereby preventing data loss.
- iii) The IT Department created an online learning/knowledge management platform where staff could take interactive online courses complementing the traditional classroom-based trainings. That would enable employees to learn from subject matter experts (SMEs) within the NDIC on subject areas relating to Deposit Insurance, Bank Examination and Analysis.
- iv) The Department created a renowned Meeting Application System to improve the management of Board/Executive meetings by providing invitations and documents online. That helped in cutting down paper usage, thereby improving productivity and efficiency of the Board/EXCO meetings.

- v) The NDIC commenced the process of Improving its Security Standard to comply with the International Organization for Standardization (ISO) 27001 security standards. The ISO 27001 is a globally recognised specification for an Information Security Management System (ISMS).

## **5.6 Performance Management**

The Performance Management Unit (PMU) coordinated the 2015 objective/task setting which entails performance agreement between job holder and supervisor. During the exercise, all supervisors had defined the key responsibilities/tasks and the desired level of performance target/measurement for each subordinate for 2015 performance period.

During the year under review, the PMU performed the following activities:

- i) The Unit developed a framework to enable it cascade the departmental objectives to unit/teams and individuals in each department to establish alignment of all jobs with the NDIC's objectives. Though it was being tested, it would eventually be deployed to all Departments for implementation.
- ii) Capacity building sessions for PMU staff and some staff of SDD were organised in preparation for the Corporation-wide task cascading exercise, which provided a platform for enhancing the knowledge and skills of participants, enabling them to provide needed task cascading guide to all staff of the NDIC.
- iii) At the request of the HRD, a confirmation appraisal for 21 newly employed staff was conducted in the month of May, 2015 and the results were forwarded to the HRD.
- iv) The Unit coordinated the NDIC-wide performance management exercise in the month of August, 2015. The appraisal exercise which commenced using the PMS, faced some challenges due to technical hitches with the hardware, and had to be concluded with a manual appraisal instrument. Despite the challenges faced, a total of 1,087 out of 1,117 staff were appraised at the end of the exercise, giving 2015 a better spread of appraisal score than 2014.
- v) The Unit had also commenced the process of collating Tasks, Measures and Targets (TMT) from Departments/Units/Zonal offices, which would serve as a basis for the 2016 staff appraisal exercise.
- vi) In addition, the Unit developed a framework for periodic staff performance monitoring. The framework, which also had a continuous feedback mechanism would enable supervisors to monitor and track progress of subordinates on tasks assigned throughout the year.

### **5.7 Internal Audit**

During the year under review, the Internal Audit Department provided advisory and assurance services to the Board and Management through the Board Audit Committee.

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

The Department also 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, it 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. The reports of findings and recommendations for the Mid-Year 2015 Audit were communicated to the Departments, Units and Zones for implementation after due approval by the Management.

The Department also commenced the use of the Teammate Audit Management Software after undergoing the first and second runs of the training. Henceforth, communication with auditees would be prompt and online with the implementation of the software.

Furthermore, in its efforts to consolidate on the transition from Compliance to Risk Based Audit, the Department carried out the Risk- Based Audit of all Departments/Units in 2015.

### **5.8 Enterprise Risk Management**

The Department is saddled with the responsibility of implementing the NDIC's Enterprise Risk Management Framework. The objective of the framework was to ensure that the NDIC identifies, monitors and manages the risks it faces.

During the year under review, the ERMD had in the course of discharging its core function of coordinating the implementation of NDIC's Enterprise Risk Management (ERM) Framework, identified, assessed, controlled, treated and reported on all the significant risks that were likely to impede the achievement of the NDIC's mandate. The Department also provided quarterly updates on the risk profile of the NDIC to relevant committees of the Board as well as the Senior Management.

Furthermore, the Department conducted Enterprise Risk Monitoring exercise across the Departments, Units and Zonal Offices and provided them with feedback on the exercise for effective risk mitigation.

The Department in conjunction with Ernst & Young (EY) Nigeria Limited reviewed and provided recommendations on the Enterprise Risk Management Framework of the NDIC in line with International Standards and best practices.

In addition, the Department established a new Unit; Business Continuity & Disaster Recovery Plan (BCM & DRP) in January, 2015 to coordinate the continuity of critical functions in the NDIC in the event of business disruption as well as effective recovery of the affected processes. It commenced the development of the Business Continuity & Disaster Recovery Plan (BCM & DRP) Framework, in conjunction with PricewaterhouseCoopers (PwC) to enhance implementation.

The Department also undertook the physical archiving of all 2000-2009 documents of departments/units/offices in the Head Office during the period under review. It also organized training for Record Managers and their Pairing Partners on the updated version of Docuware (version 6.6) and on Standardization of filing and document management Corporation-wide. ERMD had also commenced the digitization of documents in Kano, Benin and Enugu Zonal Offices and implemented the standardized filing and document management system Corporation-wide with effect from 10th August, 2015.

## **5.9 Administration and Support Services**

The Administration Department is charged with the responsibility of providing effective and efficient support services for the smooth running of the NDIC. During the year under review, the Department provided effective and efficient support services especially in the areas of procurement of goods, works and services, insurance of assets, maintenance of equipment, postal services, hospitality services, security, transport, managing building projects, stores and assessment of housing loans, amongst others. The Department continued to implement the procurement policy in line with Public Procurement Act, 2007. The objective was to ensure an efficient procurement of goods, works and services.

The Department embarked on the process of developing three (3) building projects at Lagos and Abuja as well as Consultancy services for the development of Zonal Office buildings at Sokoto, Yola, Port Harcourt and Bauchi. The Federal Executive Council (FEC) had approved the award of contract for the three (3) building projects. The development of the office buildings at Lagos, Abuja and the Zonal Offices at Sokoto, Yola, Port-Harcourt and Bauchi was to provide conducive working environment and promote efficient service delivery by the NDIC.

In order to ensure improved asset and facility management and procurement services for a good service delivery system, the contracts for the development and implementation of e-Facility and e-Procurement Management solutions were awarded during the period under review. The scope of work included the development, installation, and configuration of Web-Based Facility and Procurement Management Soft- wares for the NDIC. The installation and configuration stages had been executed, indicating that 80% of the projects had been completed while the other phases were ongoing.

Most of the maintenance services rendered by the Department were out-sourced to professional companies. Service and Maintenance agreements had been executed with the retained companies for servicing of equipment, elevators, generators, fire-fighting equipment, central air-conditioning system, PABX, cleaning, gardening and security services.

The NDIC undertook security upgrade to improve performance on security services and ensure the safety of lives and property within its premises. Security equipment had been installed in the Head Office building and all the Zonal Offices. That included the security sensor equipment like the E-3500 Hand Held explosive detectors procured for use in the Head Office building and Zonal Offices.

#### **5.10 Human Capital Management and Development**

During the period under review, the Human Resource Department continued to discharge its mandate towards the achievement of the NDIC's goals and objectives while working within established policies and recognized best practices. It availed Management with the needed input to take informed decisions on general staff matters.

Also, some initiatives that facilitated more efficient and effective discharge of HR responsibilities were introduced. The Department also facilitated the NDIC's collaboration with its consultants especially the FITC in the usual professional manner.

Highlighted below are some of the activities undertaken by the department as at 31st December, 2015.

##### **5.10.1 Electronic Document Management System**

It engaged a consultant, Archives and Records Management Services Limited (ARMS) to digitize staff files in order to reduce the use of hard copies. The staff of the relevant Unit had been trained on how to use the application to store and retrieve documents. Requests for staff files and documents were being provided electronically to reduce physical movement of staff files.

### **5.10.2 Recruitment of New Staff and Staff Confirmation**

A total of 103 staff were recruited during the period under review. The new staff were properly documented and deployed to various departments to fill existing vacancies. Meanwhile, all staff due for confirmation were duly confirmed upon fulfilment of confirmation requirements.

### **5.10.3 Workplace Mentoring and Counselling**

Practical sessions of one-to-one mentoring approach was modified and commenced from March 2015 for a mentoring cycle of 12 months. The modified approach enabled employees to choose their mentors and mentees while Job Skills, Career Guidance, Technical Expertise Development and Leadership Development use the focus areas in the mentoring approach.

### **5.10.4 HR Communications/Town Hall Meetings**

Timely and accurate information were disseminated to staff through the HR Communications hosted on the NDIC Outlook. In addition, a maiden edition of HR Digest, an in-house newsletter of Human Resource Department was published. The edition chronicled major people-centered activities of the NDIC from inception in 1989 to 2015.

Furthermore, Town Hall meetings with the EXCO (Executive Committee of the Board of Directors) were held at all NDIC locations to provide platform for interactions between EXCO and all staff. The forum provided unique opportunities for staff to get answers to questions, thereby promoting harmonious co-existence in the workplace.

### **5.10.5 Community Service**

The Department continued with the implementation of the NDIC's Corporate Social Responsibility initiative. A committee named "Community Service Committee" was set up and charged with the responsibility to oversee implementation of employee-driven community projects in NDIC. The committee partnered with a National Youth Service Corps (NYSC) member to provide the following facilities at Jikwoyi Primary Health Care Centre in the FCT.

- a) Labour room expansion which included en-suite bathroom and lying-in ward;
- b) Construction of 2 offices: family planning unit and antenatal unit;
- c) Renovation and conversion of pit latrine to modern toilet system.

The Committee equally partnered with Free Treasure International Nigeria Limited to construct 2 classrooms with Headmaster's Office at Kurape Village, Karshi District of Nassarawa State; while some uncompleted projects in the previous years were added to the ones executed in 2015.

#### **5.10.6 Women Empowerment Training**

A two-day Women Empowerment Training tagged “Advancing the Gender Agenda: Empowerment, Leadership and Personal Development” was organized for all female employees of the NDIC in continuation of a similar programme which commenced in 2014. The capacity building event was to enable female employees gain critical professional skills that would assist them effectively navigate their career ladder. The events were held in 2015 in Abuja and Lagos Offices.

#### **5.10.7 Knowledge Management Initiatives**

Many Knowledge Management initiatives were introduced and implemented in the year under review. These comprised the knowledge sharing initiative; database of Course Reports submitted by staff; Knowledge Audit successfully completed in all Departments/Units of the Head Office, all zonal offices and departments/units in Lagos Office; and creation of Taxonomies to be deployed on the NDIC's Portal.

In addition, the e-Learning portal of the NDIC created to enhance job effectiveness, career growth for staff and for enhancing corporate productivity was deployed and had gone live for the utilization of staff since 4th May, 2015.

#### **5.10.8 Training (NDIC Academy)**

The NDIC Academy operated as a centre of excellence for learning and development within the financial services industry. During the year under review, a total of 34 in-house training programmes were approved by Management to be conducted by the Academy. Out of the 34 programmes, 22 were for Technical school while the remaining 12 were for Management school. Of the approved programmes, 16 or 47% were executed as at December 2015, leaving a balance of 18 programmes. A total of 548 participants from the NDIC, 1 CBN staff, and 2 AMCON staff benefited from the training. In comparison, the 16 programmes executed in 2015 were an improvement over the 13 executed in 2014. The programmes executed and participants are as presented in Tables 5.1 and 5.2.



Table 5.1  
**TRAINING PROGRAMMES IMPLEMENTED IN 2015**

S/N	Training Programmes	Approved Number of Courses for 2015	Courses conducted	Percentage of Course conducted (%)
1	In-house [Technical]	22	12	55
2	In-house [Management]	12	4	33
	<b>Total</b>	<b>34</b>	<b>16</b>	<b>47</b>

Source: NDIC

Table 5.2:  
**NUMBER OF PARTICIPANTS TRAINED**

SCHOOLS	PROPOSED NO OF PARTICIPANTS TO BE TRAINED	NO OF PARTICIPANTS TRAINED	PERCENTAGE OF PARTICIPANT TRAINED (%)
TECHNICAL	640	492	76
MANAGEMENT	310	108	35
<b>Total</b>	<b>950</b>	<b>600</b>	<b>63</b>

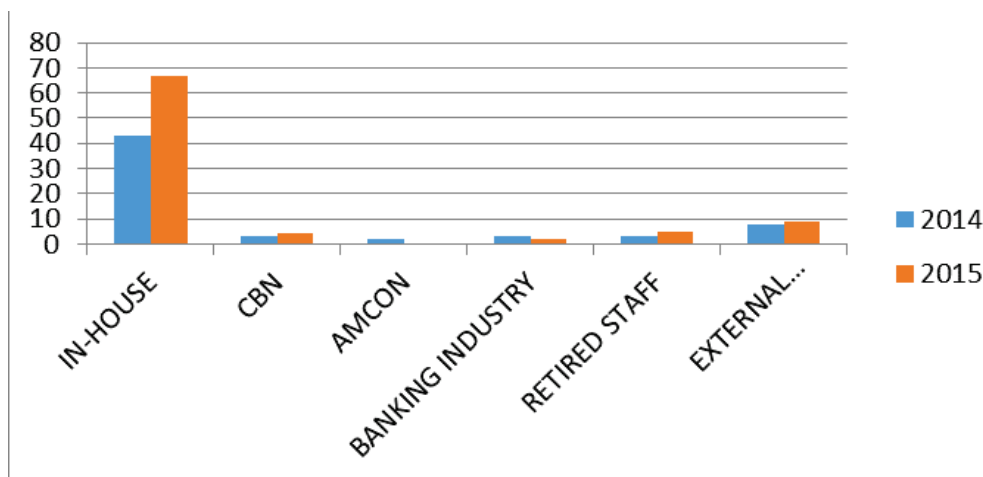
Source: NDIC

#### 5.10.9 Academy Faculty

A total of 87 resource persons facilitated at various in-house training programmes executed during the year under review, out of which 67 were in-house facilitators, 4 from CBN, 5 Retired-staff of the NDIC, 2 operators from the Banking Industry and 9 external consultants as shown in Chart 5.1



**Chart 5.1:  
RESOURCE PERSONS IN 2014 AND 2015**



The academy also organized some trainings in collaboration with Departments within the NDIC in line with their strategic expenditure (STRATEX) programme. Feedbacks were collected for all Academy's courses at the end of each programme. Participants' feedbacks were generally positive, with useful comments being offered for future improvements.

#### **5.10.10 FITC Assessment of the Academy**

The assessment of FITC which commenced in 2014 was concluded during the year under review. In line with recommendation from the assessment, Management approved the upward review of the Academy from a Unit to a departmental status. Similarly, a total of 20 in-house facilitators and Academy Staff were exposed to Train-the-Trainer programme anchored by FITC. Furthermore, the Academy commenced the implementation of one of the recommendations of the FITC by deploying the pre-training programme assessment form and post-training programme impact analysis.

#### **5.10.11 Socialization Initiatives**

Socialization initiatives were approved by the Management on 10th March, 2015. That was greatly informed by the role socialization at work and outside workplace could play in enhancing staff wellbeing, productivity and the creation of an enduring team spirit amongst the workforce. Some of the initiatives included:

- Bi-Annual Health Walk;
- Monthly Happy Hour;
- End of Year Party; and
- Inter-Agency Games.

The Monthly Happy Hour was a great success across the various locations of the NDIC. That was evident from the various pictures and comments that were shared through the NDIC intranet. Staff expressed appreciation at the initiative and hoped the objective would be immensely achieved.

#### **5.10.12 Accelerated Capacity Development Program**

In an effort to encourage Staff of the NDIC to acquire professional degrees from reputable higher institutions abroad, the Board approved the policy on accelerated capacity building and manpower development. During the year under review, additional 35 staff that constituted the third batch of the CB/MBA programme were enrolled following the successful selection process, which involved written internal and external examinations. Meanwhile, nine (9) beneficiaries had graduated on accelerated routes out of the first batch of 20 staff on the programme.

## SECTION 6

### PUBLIC AWARENESS AND CORPORATE SOCIAL RESPONSIBILITY

#### 6.0. Introduction

One of the challenges facing the Deposit insurance system (DIS) in a number of jurisdictions is that of public awareness. Public awareness plays a significant role in enhancing the effectiveness of a DIS as well as deepening financial inclusion, by engendering public confidence in the financial system. During the year under review, the NDIC continued to engage in a series of public awareness activities towards educating the public on its mandate and activities. The NDIC also executed a number of corporate social responsibility activities which were geared towards creating awareness and promoting public confidence in the financial system.

#### 6.1 Public Awareness Initiatives

In 2015, like in previous years, the NDIC embarked on several awareness campaigns, which were geared towards educating the public on its activities and achievements. Some of the enlightenment initiatives undertaken by the NDIC during the year under review are as follows.

##### 6.1.1 "NDIC CALLING" Television Programme

The NDIC continued with the broadcast and transmission of 26 episodes of the popular weekly public enlightenment programme, "NDIC Calling" on the network of the Nigeria Television Authority (NTA) and Channels TV for 39 weeks between March and November, 2015. The platform served as a veritable ground for financial education and literacy as well as public enlightenment. The documentary programme focused on the mandate and activities of the NDIC as well as benefits and limitations of DIS, financial education, financial inclusion and consumer protection. Other emerging issues which the programme focused on during the year under review were the introduction of "Pass-Through Deposit Insurance" for subscribers of the MMOs and the rationale behind the amendment of NDIC extant laws.

In addition, the Managing Director/Chief Executive, alongside other members of Senior Management also appeared on live television interviews such as "Tuesday Night Live" on the network of the Nigeria Television Authority (NTA), special interview on Channels Television and the "Money Show" on African Independent Television (AIT) as part of public awareness initiatives to reach out to the wider audience.

##### 6.1.2 Production and Transmission of Depositor Protection Awareness Radio Jingles

The NDIC continued with the production and transmission of different radio and television jingles to sensitize and enlighten the public on its mandate and activities. During the year under review, the NDIC began the telecast of animated television jingle in English, Pidgin and the three major local languages (Hausa, Yoruba and Igbo)

which were transmitted on the networks of NTA, Channels TV and AIT as well as the DSTV advertisement platforms during the 2015 African Cup of Nations (AFCON) Championship. In addition, the jingles were transmitted in other selected state television and radio stations across the six geo-political zones of the country. Essentially, the jingles were meant to sensitize the public in the areas of deposit claims and debt recovery for closed banks, and payment of liquidation dividends to uninsured depositors, shareholders and other claimants of banks in-liquidation. The radio transmission of the NDIC sponsored audience interactive public awareness programmes: "Economic Matters" on Vision FM 92.1 and "Berekete Family programme" on FM 94.3 in which Senior Management, Directors and Head of Departments/Units featured to educate the public on the NDIC's mandate and activities.

The Managing Director/CEO also featured on the popular Hausa live interactive radio programme "Hannu Da Yawa" on Radio Nigeria, Kaduna and was relayed on six other local radio stations in Abuja, Kano, Sokoto and Katsina States. The radio programmes provided an interactive platform for the NDIC to address various issues on its activities. The Pass-Through Deposit Insurance (PTDI) was a front burner in these programmes. The PTDI was introduced by the NDIC to protect subscribers of the MMOs. The call-in section of the programme also afforded the NDIC the opportunity to respond to enquiries by members of the public on its mandate.

### **6.1.3 Sponsorship of Newspaper Publications and Press Releases.**

The NDIC continued to sponsor articles and special reports in major national dailies to further inform and educate the reading public on its mandate, activities and landmark achievements.

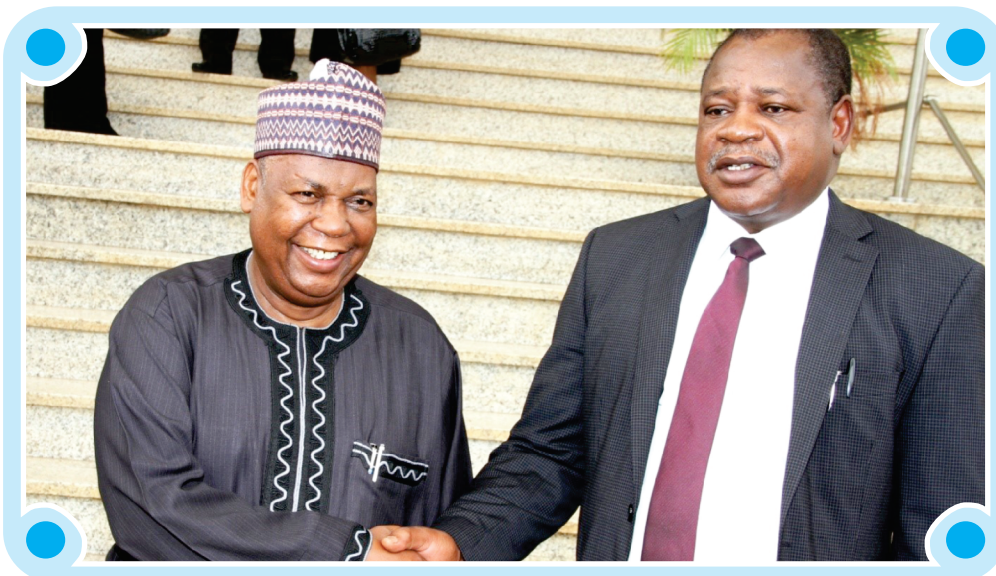
In order to facilitate accurate and timely reportage of its major events, the NDIC issued a total of twelve (12) press releases to the mass media at various times as well as rebuttals to negative and inaccurate information where necessary, to educate the public and clear misconceptions as the case might be.

### **6.1.4 Partnership and Collaboration with Stakeholders**

As part of its effort to maintain effective partnership and collaboration, the NDIC executed special events with a view to achieving harmonious working relationship and obtaining the satisfaction of its stakeholders. Accordingly, the NDIC sponsored several stakeholders' fora like the one-day nationwide seminar for the operators of MFBs which held in Lagos for Southwest, Kaduna for the North and Enugu for Southeast during the period under review. There was also the one-day sensitization seminar for NDIC external solicitors as well as other judicial officers. Further to these, the NDIC collaborated with the National Judicial Institute (NJI) to organize sensitization and capacity building workshop for members of the Bench and the Bar on the challenges to deposit insurance law and practice in Nigeria. The seminars provided an opportunity for

members of the Judiciary and Senior Management of the NDIC to discuss issues of mutual interest aimed at strengthening the deposit insurance law in Nigeria.

In addition, the NDIC organized capacity building programme for the personnel of the Special Fraud Unit (SFU) of the Nigeria Police Force, Economic and Financial Crimes Commission (EFCC), Independent Corrupt Practices and Other Offences Commission (ICPC) and Financial Malpractices Investigation Unit (FMIU), in order to promote harmonious working relationships and better understanding of the activities of the NDIC.



NDIC MD/CE Alh. Umaru Ibrahim exchanging pleasantries with Chief Judge of the Federal High Court, Hon. Justice Ibrahim Auta during a one-day Sensitization Seminar organized by NDIC for Federal and State High Court Judges in Abuja



L-R: NDIC Executive Director Operations, Prince Aghatise Erediauwa, President Court of Appeal, Hon. Justice Zainab A. Bulkachuwa, Justice of the Supreme Court Hon. Justice Wilson Onnoghe and the Chief Justice of Nigeria, Hon. Justice Mahmud Mohammed during the NDIC 2015 Sensitization Seminar in Abuja for Judges of States and FCT High Courts.



### 6.1.5 Public Awareness through the Enterprise Help-Desk System Unit

The 24-Hour Enterprise Help-Desk continued to serve as a significant tool for facilitating interactions between the NDIC and its stakeholders especially depositors of banks. In 2015, as in previous years, the Desk continued to educate and enlighten depositors as well as attended to enquires and issues raised by customers of banks and the general public. By so doing, public confidence continues to be fostered and financial system stability was also promoted. Table 6.1 reveals the number of calls received through the Help-Desk in 2015.

Table 6.1  
**CALLS RECEIVED BY NDIC HELP DESK IN 2014 AND 2015**

S/N	BANKS	2014	%	2015	%
1	Deposit Money Banks (DMBs)	75	17.30	93	16.12
2	Failed Deposit Money Banks	72	16.60	91	15.77
3	AMCON Deposit Money Banks	1	0.23	2	0.35
4	Primary Mortgage Banks (PMBs)	7	1.61	68	11.79
5	Microfinance Banks (MFBs)	31	7.14	9	1.56
6	Closed Microfinance Banks	159	36.64	197	34.14
7	General	89	20.51	117	20.28
	<b>TOTAL</b>	<b>434</b>	<b>100</b>	<b>577</b>	<b>100</b>

From Table 6.1, a total of 577 calls were received through the Help-Desk in 2015. The figure shows an increase in the number of complaints received from both depositors and the general public when compared with 434 in the previous year. Furthermore, about 50% of the calls were enquiries and complaints from customers of failed DMBs and closed MFBs. Complaints about DMBs, PMBs and MFBs in operation accounted for 30% while general enquiries on NDIC's functions and activities accounted for 20% of the total calls received in 2015.

The complaints centred mainly on deposit pay-out for failed DMBs and closed MFBs, suspension of payments by Agent Banks, status of shareholders of liquidated banks, as well as disparity in depositors' statement of accounts. Depositors of Gulf Bank, Hallmark Bank, Allied Bank, All States Trust Bank, Fortune Bank, Cooperative and Commerce Bank and Fin Bank, were among the callers that enquired about pay-out status. The customers of First Capital Savings and Loans, Integrated MFB, Abiriba MFB, Lagoon Homes, Alache MFB, Post Service Homes Limited and Leverage Homes Savings and Loans, also made enquiries about the status of payments of their insured deposits. Some staff of Voya MFB also called to find out when the new premium rate for MFBs

would be implemented. Other customers enquired about the licensing status of their banks as to whether they were licensed by CBN or not.

The bulk of complaints received on banks in operation were mainly on Savannah Bank of Nigeria Plc and its operational status. Others bordered on issues of ATM dispense error, trapped deposits, and difficulty by some MFBs' customers to access their funds/deposits.

In addition, a total of 746 e-mails were received and complaints therein promptly addressed by the Help-Desk. Most of the mails were enquiries on the NDIC's mandate, functions and activities. The new BVN requirement as well as petitions from depositors against DMBs for unlawful deductions from their accounts also featured prominently in the emails.

#### **6.1.6 Annual Workshop for Financial Correspondents Association of Nigeria (FICAN)**

The NDIC held the 15th edition of the annual Workshop for Business Editors and Finance Correspondents under the umbrella of the FICAN in Ilorin, Kwara State from 19th – 21st October, 2015. The theme of the workshop was **“Developments in e-Banking and Mobile Payment System in Nigeria: Challenges and Prospects”**. The workshop provided an avenue for capacity building for the media practitioners on recent developments in banking and the payment system as well as on the mandate and activities of the NDIC particularly as a deposit insurer and liquidator of failed banks. During the workshop, a compendium of all the past papers presented during past FICAN workshops held between 2002 – 2006 under the heading “Proceedings of NDIC Annual Workshops for Business Editors and Finance Correspondents Association of Nigeria (FICAN) Volume 1” was launched by the NDIC. That was another milestone for the NDIC in its efforts towards capacity building for FICAN members and other stakeholders.



*Director Research, Policy & International Relations Department, Dr. J. A. Afolabi explains some issues to the press during the 2015 Finance Correspondents Association (FICAN) workshop in Ilorin, Kwara State.*



The launching of the "Proceedings of NDIC Annual Workshops for Business Editors and Finance Correspondents Association of Nigeria (FICAN) Volume 1" at the 2015 FICAN Workshop in Ilorin, Kwara State.  
L-R: Controller NDIC Ilorin Zonal Office, Mr. Ferdinand Jago, Head Communication and Public Affairs Unit, Mr. H. S. Birchi, FICAN President, Mr. Babajide Komolafe, Director Research, Policy & International Relations Department, Dr. J. A. Afolabi and Director Asset Management Department, Mr. Bashir D. Umar.



A participant asks questions during an interactive session at the 2015 Finance Correspondents Association (FICAN) workshop in Ilorin, Kwara State.



L-R: Head Communication and Public Affairs Unit, Mr. H. S. Birchi and Director Research, Policy & International Relations Department, Dr. J. A. Afolabi conduct deliberations during the 2015 Finance Correspondents Association (FICAN) workshop in Ilorin, Kwara State.





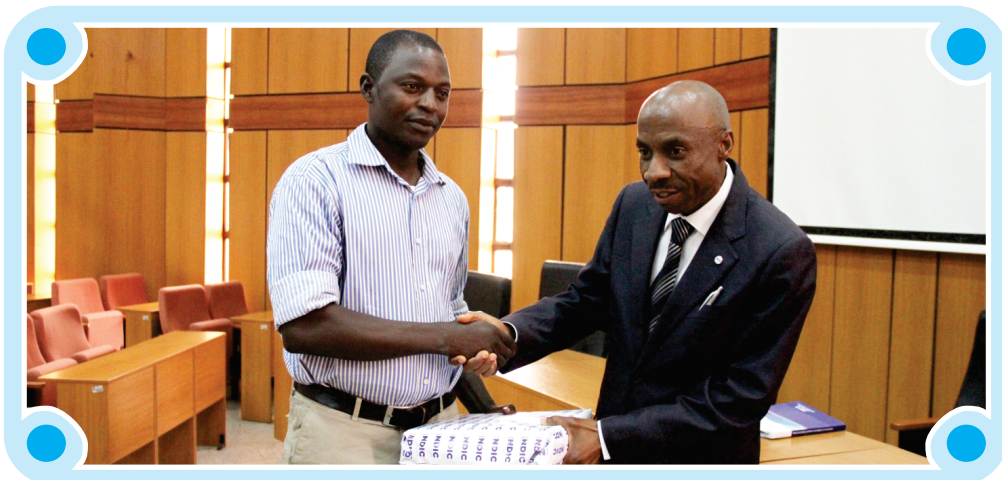
*A cross section of participants at the 2015 Finance Correspondents Association (FICAN) workshop in Ilorin, Kwara State.*

#### **6.1.7 Sensitization Seminar for NYSC Members and Other Stakeholders' Forum**

The nationwide sensitization seminar for NYSC members, which commenced in 2014 with a pilot scheme in four (4) States, was extended to 14 more States across the six geo-political zones of the country in 2015. The initiative was aimed at boosting financial education, financial literacy and consumer protection among the youth. It was also meant to sensitize them on the mandate and activities of the NDIC. The programme featured public lectures, drama presentations, question-and-answer sessions and distribution of NDIC publications and branded souvenirs to the corps members.

#### **6.1.8 Students' Academic Excursion**

In furtherance of its policy on promoting financial literacy, financial education and consumer protection as well as dissemination of information on the benefits and limitations of DIS amongst the youth, the NDIC hosted several student associations from tertiary institutions in 2015. The associations included the National Association of Statistics and Operations Research Students (NASORSS) of the Modibbo Adama University of Technology, Yola, Adamawa State; National Association of Banking and Finance Students of the Kogi State University, Ayingba, Kogi State; Nigerian Economic Students Association (NESA) of University of Nigeria, Nsukka, Enugu State; and the National Association of Banking and Finance Students (NABAFS) of University of Abuja. The visits presented the students an opportunity to ask questions and seek clarifications on issues bordering on the mandate and activities of the NDIC, the banking sector and the financial system.



*NDIC Assistant Director, Insurance and Surveillance Department, Mr. Ambrose O. Nwogu presenting NDIC publications to the President of the University of Abuja Chapter of the Nigerian Economics Students' Association during an academic visit to the Corporation's head office in Abuja.*



*A member of the University of Abuja Chapter of the Nigerian Economics Students' Association asks a question during an interactive session as part of the Association's academic visit to the Corporation's head office in Abuja.*



*President and members of the University of Abuja Chapter of the Nigerian Economics Students' Association in a group photograph with management staff of NDIC during an academic visit to the Corporation's head office in Abuja.*



### 6.1.9 Retreat for Members of the National Assembly

The NDIC organised retreats for the relevant legislative committees of the Senate and House of Representatives in order to facilitate smooth deliberations on the proposed amendment of the NDIC Act 16 of 2006 which was before the two chambers of the National Assembly, during the period under review. Furthermore, the NDIC participated actively in the public hearing organized by the National Assembly on the proposed amendment of its enabling Act and in the defence of the NDIC 2015 budget.

### 6.1.10 Participation at 2015 International Trade Fairs

In its efforts to reach out to its stakeholders and the general public, the NDIC, continued to participate in all the major international trade fairs across the country. The trade fairs facilitated interaction between the NDIC and its diverse and critical stakeholders. Apart from attending to enquiries directly, the platform provided a forum for feedback on the NDIC's programmes and activities.

During the period under review, the NDIC participated in the Enugu, Kaduna, Abuja, Lagos and Kano International Trade Fairs. At each of the Fairs, the NDIC had Special Days dedicated to showcasing its landmark achievements and exhibitions of its in-house publications.



L-R: Olawale Bakare, Asst. Director, Communication and Public Affairs; Joshua Etopidiok Director, Special Insured Institutions; Alhaji Remi Bello President, Lagos Chamber of Commerce; Oba Fatai Ayinla Aileru, Olu of Mushin and Bashir D. Umar, Director, Asset Management and Rep of NDIC MD/CEO during the NDIC Special day at the 2015 Lagos Int'l Trade Fair.



*Representative of the MD/CE Nigeria Deposit Insurance Corporation (NDIC) Mr. Bashir D. Umar (2nd left) chats with KADCCIMA Chairman Special Day Committee Alh. Gimba H. Ibrahim (2nd right) during the NDIC Special Day at the 36th Kaduna International Trade Fair. Alongside them are NDIC Head, Communication and Public Affairs Unit, Mr. H. S. Birchi (1st left) and Dan Makwayon Zazzau, District Head of Kawo Al. Jibrin Mohammed (1st right).*



*Head, Communication and Public Affairs Unit, Mr. H. S. Birchi explaining the mandate and activities of the Nigeria Deposit Insurance Corporation, NDIC at the Corporation's stand during the NDIC Special Day at the 36th Kaduna International Trade Fair.*



### 6.1.11 Corporate Social Responsibility (CSR)

In line with its tradition, the NDIC sponsored several corporate and community-based events which were aimed at promoting its visibility and presence in the public domain. Some of these projects were education-support and community health care related. In 2015, the NDIC spent the sum of ₦236.15 million on eighteen (18) projects spread across the country.



NDIC Director, Human Resource Department, Mr. Aminu Ahmed, (second left), being assisted by former Principal, Sardauna Memorial College, Kaduna, Mallam, Muhammad Nayaya (left), Kaduna Zonal Education Director, Yusufu Mohammed (second right) and Principal of the College, Rev. Samuel Haruna (right), while cutting the tape to inaugurate an e-Library donated by the Corporation to the college.



L-R: Chief of IDU Community, Alhaji Mohammed Bawa, NDIC Director Human Resources Department, Mr. Aminu Ahmed, Director Admin, Mrs. Christiana Afafor and Assistant Director, Human Resources Department, Mr. Sunday Itamunoala during the commissioning of the 100 metre Borehole donated to the Tatajiya Community in Idu, Abuja



L-R: NIPSS Secretary and Director of Admin, Mr. Jonathan Mela Juma; NDIC CEO, Alh. Umanu Ibrahim; Representing the Vice President, Alh. Ibrahim Mohammed Yabani who is also Director of Administration in the VP's Office cutting the tape to commission the Research Directorate building donated by NDIC to the institute and Director General of the institute, Professor Tijjani Mohammed Bande.



NDIC Executive Director (Corporate Services), Hon. (Mrs) Omolola Abiola-Edewor (1st right) giving a cash donation to Bloom Cancer Care Centre Chairperson, Chief (Mrs) Olutoyin Olakunri (2nd left) while staff of the Bloom Cancer Care Centre in Ikoyi, Lagos watch.



L-R: Principal Government College Ibadan Mr. Simeon Oladele, Member of NDIC Board of Directors, Chief Luqman Oyebisi Ilaka, Representative of the Oyo State Commissioner of Education, Mrs. Deborah Dosunmu, NDIC Director, Asset Management Department, Mr. B. D. Umar and Former President of the College's Alumni Association, Dr. Lekan at the commissioning of the NDIC sponsored Resource Centre for the school.



Member of NDIC Board of Directors, Chief Luqman Oyebisi Ilaka ceremoniously welcomed to the Government College Ibadan accompanied by Representative of the Oyo State Commissioner of Education, Mrs. Deborah Dosunmu and Principal Government College Ibadan Mr. Simeon Oladele on the occasion of the school's NDIC - sponsored Ultra Modern Resource Centre.



## SECTION 7

### REVIEW OF THE PROPOSED AMENDMENT TO THE NDIC ENABLING ACT 2006

#### 7.0 Introduction

A comprehensive and adequate legal framework is critical for the effectiveness of a DIS. That clearly manifested during the 2007/2009 global financial crisis and other global events in the financial system which led to the revision of the enabling laws of a number of deposit insurance agencies across the world. Furthermore, the 2009 Nigerian banking crisis as well as the IADI's assessment of the NDIC's level of compliance with its Core Principles also brought to the fore the need for a review of the existing DIS legal framework in the country.

The NDIC initiated the process of amending its enabling law, the NDIC Act No. 16 of 2006, during the life of the 7th Assembly (2011-2015) of the Nigerian legislature. The amendment aimed at strengthening the NDIC's supervisory capabilities and addressing its challenges in the areas of resolution of failing and failed insured financial institutions and ensuring compliance with the Core Principles for Effective Deposit Insurance System.

The Bill for the amendment, which scaled through second reading and was subjected to public hearing where input of key stakeholders were sought, was in May 2015 passed by the House of Representatives subject to the concurrence of the Senate. The Senate, however, could not pass the Bill before the expiration of the tenure of the 7th National Assembly in May 2015.

Consequently, the NDIC used the opportunity to engage the CBN into further deliberations on the proposed amendment in order to address areas of possible conflicts. Several meetings had been held on the issues and the proposals were ready for submission to the 8th National Assembly for further legislative actions. Some of the issues contained in the proposed amendments are as follows:

#### 7.1 Errors in the Extant Act

The amendment seeks to correct errors (both fundamental and typographical in nature) contained in the NDIC Act 2006. Whereas the typographical errors had been corrected through the publication of a corrigendum in the Official Gazette, the fundamental errors were being addressed by the National Assembly through a proposed amendment to the enabling Act.

## **7.2 Composition of the Management Committee**

There was an error in the drafting of the provision that relates to the appointment of the Chairman of the Management Committee in the absence of a Board for the NDIC. Similarly, the extant provision also made reference to only one Executive Director when the Act provides for two Executive Directors. The proposed amendment was to address all those lapses.

## **7.3 Public Policy Objectives**

The Core Principles for Effective DIS requires that the public policy objectives of a DIS be clearly stated in its enabling law. That was lacking in NDIC extant law. The proposed amendments therefore seeks to explicitly specify in the enabling Act the appropriate public policy objectives that would be achieved by the deposit insurer. Stating the public policy objectives in the Act would clearly indicate the purpose of establishing the NDIC.

## **7.4 Composition of the Board**

The members of the Board include the Managing Director and two Executive Directors in addition to other members. The Act, however, provides that the Chairman and members of the Board shall be part- time members thereby inadvertently making Managing Director and two Executive Directors part-time members. The amendments therefore seeks to ensure that only the Chairman, and members appointed from the six geo-political zones are part-time members. The Representatives of the CBN and the Federal Ministry of Finance are ex-officio members.

## **7.5 Tenure of Part-Time Board Members**

The proposed amendment on the tenure of part-time members of the Board provides that part-time members of the Board shall hold office for a period of four (4) years, renewable for another period of four (4) years at the maximum. The proposal was aimed at ensuring the stability of the Board so as to enhance policy formulation and effective discharge of its oversight functions.

## **7.6 Removal of a Board Member**

There was a new proposal that no member of the Board shall be removed without compliance with the provisions of the enabling laws. The aim of the proposed amendment was to enhance corporate governance in the NDIC.

## **7.7 Vacancy in the Composition of the Board**

The proposed amendment provides that in the event of a Board member vacating office for any reason, there is need to appoint another person to fill the vacancy and such appointee should represent the vacating member's constituency.



### **7.8 Conflict of Interest**

The IADI Core Principle 3 provides that the deposit insurer should be operationally independent, transparent, accountable and insulated from undue political and industry influence. In compliance with the principle, the NDIC initiated the proposed amendments to formalize its commitments to transparency, accountability and probity. The proposal also ensures that employees and Board members exhibit high level of professionalism and ethical conduct in line with the standards being demanded from members of DISs worldwide.

### **7.9 General Reserve Fund**

The proposed amendment seeks to foster the ability of the NDIC to rapidly build up the general reserve fund by increasing the amount of surplus that should go to the General Reserve until such a time when the General Reserve Fund is sufficiently built up to address anticipated risks, in accordance with international best practices.

### **7.10 Expanding Incidence for Payment of Insured Deposits**

The requirement for payment of insured deposits only in the event of revocation of an IFI's operating licence poses restraint on the NDIC's ability to effectively carry out its mandate. Experience has shown that an insured institution may actually be insolvent and not merely illiquid and therefore suspends payment or is unable to meet its obligations to its depositors thereby causing hardship to those depositors even when its operating licence has not been revoked.

The proposed amendment therefore seeks to expand the crystallization of the NDIC's liability in the payment of insured deposits in IFIs beyond revocation of licence to include suspension of payment and inability of an IFI to meet up with obligations to depositors.

### **7.11 Supervision of Related Entities of Insured Institutions**

Some Nigerian banks have become financial conglomerates, having interest in subsidiaries, associates and affiliates. In order to prevent such subsidiaries, associates and affiliates from being used as avenues through which depositors' funds are dissipated, it is imperative that the NDIC has access to the books and affairs of all the related entities of insured banks to enable it assess on-going transactions between them. The proposal seeks to ensure consolidated supervision of banking groups by the NDIC.

### **7.12 Special Examination**

The proposed amendment seeks to substitute the word "Board" in the extant Act with the words "Managing Director", as it would be cumbersome to always await Board's approval to commence Special Examination when the issue at stake warrants immediate action. The issue involved is operational and not a policy matter.

### **7.13 Prompt Corrective Action**

The rationale for the introduction of this proposal is to act as an additional measure that facilitates action towards ensuring implementation of the NDIC's recommendations in Examination Reports in order to strengthen its supervisory capacity. The amendment aims at compliance with Core Principle 13, which provides that a deposit insurer should be part of a framework within the financial safety-net that provides for the early detection and timely intervention and resolution of troubled banks.

### **7.14 Insured Institutions Resolution Fund**

Following the bank consolidation of 2005, the DMBs had grown so large that failure of any one of them could pose a serious threat to the Insurance Funds. Consequently, the need for a statutory contingency plan to address open bank resolution in order to reduce the risk of failure as much as possible, became compelling.

Accordingly, the proposed amendments sought to establish an Insured Institutions' Resolution Fund (IIRF) that would be used as an open bank resolution option for resolving distress in large insured institutions while the Insurance Funds should primarily be reserved for effecting closed bank resolution measures.

The proposed amendment also aims at complying with Core Principles 3 and 9 that provide for the deposit insurer to have power and availability of funding to fulfil its mandate.

### **7.15 The NDIC as 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 banks but the NDIC Act 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 problem bank which NDIC had assumed control of should be protected from attachment of its assets and the assets of NDIC against the liability of such distressed bank. There is need to prohibit attachment on assets of the NDIC for liability of a failing or failed insured institution because the NDIC is acting as 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 of distressed insured institutions do not interfere when the NDIC is carrying out open bank resolution measures aimed at restructuring such institutions in the larger interest of the depositors of such institutions.

### **7.16 Winding-Up Rules**

The 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 empowers the Chief Judge (CJ) of the Federal High Court (FHC) to make the Winding up Rules applicable to insured institutions. The Companies and Allied Matters Act (CAMA) empowers the CJ, FHC to make the Winding Up rules for Companies, and so the CJ is thus the appropriate authority to make such rules for the insured institutions which are registered companies. It is expected that he will consult with the Regulatory Authorities in the course of drawing up the Rules.

### **7.17 Transfer of Pending Suits**

Whenever the revocation of the licence of a bank 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 bank and the NDIC. The suits invariably drag the NDIC into defending the failed bank even when its status as Liquidator remains tenuous. The amendment is to ensure that all such suits abate pending resolution of the winding-up petition.

### **7.18 Interest on Judgement Sum**

The NDIC as Liquidator is often faced with admitting to proof claims filed by judgement creditors in respect of insured institutions under liquidation based on judgement sums issued by the Courts. While judgement debts constitute proper claims in the class of other creditors (they rank after preferred creditors and depositors in the case of insured institutions), the issue of interest payment on the judgement sums beyond the date of revocation of the licence of such institutions, remains a sore issue. This is as a result of misunderstanding as to the nature of a claim under an insolvency regime, which had led some Courts to award interest on a judgement sum to be calculated even after the licence of the bank had been revoked and liquidation of such institution had actually commenced, contrary to the norms and practice of insolvency law. The proposed amendment seeks to ensure that such anomaly is addressed by prohibiting calculation and payment of interest on judgement sum after the licence of the debtor insured institution has been revoked and liquidation has commenced in respect of such institution.

### **7.19 Proceedings of The Board**

The Rules in the Schedule to the Act govern proceedings at Board meetings. Rule 2 which provides for the Chairman as one of the members who must be present before a quorum can be formed for Board meetings effectively negates the provisions of Rule 3(2) which empowers any other director to Act as Chairman at a Board meeting where the Chairman is absent. Also, 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 seeks to address 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.

### **7.20 Payment of Insured Deposits Even When Action Challenging Revocation is Pending in Court**

There is the need for the NDIC to have powers that would enable it pay insured depositors of failed banks even in the face of litigation challenging revocation of the failed institution's operating licence. That would reduce the extent to which depositors are subjected to untold hardship anytime litigants institute action against the NDIC to forestall liquidation of a failed bank.

The proposed amendment seeks to enable the NDIC pay insured deposits irrespective of the filing of such an application in court as payment of insured deposits would be statutorily obligatory. In the event that 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.

### **7.21 Interim Dividend Payment**

This new provision seeks to enable the NDIC to make advance payment of excess uninsured deposits of a bank in-liquidation if the conditions stipulated are met, without waiting until after realisation of the bank's assets. That is in line with best practices obtainable in developed jurisdictions.

### **7.22 Restriction on Mortgage of Assets**

This provision would place restriction on the insured institutions to mortgage, pledge, sell or dispose of any land, building or interest in any real property without the consent of the NDIC. The provision is to enable the NDIC keep track of the assets of IFIs and thereby avoid the difficulties of assets realisation during liquidation.

### **7.23 Dealing with Parties at Fault in Bank Failure**

The proposed amendment seeks to provide the deposit insurer with adequate powers to seek legal redress against those parties at fault in bank failure. The amendment will enable the NDIC to comply with the IADI Core Principle 12. Some of the areas of focus under this provision include the following:

#### **(a) Liability of Directors and Officers**

Some of the issues for which amendment on the legislation was being proposed included the following: duties of Board and Management; conflicts of interest; duty of care and skill; Directors' liability for negligence resulting in failure of the bank; Directors' duties as trustees of bank's assets; provisions against secret benefits; establishing unlimited and personal liability on directors for unauthorized credit facilities; and 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 Banks for violation of other laws governing banking operations apart from the NDIC Act. This 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. That is because mere conviction of criminals only does not constitute adequate remedy with the desired economic results.

**7.24 Powers of the Corporation**

- To Act as Liquidator
- Self-Appointment as Liquidator
- Issuance of 90 Days' Notice by CBN to Critically Undercapitalised Insured Institutions.

Hitherto, Section 40 of the Act provides 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 succeeded in addressing the problem of inability of the NDIC to reimburse depositors promptly after a bank 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 powers 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 mischief for which it was intended.

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.

**7.25 Right of Lien and Disposal**

This provision is to assist the NDIC in the recovery of debts owed the closed banks, by giving the NDIC the right of lien over any collateral or security in its custody pledged as security for a loan by a debtor of a failed insured institution who has repaid the loan facility but also indebted to another failed insured institution under liquidation.



## SECTION 8

### RESEARCH ACTIVITIES AND INTER-AGENCY COLLABORATIONS WITH INTERNATIONAL INSTITUTIONS

#### 8.0 Introduction

Research is the way to change and a path to organisational development. It increases the efficiency in an organisation by finding different efficient and effective means of achieving its goals and objectives. Consequently, the NDIC undertakes research with a view to increasing its efficiency and effectiveness in the discharge of its mandate which ultimately enhances the NDIC's contribution to financial system stability.

Furthermore, financial system stability requires close collaboration and goodwill among the various safety-net participants. Inter-agency cooperation and collaboration is designed to improve the effectiveness of the back-up mechanisms that engender the protection of depositors.

This section presents the research activities as well as the inter-agency collaborations with local and international institutions undertaken by the NDIC during the year under review.

#### 8.1 Research Activities

Some research activities in the areas of Microfinance, financial system stability and deposit insurance coverage level considered necessary to enhance the effectiveness of the NDIC were undertaken during the year under review. Also, developments in the Nigerian economy with particular reference to the banking and finance were monitored. The findings of the research projects and the reports on the developments in the economy were published in the NDIC Quarterly Journal. The following were some of the research activities undertaken in the NDIC during the period under review:

##### 8.1.1 Case Studies on Bank Failure in Nigeria

A total of twenty (20) cases on the failed insured DMBs were developed during the period under review. The case studies would be published in four (4) volumes of five (5) failed banks each. The Volume 1, being the first set of case studies on five (5) failed DMBs, was published while Volume 2 had gone to the printers. Volumes 3 and 4 were at various stages of review.

##### 8.1.2 A Synthesis of Grameen Microfinance Model: Lessons for Nigeria

The study highlighted the contribution of the microfinance banking sector in developing economies due to its capacity to generate employment, increase household income, reduce poverty and as a strategy for financial inclusion. Various countries are taking measures to harness its potentials in order to achieve desired developmental goals because of these critical roles. Adopting the best and most

effective model or strategy had however been the challenge. The Grameen microfinance banking model of Professor Mohammed Yunus achieved success in Bangladesh in poverty reduction, financial inclusion and sustainable economic development. It was being replicated and adopted by many countries.

The study analysed the Grameen microfinance model, noted its critical success factors and juxtaposed it with the microfinance banking practice in Nigeria using CBN 2005 and 2011 microfinance frameworks. It was observed that microfinance banking in Nigeria had not been successful due to wrong design, inappropriate methodology and other challenges. The study further noted that some useful lessons can be learnt from the success achieved by the Grameen Banking model to make microfinance banking achieve its objective in Nigeria. Some recommendations were made to the regulatory authorities and operators to remodel microfinance banking practice in Nigeria so as to achieve the desired benefits. Some of the Recommendations included:

- I. Appropriate conceptualization of Microfinance banks: The need to appropriately conceptualize microfinance in Nigeria is imperative. Such conceptualization will define the end or target clients, ownership and the target problem it is expected to solve in concrete terms. For example, the urban bias in its location and other operational modalities should be well defined.
- ii. Business strategy: Field officers of MFIs in Nigeria should be well trained and orientated by the regulatory authorities on the concept and operation of microfinance. They should be made to look for the clients, be involved in their business development and build trust with them.
- iii. Availability of Product Variety: Both the regulatory authorities and the MFIs should ensure the availability of variety of products. This can be done through market research in consultation with the clients.
- iv. Super Profit Orientation: The MFIs should de-emphasise profit orientation as a cardinal objective of their establishment. Social Mission orientation should be incorporated into its philosophy.
- v. Simplification of operations: Both the regulatory authorities and the MFIs should emphasise low cost of operation. Maintenance of simple office, furniture and personnel. This would require redesigning ownership and other operational mechanisms to incorporate the concept and objective of poverty reduction and financial inclusion, reduction of over-heads, simplification of business models, lowering of credit management system and collateral requirements.



### **8.1.3 Analysing Financial System Stability**

The study used the Contingent Claims Analysis (CCA) Approach to estimate the implied market value and volatility of assets for 63 Nigerian financial and non-financial quoted companies with market capitalization representing 10% of the rebased Gross Domestic Product (GDP) over the period from January 2012 to December 2013. That was then used to calculate the Distance-to-Distress/Default (DD), the Probability-of-Default (PD) and the expected losses of the firms, sectors and the whole system.

The analysis suggested that it would be useful to look at the financial system as a portfolio of counterparty exposures (counterparties being financial institutions), and then analyse the contribution of each firm to different sectors and the whole system as a portfolio of firms. The analysis also showed that forward-looking risk measures that utilise market data provide useful information for carrying out stress testing as well as surveillance and risk assessments of a financial system.

The study provided a means of measuring financial system stability based on individual firms, sectors and the financial system as a whole using several forward-looking measures. The DD measure of financial system stability could be used for financial system stability analysis by the FSRCC, CBN and other related agencies.

### **8.1.4 Determining Deposit Insurance Coverage Levels**

The study examined the adequacy of the current deposit insurance coverage levels bearing in mind developments in the banking industry and the economy with the use of a survey instrument. The survey solicited information on the deposit structure of the DMBs, PMBs and MFBs in the country. There were recommendations on the appropriate coverage levels for insured institutions for Board's consideration.

The study revealed that the current coverage level of ₦500,000 per depositor per DMB was still adequate. It also revealed that the coverage level of ₦200,000 per depositor per MFB remained adequate. The study, however revealed that the coverage level of ₦200,000 per depositor per PMB was inadequate. Accordingly, it recommended an appropriate coverage level for depositors of PMBs which had been considered by Management and awaiting Board approval.

### **8.1.5 Development of Framework for Extending Deposit Insurance Coverage to Subscribers of Mobile Money Payment Operators**

Following the introduction of mobile payment system in Nigeria by the CBN the NDIC developed the framework and regulation for extending deposit insurance coverage to subscribers of mobile money services during the period under review. The development of the Framework was based on the concept of Pass-Through Deposit Insurance (PTDI). Furthermore, an interactive session to sensitize the MMOs on their roles in the implementation of the Framework and the Regulation was organized by the NDIC during the year under review.

## 8.2 Inter-Agency Collaboration with International Institutions

### 8.2.1 World Bank Technical Assistance to the NDIC

The NDIC secured a technical assistance from the World Bank to develop a Target Fund Ratio Framework. The framework is to assist the NDIC in determining the adequacy of its insurance fund at any point in time. During the year under review, the World Bank team working on the framework undertook a visit to the NDIC during which the draft Target Fund Ratio Framework was presented for comments and inputs. During the visit, the team also conducted training on model calibration and data requirements for the NDIC staff. The objective of the training was for the NDIC staff to be acquainted with the framework to be able to undertake its review as the economic conditions in the country change.



MD/CE of NDIC, Alhaji Umaru Ibrahim with the ED (CS), Hon. (Mrs) Lola Abiola-Edewor welcoming visitors from the World Bank.



From R-L: NDIC Managing Director/Chief Executive, Alh. Umaru Ibrahim welcoming Mr Julian Casal, a member of the World Bank Project Mission Team on the establishment of target Deposit Insurance Fund (DIF) Ratio for NDIC to NDIC Head Office, Abuja and NDIC Executive Director, Corporate Services, Hon. (Mrs.) Omolola Abiola Edewor.





*A cross-section of the NDIC staff with members of the World Bank team during their visit to the NDIC*

### **8.2.2 Collaboration with the Department of the Treasury of the United States of America (USA)**

Following the capacity building technical assistance extended to the NDIC by the Treasury Department of the USA during which some subject matter experts (SMEs) on International Financial Reporting Standards (IFRS) were developed, the Department of the Treasury leveraged on that and requested the release of two (2) NDIC staff members considered as SMEs on IFRS to facilitate at a two (2) week seminar at the Kenya School of Monetary Studies (KSMS). The request was approved by the NDIC Management and the staff facilitated at the training successfully.

### **8.2.3 International Association of Deposit Insurers (IADI) Activities**

During the year under review, the NDIC continued to leverage on its membership of IADI by participating at seminars/workshops as well as sharing information and experiences with sister deposit insurance agencies around the world. Accordingly, the following were some of the IADI activities attended by the NDIC:

#### **I) Middle East and North Africa (MENA) And Africa Regional Committee Meeting and Conference Hosted by the Jordan Deposit Insurance Corporation (JODIC)**

The NDIC participated at the conference themed “Building upon the Revised IADI Core Principles: DIS Compliance Lessons” organised jointly by MENA and Africa

Regional Committee. The NDIC facilitated at the conference and also chaired a technical session.

**ii) Information Request by the Tanzania Deposit Insurance Board (TDIB)**

The TDIB sought the assistance of the NDIC to share with it information in the under-listed areas:

- Establishment Act of NDIC;
- Organisational structure and governance structure;
- Enterprise Resource Planning (ERP) application in use;
- Annual report of NDIC;
- Set of options for resolution of a failed DMB;
- Procedure manual for pay-offs to customers of a failed DMB; and
- Some recommended training programmes for DIS staff.

The required information was compiled and forwarded to the TDIB during the period under review.

**iii) Information Request by the Kenya Deposit Insurance Corporation (KDIC)**

During the period under review, the KDIC sought the assistance of the NDIC at the time of its transition to a fully-fledged independent institution that took over the functions of the former Deposit Protection Fund Board (DPFB) which operated under the Central Bank of Kenya (CBK). The KDIC sought information in respect of grading, compensation and benefits of deposit insurance system staff which the NDIC obliged.

**iv) 14th IADI AGM and Annual Conference Hosted by the Malaysia Deposit Insurance Corporation (MDIC)**

A seminar on Islamic Deposit Insurance themed “Essential Elements for Effective Islamic Deposit Insurance Systems: Shariah Governance, Sources and Management of Funds” was held during the 14th IADI AGM and Annual Conference hosted by the Malaysia Deposit Insurance Corporation (MDIC) in Kuala Lumpur, Malaysia. The NDIC participated and facilitated a session on “Ensuring Shariah Compliance of Islamic Deposit Insurance System through Shariah Governance” at the Seminar.

**v) Information Request by the Iran Deposit Guarantee Fund (IDGF)**

The IDGF sought the NDIC's assistance on how it used the bridge bank option as a failure resolution strategy in order to assist Iran's Parliament to enact an enforceable Deposit Guarantee Act. In response to the request, copies of the book titled “Bridge Bank as a Failure Resolution Option in Nigeria” which detailed the NDIC's experience with Bridge Banks was forwarded to IDGF during the period under review.

### 8.3 OTHER INSTITUTIONAL COLLABORATIONS

#### 8.3.1 Curriculum Development on the Introduction of Deposit Insurance for Universities and Other Tertiary Institutions in Nigeria

During the period under review, a curriculum was developed with the objective of introducing DIS courses to universities and other tertiary institutions in Nigeria. It consisted of two (2) courses, namely: Fundamentals of Deposit Insurance and Practice of Deposit Insurance System. The Management of the NDIC approved the commencement of the project in seven (7) selected universities and the Chartered Institute of Bankers of Nigeria (CIBN).

The selected universities were: University of Lagos (Unilag), Obafemi Awolowo University (OAU), University of Benin (UniBen), University of Nigeria, Nsukka, Ahmadu Bello University (ABU) Zaria, Bayero University Kano (BUK), and University of Ibadan (Unibadan). ABU had already commenced the two (2) courses at its 300 and 400 levels under its Faculty of Business Administration while other universities were preparing to commence the programme during their new academic sessions.

## SECTION 9

### CORPORATE GOVERNANCE

#### 9.0 Introduction

Corporate governance principles guide the Board, as the apex decision making body of the NDIC, in the discharge of its duties. During the year under review, the Board promoted a corporate culture that engendered hard work, professionalism, transparency, teamwork, respect and fairness. It also ensured that every decision it took was for the benefit of the NDIC, depositors, insured financial institutions, other financial stakeholders and the economy in general.

It is worthy of note that during the year under review, the Board of the NDIC was dissolved on 16th July, 2015 along with the Boards of other Federal Government Agencies. Prior to its dissolution the Board carried out its duties in line with the NDIC 5-year Strategic Plan (2011–2015) that focused on depositor protection as well as enhancing financial system stability. Similarly, the Board also ensured that adequate management processes, structures and policies were in place to make insured institutions comply with existing laws and regulations as well as entrench accountability and transparency within the NDIC.

This section presents the activities of the NDIC Board up till the time it was dissolved in 2015.

#### 9.1 Composition And Members Of The Board

The NDIC had a twelve-member Board up to its dissolution on 15th of July, 2015, which comprised:

- i) Ambassador (Dr.) Hassan Adamu CON (Wakilin Adamawa) Chairman;
- ii) Umaru Ibrahim, mni, FCIB (Managing Director/Chief Executive (MD/CEO));
- iii) Prince Aghatise Erediauwa (Executive Director, Operations);
- iv) Hon. Omolola Abiola-Edewor (Executive Director, Corporate Services);
- v) Chief Oyebisi L. Ilaka;
- vi) Chief Davidson Oghenekevwo;
- vii) Alhaji Lawan Zakaria Gana FCIB;
- viii) Chief Rasak Tunde Lawal;
- ix) Alhaji Abdulrahman Aliyu Dikko;
- x) Ms. Benedicta China Molokwu;
- xi) Director Home Finance (representative of the Federal Ministry of Finance); and
- xii) Director Banking Supervision Department (representative of the Central Bank of Nigeria).

The Head of the Legal Department served as the Acting Secretary to the Board. The Executive Committee (EXCO) of the Board comprised the MD/CEO and two Executive

Directors. While the EXCO works on a full-time basis, the rest of the Board members carry out their tasks on a part-time basis.

The Board met once in 2015 and deliberated on various issues affecting the NDIC and its mandate.

## **9.2 Board Committees**

The Board operated through six (6) Standing Committees during the year under review, namely: Executive; Establishment; Finance and General Purpose; Corporate IT Strategy; Debt Recovery and Audit. The Committees assisted in the effective oversight of the Board while facilitating sound decision making. The mandate, membership and activities of the Committees were as follows:

### **9.2.1 Executive Committee (EXCO) of the BOARD**

An in previous years, the EXCO was responsible for the day-to-day administration and implementation of policy decisions made by the Board.

It is pertinent to note that the members of EXCO are appointed by the President of the Federal Republic of Nigeria for a term of 5-years renewable only once subject to the confirmation of the National Assembly. During the year under review two members of the EXCO namely: the MD/CE and ED (Operations) concluded their first term in office and got re-appointed for a second term of 5 years.

In 2015, the EXCO met eighteen (18) times and deliberated on the best ways to implement decisions of the Board in addition to other matters of concern to the NDIC. The membership of the EXCO during the period under review was as follows:

- i) Alhaji Umaru Ibrahim, mni, FCIB – (MD/CEO)
- ii) Prince Aghatise Erediauwa – (ED, Operations)
- iii) Hon. Omolola Abiola-Edewor – (ED, Corporate Services)

### **9.2.2 Finance and General Purpose Committee**

The Finance and General Purpose Committee was responsible for matters relating to the implementation of NDIC's annual budget, review of financial statements and banking industry reports, appointment of external auditors, compliance with extant financial regulations and circulars, rendering financial and technical assistance to IFIs, corporate social responsibilities and other matters referred to it by the Board. The Committee met once in 2015 and the members were as follows:

- i) Ambassador (Dr) Hassan Adamu, CON (Wakilin Adamawa) – Chairman;
- ii) Alhaji Umaru Ibrahim, mni, FCIB (MD/CEO);
- iii) Prince Aghatise Erediauwa, (ED, Operations);
- iv) Hon. Omolola Abiola-Edewor, (ED, Corporate Services);



- v) Chief Rasaq T. Lawal;
- vi) Mr. Abdulrahman A. Dikko;
- vii) Ms Benedicta C. Molokwu;
- viii) Chief Oyebisi Ilaka;
- ix) Chief Davidson Oghenekevwo; and
- x) Director, Home Finance (Federal Ministry of Finance).

### **9.2.3 IT/Corporate Strategy Committee**

The mandate of the IT/Corporate Strategy Committee is to formulate policies that ensure appropriate IT infrastructure, policies and procedures are in place to drive the activities of the NDIC. During the year under review, the Committee monitored the implementation of the NDIC's strategic plan and reported to the Board on same.

The Committee met once (1) in 2015 and considered the revised Strategic Plan which resulted in the reduction of the Plan objective in line with international best practices.

The members were as follows:

- i) Ms. Benedicta C. Molokwu – Chairman;
- ii) Alhaji Umaru Ibrahim, mni FCIB (MD/CEO);
- iii) Prince Aghatise Erediauwa (ED, Operations);
- iv) Chief Rasaq T. Lawal;
- v) Director, Banking Supervision Department (CBN);
- vi) Director, Home Finance (FMF); and
- vii) Alhaji Lawan Z. Gana, FCIB.

### **9.2.4 Debt Recovery Committee**

The Debt Recovery Committee was saddled with the responsibility of overseeing and monitoring debt recovery activities of the NDIC and update the Board on its debt recovery efforts. During the year under review, the committee met once (1) to consider various debt settlement proposals from debtors of banks in-liquidation as well as requests for interest waivers in line with the revised debt recovery policy of the NDIC. The Committee also held meetings with some high profile debtors of banks in-liquidation to agree on terms of debts repayment and made appropriate recommendations to the Board. The members of the Committee were as follows:

- (i) Chief Oyebisi L. Ilaka – Chairman;
- (ii) Prince Aghatise Erediauwa (ED, Operations);
- iii) Chief Rasaq T. Lawal;
- iv) Chief Davidson Oghenekevwo;
- v) Ms Benedicta C. Molokwu;
- vi) Mr Abdulrahman Dikko; and
- vii) Director, Banking Supervision Department (CBN).

### **9.2.5 Establishment Committee**

The Establishment committee exercised oversight functions on behalf of the Board on

human resource matters. The committee ensured compliance with provisions of the Industrial Training Fund Act, National Housing Fund Act, Pensions Reform Act and National Health Insurance Act. During its only meeting (held) in 2015, the Committee advised the Board on matters relating to staff promotion, recruitment, training, compensation, conditions of service, discipline and other welfare-related matters. The members of the Committee were as follows:

- (i) Mr Abdulrahman A. Dikko – Chairman;
- (ii) Hon. Omolola Abiola-Edewor ED (Corporate Services);
- iii) Director, Banking Supervision Department (CBN);
- iv) Mr Lawan Z. Gana;
- v) Chief Oyebisi Ilaka; and
- vi) Chief Rasaq Lawal.

### **9.2.6 Audit Committee**

The Audit Committee considered reports by external and internal auditors as well as auditors from the office of the Auditor-General of the Federation on the financial condition of the NDIC and its level of compliance with the internal control systems and statutory guidelines.

The Committee met once (1) in 2015 and recommended for approval the audit work plan and time table for the year. The Committee also reviewed the risk-based internal audit and conducted a special review of the financial and other activities of the NDIC. The Committee further considered the IFRS December 31, 2014 year-end audited financial statements and Management Letter.

The members of the Committee were as follows:

- i. Chief Davidson Oghenekevwe – Chairman;
- ii. Chief Oyebisi L. Ilaka;
- iii. Director, Home Finance (FMF); and
- iv. Director, Banking Supervision Department (CBN).

### **9.3 Other Statutory Commitments of the Board and Management**

The NDIC under the guidance of the Board, adhered strictly to the guidelines issued by the Office of the Auditor General of the Federation (OAGF) and the Accountant General of the Federation (AGF).

The NDIC also complied with the Federal Government directive to all MDAs to move their accounts to the Federal Government Treasury Single Account (TSA) with the CBN. The NDIC also complied with the Pension Reforms Act and promptly remitted staff contributions to their respective Pension Fund Administrators. The NDIC effected all staff deductions and contributions and remitted same to the National Health Insurance Scheme (NHIS) in compliance with the NHIS Act. Furthermore, the NDIC 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.

The NDIC, also complied with provisions of the Code of Conduct for Public Officers which mandated all staff and political appointees to declare their assets and re-declare every four years.

#### **9.4 Achievements of the Board in 2015**

During the year under review, the Board approved the Framework for Pass-Through Deposit Insurance for subscribers of MMOs in Nigeria. The framework was introduced by the NDIC to protect subscribers of the MMOs and to encourage the use of that platform to enhance Financial Inclusion.

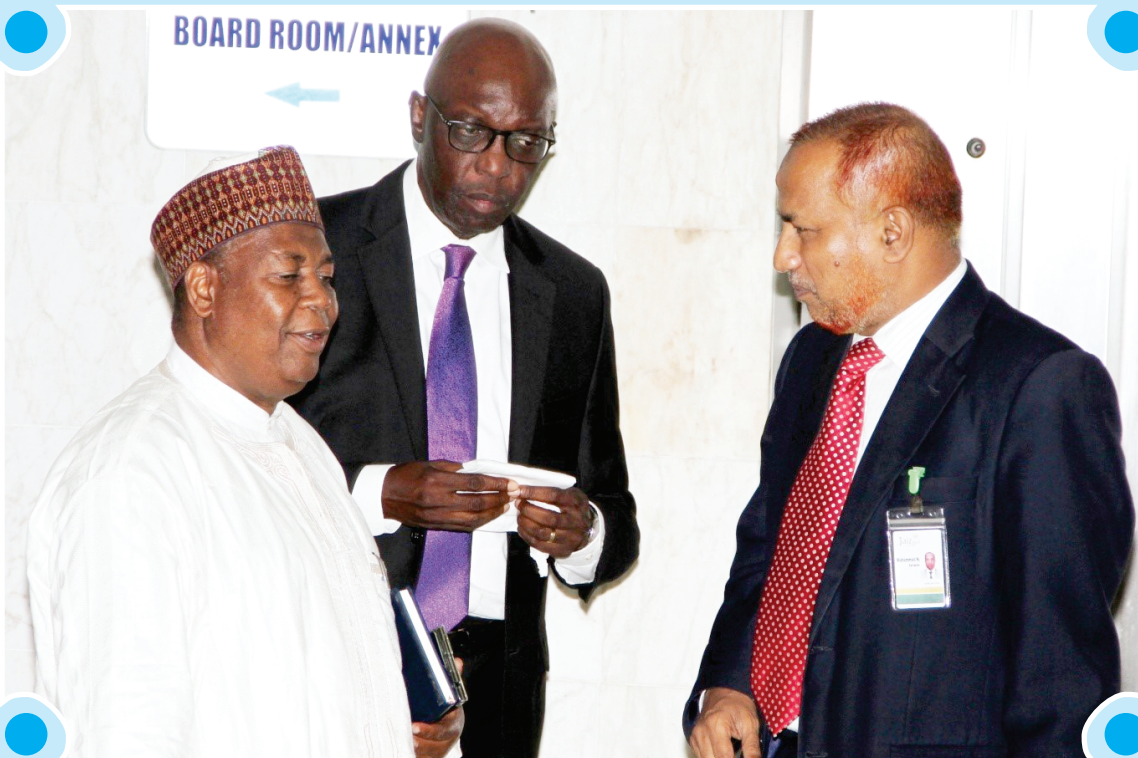
During the year under review, the Board undertook the following projects under its corporate social responsibility initiatives:

- I. Commissioning of Educational Resource Centre for the Government College Ibadan, Oyo State. Thursday, 5TH February, 2015;
- ii. Commissioning of Bookshop for Enugu State University of Technology (ESUT);
- iii. Donation of N10 million to ESUT 2015;
- iv. Commissioning of Maternity wing of Jikwoyi Primary Health Care & Maternity Centre, Abuja, FCT on the 17th June, 2015;
- v. Commissioning of Research Directorate Building of the National Institute of Policy and Strategic Studies (NIPPS), Kuru;
- vi. Commissioning of Borehole at Tatajiya Community in Idu, Abuja;
- vii. Donation of N1 million to Bloom Cancer Care Centre in Lagos; and
- viii. Commissioning of the E-Library at Sardauna Memorial College, Kaduna.

The Board in its continuous bid to bridge the gap in certain cadres of staff, approved and recruited a total of 103 staff during the period under review. All of them were properly documented and deployed to various departments to fill existing vacancies. Meanwhile, all staff due for confirmation were duly confirmed upon fulfilment of confirmation requirements.



L-R: NDIC MD/CE Alh. Umaru Ibrahim receiving a special commemorative plaque from the Group Managing Director, Nigerian Army Welfare Limited, Major General Augustine Okoh who led his management team on a courtesy visit to the NDIC Senior Management in Abuja.

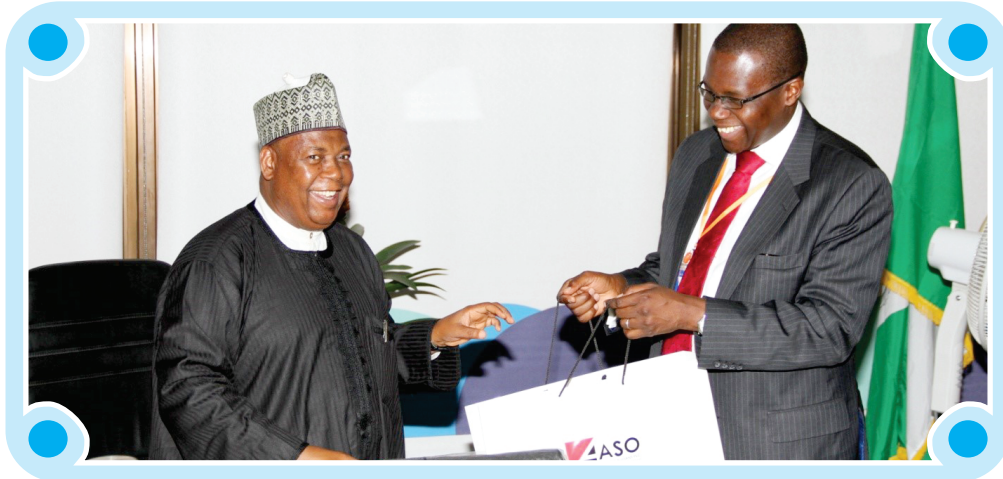


L-R: NDIC MD/CE Alh. Umaru Ibrahim and NDIC Executive Director Operations, Prince Aghatise Erediauwa in a chat with MD/CEO Jaiz Bank Plc Mr. Muhammad Nurul Islam during a courtesy visit of the Management Team to the Corporation.





President, Society for Corporate Governance (SCGN) Chief Olusegun Osunkeye (l) presents a plaque of the Society to Alhaji Umaru Ibrahim, MD/CE of the Nigeria Deposit Insurance Corporation (NDIC) during the 2015 Executive Breakfast Meeting of the SCGN in Lagos.



L-R: NDIC MD/CE Alh. Umaru Ibrahim receiving a souvenir from the MD/CEO Aso Savings & Loans, Mr. Hassan Musa Usman who led his management team on a courtesy visit to the NDIC Senior Management in Abuja.



NDIC MD/CE Alh. Umaru Ibrahim (4th from right) in a group photograph with the President / Chairman of Council of the Chartered Institute of Bankers of Nigeria, CIBN, Otunba (Mrs.) 'Debola Osibogun (3rd Right) during a courtesy call by the executive members of the CIBN on the Corporation. Also from left to right are CIBN Registrar / Chief Executive, Mr. Seye Awojobi, NDIC Executive Director Operations, Prince Aghatise Erediauwa, CIBN 2nd Vice President, Dr. Uche Olowu, NDIC Executive Director Corporate Services, Hon. (Mrs.) Omolola Abiola Edewor, CIBN 1st Vice President, Deacon Segun Ajibola and Chairman, CIBN Abuja Branch, Sir Steve Nwadiuko.