

**BANKS AND OTHER FINANCIAL INSTITUTIONS
(AMENDMENT) ACT, 2002**



ARRANGEMENT OF SECTIONS

SECTION:

1. Amendment of 1991 No. 25, 1997 No. 4, 1998 No. 38.
2. Substitution for Section 3 (3)
3. Insertion of Section 60 B
4. Short title.

**BANKS AND OTHER FINANCIAL INSTITUTIONS
(AMENDMENT) ACT, 2002
2002 ACT NO. 10**

AN ACT TO FURTHER AMEND THE BANKS AND OTHER FINANCIAL INSTITUTIONS ACT 1991,
AS AMENDED, AND FOR MATTERS CONNECTED THEREWITH.

[14th December, 2002]

Commence-
ment.

ENACTED by the National Assembly of the Federal Republic of Nigeria—

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| <p>1. The Banks and other Financial Institutions Act, as amended, (in this Act referred to as "the Principal Act") is further amended as set out in this Act.</p> | <p>Amendment of 1991 No. 25, 1979 No. 4, 1998 No. 38.</p> |
| <p>2. Substitute Section 3 (3) of the Principal Act for the Following new subsection (3)—</p> <p>"(3) Upon the payment of the sum referred to in subsection (2) of this section, the Governor may <i>issue a licence</i>".</p> | <p>Substitution for Section 3(3).</p> |
| <p>3. Insert immediately after section 60A of the Principal Act the following new section (60B)—</p> <p>60B.—(1) Notwithstanding anything contained in any other enactment, where the Governor has reason to believe that transactions undertaken in any bank account with any licenced bank are such as may involve the commission of any criminal offence under any Law, he may make <i>ex parte application for an order of the Federal High Court verifying on oath the reasons for his belief, and on obtaining such a Court order direct or cause direction to be issued to the manager of the bank where the account is situated or believed to be or in the alternative to the head office of such bank directing the bank to freeze forthwith all transactions.</i></p> <p>(2) The manager of a bank in which a direction has been issued on account under subsection (1) of this section shall, on receipt of such direction, suspend all banking transactions whatsoever relative to such account for such period as may be specified in the direction.</p> <p>(3) Where an account has been frozen pursuant to this section, the Governor shall refer the matter to the Nigeria Police Force, the National Drug Law Enforcement Agency or any other appropriate regulatory authority.</p> <p>(4) Where it is not possible for the Nigeria Police Force, National Drug Law Enforcement Agency or any other appropriate authority to conclude its investigations within the period stipulated in the <i>Court order, the Governor shall apply to the Federal High Court for an order for the continued freezing of the account concerned.</i></p> | <p>Insertion of Section 60B.</p> |

"Power of Government to freeze accounts.

Short Title. **4. This Act may be cited as the Banks and Other Financial Institutions (Amendment) Act, 2002.**

I certify, in accordance with section 2 (1) of the Acts Authentication Act, Cap. 4, Laws of the Federation of Nigeria 1990, that this is a true copy of the Bill passed by both Houses of the National Assembly.

IBRAHIM SALIM, CON
Clerk to the National Assembly
13th December, 2002

EXPLANATORY MEMORANDUM

This Act further amends the Banks and Other Financial Institutions Act 1991, as amended, to provide, among other things, for the powers of the Governor to freeze bank being used to perpetuate criminal activities.

SCHEDULE TO THE BANKS AND OTHER FINANCIAL INSTITUTIONS (AMENDMENT) ACT, 2002

(1)	(2)	(3)	(4)	(5)	
<i>Short Title of the Bill</i>		<i>Long Title of the Act</i>	<i>Summary of the Contents of the Act</i>	<i>Date passed by Senate</i>	<i>Date passed by House of Representatives</i>
	Banks and Other Financial Institutions (Amendment) Bill 2002.	An Act to further amend the Banks and Other Financial Institutions Act 1991, as amended, and for matters connected therewith.	This Bill further amends the Banks and Other Financial Institutions Act 1991, as amended, to provide, among other things, for the powers of the Governor to freeze bank being used to perpetuate criminal activities.	27-11-2002	11-12-2002

I certify, that this Bill has been carefully compared by me with the decision reached by the National Assembly and found by me to be true and correct decision of the Houses and is in accordance with the provisions of the Acts Authentication Act Cap. 4, Laws of the Federation of Nigeria 1990.

I ASSENT.

IBRAHIM SALIM, CON
Clerk to the National Assembly
 13th December, 2002



CHIEF OLUSEGUN OBASANJO, GCFR
President of the Federal Republic of Nigeria
 14th December, 2002