



CENTRAL BANK OF NIGERIA

PRESS RELEASE

CBN DIRECTS BANKS TO REPLACE AUDITORS THAT HAVE SPENT OVER 10 YEARS

The Central Bank of Nigeria has given all deposit money banks (DMBs) up to December 31, 2010 to replace external auditors that have been appointed for more than 10 years including years spent with constituent legacy banks.

This directive is in line with the provisions of paragraph 8.2.3 of the CBN Code of Corporate Governance for Banks, which stipulates that “the tenure of the auditors in a given bank shall be for a maximum period of ten years after which, the audit firm shall not be reappointed in the bank until after a period of another ten years.”

For the avoidance of doubt, the maximum period of 10 years shall include the period an audit firm which later merged/changed name, first commenced audit assignment in the bank.

Consequently, all banks are to submit their status of compliance with the provisions of the above stated paragraph of the Code on or before December 31, 2010 to the Director, Banking Supervision. Failure to comply will result in the CBN directing the affected auditors to resign mandatorily.

SIGNED:

M.M.ABDULLAHI

HEAD, CORPORATE COMMUNICATIONS

13TH SEPTEMBER, 2010