

CENTRAL BANK OF NIGERIA



CBN website: www.cbn.gov.ng

Ref: OFI/DIR/GEN/CIR/01/009

25th August, 2014

CIRCULAR

TO ALL CHAIRMEN, NON-EXECUTIVE DIRECTORS, MANAGING DIRECTORS, TOP MANAGEMENT STAFF, OPERATORS AND EXTERNAL AUDITORS OF PRIMARY MORTGAGE BANKS (PMBs)

MAINTENANCE OF CASH RESERVE REQUIREMENTS (CRR) ON DEPOSITS

As part of the Prudential Requirements, Section 5.1(a) of the Revised Guidelines for PMBs requires that all PMBs maintain a reserve account with the CBN, wherein 2% of their adjusted deposit liabilities would be warehoused as cash reserve requirement on monthly basis. Also recently, it was agreed that 75% CRR be deducted on all public sector deposits held by PMBs in line with MPC decision.

To operationalize the maintenance of the CRR, all licensed PMBs are hereby required to open current accounts with the CBN Office in the state where their registered offices are domiciled. A separate reserve (CRR) account would subsequently be opened and maintained by the CBN for respective PMBs in the CBN Head Office for the purpose of passing entries based on the monthly CRR computations.

In the interim, all PMBs are hereby required to provide their correspondence bank account details (name of the account, name of the correspondence bank, account number and sort code). This information should reach the Director, Other Financial Institutions Supervision Department, 4th Floor Wing A, CBN Corporate Office, Central Business District, Abuja, FCT on or before Monday September 8, 2014.


AHMAD ABDULLAHI

Director, Other Financial Institutions Supervision Department