



CENTRAL BANK OF NIGERIA

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LETTER TO ALL OTHER FINANCIAL INSTITUTIONS (OFIs)

RE: DATA EXCHANGE AGREEMENTS WITH AT LEAST TWO LICENCED CREDIT BUREAUX IN NIGERIA

The attention of the Central Bank of Nigeria has been drawn to Other Financial Institutions (OFIs) non-compliance with the provisions of our circular ref. BSD/DIR/GEN/CIR/04/014 dated April 30, 2010, which requires all OFIs to establish Data Exchange Agreements with Credit Bureaux, obtain credit report before granting any facility and, periodically, determine each borrowers' current exposure to the financial system.

It was also observed that, contrary to the provisions of circular ref. BSD/DIR/GEN/LAB/06/051 dated November 14, 2013, some OFIs do not submit credit information on some categories of customers, especially staff and directors, to Credit Bureaux, while Compliance Officers who disclose such information are victimised.

Consequently, while the victimization of compliance officers' for disclosing insider related facilities would attract appropriate administrative sanctions, all OFIs are once more reminded to comply with the provisions of the above circulars as failure to comply would henceforth attract the following penalties:

- a. The sum of ₦100,000.00 ₦250,000.00 and ₦500,000.00 respectively shall be imposed on Unit, State and National licenced Microfinance Banks for each infraction.
- b. The sum of ₦250,000.00, ₦500,000.00 and ₦750,000.00 respectively shall be imposed on Finance Companies, State and National licenced Primary Mortgage Banks (PMBs) for each infraction.
- c. The sum of ₦1,000,000.00 shall be imposed on Development Finance Institutions (DFIs) for each infraction

In addition, in view of the need to obtain customers' consent before disclosing their information to Credit Bureaux, all OFIs are advised to insert a disclosure clause in the Terms and Conditions section of account opening packs for continuous credit information sharing without further recourse to customers.

Please note that the Central Bank of Nigeria will monitor compliance with the requirements of this circular, and defaulters will be sanctioned accordingly.

Tokunbo Martins (Mrs)

**Director, Other Financial Institutions Supervision Department
Central Bank of Nigeria**