



**BANKING SERVICES DEPARTMENT**

**CENTRAL BANK OF NIGERIA**  
Central Business District  
P.M.B. 0187,  
Garki, Abuja.  
+234 - 0946238445

REF: BKS/DIR/CIR/GEN/02/044

November 5, 2019

**To: All Deposit Money Banks (DMBs), Accredited Cheque Printers / Personalizers and Nigeria Inter-Bank Settlement System (NIBSS)**

**SANCTIONS ON ERRING BANKS AND CHEQUE PRINTERS / PERSONALIZERS FOR INFRACTIONS OF THE REVISED NIGERIAN CHEQUE STANDARD (NCS) AND NIGERIAN CHEQUE PRINTERS ACCREDITATION SCHEME (NICPAS)**

Please recall that the Central Bank of Nigeria reviewed the Nigerian Cheque Standards (NCS) and Nigeria Cheque Printers Accreditation Scheme (NICPAS), to increase the efficiency and safety of the Nigerian Clearing System.

Section 1.5.2 of the revised NCS/NICPAS documents specified some acts by banks, cheque printers and cheque personalizers that are classified as infractions.

The Bank observed the need to specify appropriate sanctions on any erring institution which fails to comply with the provisions of the revised NCS/NICPAS documents, to instill discipline in the cheque clearing system.

In view of this, the Bank hereby stipulates the following as applicable sanctions for such infringements:

<b>S/N</b>	<b>OFFENSE</b>	<b>RESPONSIBILITY</b>	<b>SANCTION/REMARK</b>
1.	Failure/refusal to submit personalised cheque samples for testing and analysis (when applicable).	Accredited Personalizer	N1,000,000.00 fine
2.	Engagement of unaccredited Cheque Printer/Personaliser by DMBs	Deposit Money Banks	1. Withdrawal of cheques from circulation

			2. N1,000,000.00 fine for a repeat offence
3.	Failure to encode cheques properly or meet the mandatory security and quality standards.	Accredited Personaliser	N2,000 per instrument
4.	Non-validation of order before commencement of cheque printing job.	Accredited Cheque Printer	1. Warning. 2. Penalty of N200,000 in case of a repeat offence
5.	Introduction of unapproved security feature(s).	DMB & Accredited Cheque Printer	N1,000,000 per security feature. Penalty will be shared equally by the DMB and accredited cheque printer.
6.	Failure to submit cheque samples and quality assurance report by accredited printer	Accredited Cheque Printer	N1,000,000.00 fine.
7.	Subcontracting significant portion of job (above 50%) to another Accredited Printer / Personaliser other than in BCM / DRP situation.	Accredited Cheque Printer	1. N1,000,000 fine 2. Termination of accreditation for a repeat offence.

8.	Failure to produce/personalise cheques that conform to NCS/NICPAS standard.	Accredited Cheque Printer & Personaliser	Reprint/personalise at own cost.
9.	Failure to set up or execute a BCM/DRP with another Accredited Printer/Personaliser.	Accredited Cheque Printer & Personaliser	<ol style="list-style-type: none"> <li>1. Warning will be served, after which a period (to be determined by CBN/MTIC) will be given to set up/execute BCM/DRP.</li> <li>2. Failure to execute within advised timeline will result in suspension of licence.</li> </ol>
10.	Subcontracting to a Non-accredited Printer/Personaliser.	Accredited Cheque Printer & Personaliser	Termination of accreditation.
11.	Failure to request for /obtain delivery confirmation of shipped consignments	DMB, Accredited Cheque Printer & Personaliser	<ol style="list-style-type: none"> <li>1. Warning.</li> <li>2. Penalty of N500,000 in case of a repeat offence</li> </ol>
12.	Failure to give the mandatory 6 months' notice of planned temporary suspension or cessation of operations to CBN/MTIC.	Accredited Cheque Printer & Personaliser	<ol style="list-style-type: none"> <li>1. Warning.</li> <li>2. Penalty of N500,000 in case of a repeat offence</li> </ol>

13.	Failure to give the mandatory 4 weeks' notice of changes in current arrangement which may affect accreditation status to CBN/MTIC. See section 1.2.5 of NICPAS/NCS (version 2.0)	Accredited Cheque Printer & Personaliser	<ol style="list-style-type: none"> <li>1. Warning.</li> <li>2. Penalty of N500,000 in case of a repeat offence</li> </ol>
14.	Failure of Cheque Printer/Personaliser to respond to queries arising from infractions, from CBN/MTIC.	Accredited Cheque Printer & Personaliser	<ol style="list-style-type: none"> <li>1. Warning</li> <li>2. Penalty to be determined by CBN/MTIC if response is not obtained within a specified period after the initial warning.</li> </ol>

Please be guided accordingly.

  
 'Dipo Fatokun  
 Director, Banking Services Department