



# CENTRAL BANK OF NIGERIA, ABUJA

CBN website: [www.cenbank.org](http://www.cenbank.org)

## PRESS STATEMENT ON EQUITORIAL TRUST BANK LIMITED

Following the Special Examination of all banks operating in the country, and the subsequent actions by the CBN, the shareholders of Equitorial Trust Bank Limited requested the permission of the Central Bank of Nigeria to be allowed to rectify lapses identified in the bank. In pursuance to that, the shareholders executed a Deed of Covenant, the specific terms and conditions of which included the following:

- i. The willingness of the shareholders to recapitalize the bank by way of injection of additional capital latest by June 30, 2010;
- ii. Restructuring, diversification and enlargement of the capital base of the bank either by way of a public offering of shares, securing a core investor or merger with a local bank within one (1) year period;
- iii. Addressing the corporate governance issues in the bank which were mainly ascribed to the previous Executive Management team in the bank;
- iv. Reconstitution of the Board of Directors of the bank through the retirement of two non-executive directors and the appointment of four new non-executive directors, including Dr. Mike Adenuga Jnr. (CON), an erstwhile member of the board, subject to the approval of the Central Bank of Nigeria; and
- v. Convening a general meeting of the bank's shareholders to ratify, through a resolution all the nominated appointments to the bank's board.

Having reviewed the terms and conditions of the Deeds of Covenant, the CBN has consented to the request aimed at further strengthening the bank. In granting these

requests, CBN noted that the Special Examination had not raised issues of serious supervisory concern or criminal activity by any member of the Board of ETB.

However, CBN will closely monitor the implementation of the terms of the Covenant to ensure that the lapses are fully rectified and in the overall interest of the banking system.

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