



CENTRAL BANK OF NIGERIA
Central Business Area District
P.M.B. 0187
Garki, Abuja

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04 January 2010

Ref: BOD/DIR/CIR/2010/GEN/01/107

TO: ALL DEPOSIT MONEY BANKS (DMBs)

CIRCULAR ON IMPLEMENTATION OF MAXIMUM CAP FOR CHEQUE PAYMENTS

This is a follow up to the circular with reference number BOD/DIR/GEN/01/106 dated December 11, 2009 and captioned "Maximum Limit on Cheque Payment".

In order to avoid any ambiguity and misinterpretation in the implementation of the above named policy, please note that the maximum cap of ₦10 million naira for a single cheque payment and other paper-based payments must be observed in respect of:

1. Cheques (to include Bank drafts and manager cheques).
2. In-house cheques drawn by all classes of account holders of the same bank and or branch.
3. Across-the-counter cash withdrawals with cheque by customers of banks. (as already provided for by the Money Laundering Act)
4. Dividend/interest warrants.
5. All classes of cheques issued prior to the take-off date of the policy with value higher than ₦10 million, but yet to be paid after January 1st 2010.

Cheques in category 5 should be presented for payment within two weeks from 4th January 2010. Thereafter any cheque not presented should be recalled by drawers or returned unpaid by the paying banks with the appropriate reason. The concerned drawers should subsequently be enjoined to issue payment mandates to their bankers to do electronic transfers in favour of the payees.

You are hereby implored to properly educate your customers on this implementation arrangement.

O. F. OWOLABI
AG. DIRECTOR, BANKING OPERATIONS

*Approved for
Benjamin Al
8/1/10*

