

A BILL

FOR

AN ACT TO AMEND THE BANKS AND OTHER FINANCIAL INSTITUTIONS ACT, CAP B3 LFN 2004 TO MANDATE BANKS AND OTHER FINANCIAL INSTITUTIONS IN NIGERIA TO STATE IN WRITING, ALL CHARGES AND FEES ACCRUING TO ANY TRANSACTION IN THE BANK AND FOR RELATED MATTERS

Sponsored by Hon. Daniel Reyenieju

[] Commencement

ENACTED by the National Assembly of the Federal Republic of Nigeria:

- 1 **1.** The Banks and Other Financial Institutions Act Cap. B3, Laws
2 of the Federation of Nigeria 2004 (in this Bill referred to as “the Principal
3 Act”) is amended as set out in this Bill. Amendment of
Cap. B3, LFN
2004
- 4 **2.** Section 23 of the Principal Act is amended by inserting after
5 Section (22), a new Section "(23A)": Amendment of
Section 23
- 6 “(23A)(1) Every bank shall provide for intending customer, a
7 document in clear language, containing the following:
- 8 (i) All services offered by the bank;
- 9 (ii) Detailed terms and conditions of the services;
- 10 (iii) All fees, rates and deductibles on such services; and
- 11 (iv) Time and duration of such payments or deductions.
- 12 Provided that the provisions of this subsection are not in
13 contravention of any existing law or regulation to this effect.
- 14 (2) Every bank shall send to its existing customer a written
15 notification of any change in the terms and conditions contained in the
16 document in the subsection (1);
- 17 (3) Any bank in breach of any of the provisions of this Section is
18 guilty of an offence and liable to a fine not exceeding N5,000 for each

1 customer, and for every day during which the offence continues.
Citation 2 **3.** This Bill may be cited as the Banks and Other Financial Institutions
3 (Amendment) Bill, 2017.

EXPLANATORY MEMORANDUM

This Bill seeks to amend the Banks and Other Financial Institutions Act Cap. B3, Laws of the Federation, 2004 to mandate Banks and other Financial Institutions in Nigeria to state in writing all charges and fees accruing to any transaction in the bank and have same given or read to an intending customer before the commencement of the transaction.