

ASSET MANAGEMENT CORPORATION OF NIGERIA (AMENDMENT) ACT, 2015.

EXPLANATORY MEMORANDUM

This Act amends the Asset Management Corporation of Nigeria Act No 4, 2010.

ASSET MANAGEMENT CORPORATION OF NIGERIA (AMENDMENT) ACT,
2015.

Section: Arrangement of Sections

- 1 Amendment of section 2.
- 2 Amendment of section 16.
- 3 Amendment of section 22.
- 4 Amendment of section 34.
- 5 Amendment of section 35.
- 6 Amendment of section 48.
- 7 Amendment of section 60.
- 8 Insertion of Part IX.
- 9 Amendment of section 61.
- 10 Citation.

ASSET MANAGEMENT CORPORATION OF NIGERIA (AMENDMENT) ACT,
2015.

A Bill

For

An Act to amend the Asset Management Corporation of Nigeria Act; and for related matters.

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Commencement

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

1. Section 2 of the Principal Act is amended by deleting subsection (3). Amendment of section 2.
2. Section 16 of the Principal Act is amended by substituting for the existing subsection (5), a new subsection “(5)” - Amendment of section 16.

“(5) A Member of the Board or any employee of the Corporation shall not either directly or indirectly be involved in the purchase of assets acquired by the Corporation as part of, or in pursuance of, the acquisition of an eligible bank asset or the enforcement or realisation of any right relating to an eligible bank asset acquired by the Corporation.”

3. Section 22 (2) of the Principal Act is amended by substituting for the existing subsection (2) a new subsection “(2)” - Amendment of section 22 .

“(2) The Corporation shall submit within every financial year, a quarterly report of its operations, including the Resolution Cost Fund, as at when due, to both Houses of the National Assembly through the relevant Standing Committees of the National Assembly”.

4. Section 34 of the Principal Act is amended - Amendment of section 34.
- (a) in subsection (1), by deleting, -
- (i) after the word “powers” in line 4, the words “and subject to the provision of this Act, become subject to all of the obligations ”, and
- (ii) after the word “rights”, the words “and Obligations” ;

- (b) in subsection (2), by inserting a new paragraph “(c)” -

“(c) the pendency of an action before a court of law in respect of the eligible bank asset, except where there is in force and subsisting, a valid order of court, made after due notice to the eligible financial institution from which the eligible bank asset is to be acquired, expressly restraining such acquisition.”

5. Section 35 of the Principal Act is amended by inserting new subsections “(5)” and “(6)” – Amendment of section 35.

“(5) For the purpose of the provisions of the Limitation Law of a State or the Limitation Act of the Federal Capital Territory, with respect to any debt owed to the Corporation by reason of its acquisition of an eligible bank asset, time shall begin to run, and the cause of action deemed to arise, from the date of the purchase of the eligible bank asset.”

Cap 522 Laws of FCT, Nigeria .

“(6) Where action has already commenced by an eligible financial institution prior to acquisition of the eligible bank asset by the Corporation, the Corporation shall, at any time after the acquisition of the eligible bank asset, be entitled to -

(a) continue with the action in its name or as a third party entitled to any judgment debt, and any liability in respect of the claim or any associated counterclaim or cross claim for which the assignor of the eligible bank asset shall be liable; or

(b) discontinue any such pending action relating to the eligible bank asset instituted by the eligible financial institution prior to such acquisition and such discontinuance by the Corporation shall be without prejudice to its right to commence or cause to be commenced a new action in respect of the same subject matter as that discontinued.”

6. Section 48 of the Principal Act is amended by inserting new subsections “(3)” –“(9)” – Amendment of section 48.

“(3) The powers of a receiver acting under the provisions of this section, shall be exercisable over all the assets and entire undertaking of the debtor company notwithstanding that only a part of the assets of the debtor company was charged, mortgaged or pledged as security in relation to the eligible bank asset acquired by the Corporation:

Provided that such exercise of power shall be without prejudice to the existing rights of secured creditors or third parties in such assets.

(4) Where a receiver under this section elects to manage the affairs of a debtor company or other debtor entity, under section 48(2)(c), it shall give notice of its election by publication in at least two newspapers with nationwide circulation.

(5) A receiver under this section approved to manage the affairs of a debtor company or debtor entity, shall, on the publication of the notice referred to in section 48(4) become entitled to take over the management of the affairs of the debtor company or debtor entity in the name, and on behalf of the debtor company or debtor entity, for the benefit of the debtor company or debtor entity and the general body of creditors of the debtor company or debtor entity for the period specified in the notice.

(6) A receiver managing the affairs of a debtor company or debtor entity under the provisions of this section shall be deemed to be a fiduciary of the debtor company or debtor entity and all its creditors; and shall in paying off any debts owed by the debtor-company or debtor entity strictly adhere to debt priority ranking prescribed under section 494 of the Companies and Allied Matters Act.

Cap C20, LFN, 2004

(7) Subject to section 48(9) of this Act and on the publication of the notice referred to section 48(4) thereof, all judgments, claims, debt enforcement procedures existing or being pursued before the publication of the notice shall stand automatically suspended and be unenforceable against the debtor company for the shorter of a period of 1 year from the date of the publication of the notice or the period that the receiver continues to manage the affairs of the debtor company:

Provided that claims relating to wages and other entitlements of existing staff of the debtor company or debtor entity and professional advisers shall not be so suspended.

(8) A receiver acting under section 48(2) (c) shall within 30 days of the publication of the notice referred to in section 48(4) cause to be prepared a detailed and comprehensive plan for the rehabilitation of the debtor-company or debtor entity.

(9) Where a receiver acting under section 48(2)(c) fails to comply with the provisions of section 48(8), the provisions of section 48(7) shall cease to apply”.

7. Section 60 of the Principal Act is amended by -

Amendment of section 60.

- (a) substituting for the marginal note, a “new marginal note” -
 - (i) “Exemptions granted to the Corporation”; and
 - (ii) inserting a new paragraph “(c)” -

“(c) Investments and Securities Act”.

8. Insert, after section 60 of the Principal Act, a new “Part IX” -

Insertion of new Part IX.

“PART IX – BANKING SECTOR RESOLUTION COST FUND

60A (1) Without prejudice to the provisions of section 19 of this Act, there is established, for the purposes specified in section 65 of this Act, a fund to be known as the Banking Sector Resolution Cost Fund (in this Act referred to as the “Resolution Cost Fund”) which shall be domiciled with the Central Bank of Nigeria, and into which shall be paid –

Establishment of Banking Sector Resolution Cost Fund.

(a) all contributions and levies imposed under this Part; and

(b) the sums vested in the Resolution Cost Fund by section 64 of this Act.

(2) The Resolution Cost Fund shall be tax neutral and accordingly, all moneys accruing to, payments made from, and instruments and transactions relating to, the Resolution Cost Fund shall be exempted from all forms of taxes, levies, duties, charges or imposition however described.”

60B. (1) On or before the first business day in each calendar year, starting from the 2011 calendar year and up to the end of the tenor, the Central Bank of Nigeria shall pay into

Contribution by the Central Bank of Nigeria.

the Resolution Cost Fund the sum of N50,000,000,000 upon the approval of the National Assembly.

(2) For the purposes of making the payment required under subsection (1), the Central Bank of Nigeria shall appropriate the said sum of N50,000,000,000 (Fifty Billion Naira) or such higher sum determined by the relevant Committee of the National Assembly under subsection (1) of this section, from the general reserves or other funds of the Central Bank of Nigeria, and cause the sum so appropriated to be paid into the Resolution Cost Fund in immediately available funds."

60C. (1) There is imposed on each Eligible financial institution, an annual levy, in an amount equivalent to fifty (50) basis points (or such higher basis points as may from time to time be determined by the Central Bank of Nigeria) of its total assets as at the date of its audited financial statements for the immediately preceding financial year published under the Banks and other Financial Institutions Act, and which shall be payable on or before the 30th day of April in each calendar year commencing in the 2014 calendar year, and for every calendar year during the tenor.

Levy on eligible financial institutions.

Cap 2B3 LFN, 2004.

(2) In relation to the 2014 calendar year, the reference to immediately preceding financial year in subsection (1) of this section shall be deemed to mean the end of the 2013 calendar year, and each eligible financial institution shall be liable to pay the annual levy imposed under subsection (1) of this section as it applies to its total assets as at the end of the 2013 calendar year.

Provided that where an eligible financial institution has already made a contribution under the voluntary contractual arrangements referred to in section 64 of this Act on its total assets as at a date after 31st April 2013, then the levy imposed under subsection (1) of this section shall not apply as it relates to the total assets of such eligible financial institution as at the end of the 2013 calendar year.

(3) Each eligible financial institution shall not later than 10 business days from the 31st day of March of every calendar year during the period referred to in subsection(1) of this section –

(a) carry out a self-assessment of the amount it is liable to pay into the Resolution Cost Fund for the relevant calendar year in pursuance of the levy imposed under section 1 of this section using the assessment parameters specified in section 1(1) of this section; and

(b) submit to the Board of Trustees, its detailed computations of its self-assessment, together with any supporting documentation relating thereto.

(4) Where an eligible financial institution fails or otherwise neglects to comply with the requirement of subsection (3) of this section, or where in the opinion of the Board of Trustees, the self-assessment submitted by an eligible financial institution under subsection (3) of this section is incorrect, or otherwise understated, the Board of Trustees shall assess and determine the amount to which the concerned eligible financial institution is liable. Provided that where a representative of an eligible financial institution whose liability is to be assessed and determined under this subsection is a member of the Board of Trustees, such representative shall not participate in, or be otherwise involved in, any such assessment and determination by the Board of Trustees.

(5) An assessment and determination made by the Board of Trustees under subsection (4) of this section shall, except for manifest error, be final and conclusive of the amount which the concerned eligible financial institution is liable to pay into the Resolution Cost Fund.

(6) The Central Bank of Nigeria shall be authorised to debit, for the benefit of the Resolution Cost Fund, the account of any eligible financial institution which fails to pay the levy imposed under this Act within the time limit specified in this Act to the tune of the amount so unpaid by the eligible financial institution, and to pay into the Resolution Cost Fund any moneys of the eligible financial institution in its custody or over which it has control, in satisfaction of the liability of the eligible financial institution under this Act.

60D. On the commencement of this Act, all funds standing to the credit of the account maintained with the Central Bank of Nigeria for the receipt of contributions made by eligible financial institutions and the Central Bank of Nigeria to meet banking sector resolution costs under a memorandum of understanding dated 14 January 2010 among the eligible financial institutions and the Central Bank of Nigeria shall be transferred to, and be vested in the Resolution Cost Fund; and the said memorandum of understanding shall, without any other assurance other than this provision, be deemed terminated.

Vesting of Certain Funds in the Resolution Cost Fund.

60E. (1) Subject to subsection (2) of this section, the Resolution Cost Fund shall be utilised exclusively for the following purposes:

Purpose of the Resolution Cost Fund

(a) meeting the obligations of the Corporation arising from debt securities issued by the Corporation under this Act, if the Corporation is unable to meet its obligations as and when due from its resources including the proceeds of sale and management of eligible Bank Assets it acquires from eligible financial institutions;

(b) meeting expenses specifically incurred in respect of, or incidental to, the purposes specified in paragraph (a) of this subsection; and

(c) meeting expenses and costs specifically and incurred for the administration and management of the Resolution Cost Fund, up to an annual limit of an amount equivalent to 0.5 per cent of the total amount paid into the Resolution Cost Fund for the calendar year in which the expense or cost is incurred.

(2) where any sums standing to the credit of the Resolution Cost Funds are utilised to meet the purposes specified in subsection (1)(a) and (b) of this section, the Corporation shall refund any sums so utilised to the Resolution Cost Fund as soon as the Corporation becomes able to effect such refund out of its general revenue and assets.

60F. (1) On an annual basis during the tenor, the Board of Trustees in conjunction with the Central Bank of Nigeria and the Corporation shall determine whether the aggregate of the contribution of the Central Bank of Nigeria to the Resolution Cost Fund at the level prescribed in, or under, subsection (1) of section 60B of this Act; and the proceeds of the annual levy imposed on eligible financial institutions at the level prescribed in, or under, subsection (1) of section 60C of this Act, over the course of the tenor, "Total Funding" will be sufficient to meet, over the course of the tenor, the obligations of the Corporation

Adjustments to Levy to meet Deficiency or Eliminate Excess.

arising from debt securities issued by the Corporation under this Act, which the Corporation, based on its funding model, will be unable to meet or, whether the Total Funding will, over the course of the tenor, be in excess of the amount required to meet the said obligations of the Corporation.

(2) Where, under section 60F of this Act, a determination is made that the Total Funding will be insufficient; the Governor shall be mandatorily required to adjust upward the number of basis points prescribed in, or under subsection (1) of section 60C of this Act, to such level as is necessary to ensure that the Total Funding is sufficient, over the course of the tenor, to meet the obligations of the Corporation arising from debt securities issued by the Corporation in pursuance of this Bill, which the Corporation will, based on its funding model, be unable to meet from its own resources.

(3) Where, under section 60F (1) of this section, a determination is made that the Total Funding will be in excess of the amount required; the Governor shall be mandatorily required to adjust downward the number of basis points prescribed in, or under section 60E(1) to such level as is necessary to eliminate the excess.

(4) An adjustment made by the Governor under section 60F(3) and (4) shall be published in the Gazette, and shall come into effect at the beginning of the financial year immediately following the year in which a determination is made under section 60F(1).

60G. Any annual levy paid by an eligible financial institution under this Act, and all contributions made by an eligible financial institution referred to in section 60F of this Act shall be deductible for the purposes of the companies' income tax of the paying eligible financial institution, under the Companies Income Tax Act.

Tax Deductibility of Annual Levy and Vested Contributions.

60H. An eligible financial institution that is in default of payment of the levy imposed under this Act or any part thereof is prohibited from paying dividends or other like distribution to its shareholders, and from paying any bonuses however to its directors or employees, while such payment default continues.

Prohibition on payment of dividend and bonuses by defaulting eligible financial institution.

Cap C24 LFN, 2004

60I. (1) There is established for the Resolution Cost Fund, a Board of Trustees which shall consist of:

Establishment and Composition of Board of Trustees.

(a) 2 representatives of the Central Bank of Nigeria, whom shall be appointed by the Central Bank of Nigeria from among its Deputy Governors, other than the Deputy-Governor in charge of Financial System Stability, one of whom shall be appointed by the Governor as the Chairman;

(b) 4 representatives of eligible financial institutions to be appointed by the eligible financial institutions from among officers of four of the eligible financial institutions not below the level of a director, on a 2year rotational basis; and

(c) 3 ex-officio members, one each to be nominated by the Federal Ministry of Finance, Nigeria Deposit Insurance Corporation and the Asset Management Corporation of Nigeria, from among their respective officers not below the level of a director.

60J. (1) The Board of Trustees shall have responsibility for the supervision, administration and management of the Resolution Cost Fund and shall in addition to such other duties specified in this Part IX of this Act have and discharge the following duties –

Duties of the Board of Trustees.

(a) collection of the contributions and levies levied under this Act and as and when due;

(b) disbursement of moneys standing to the credit of the Resolution Cost Fund to meet the obligations specified in section 60E of this Act;

(c) formulating investment policies for the Resolution Cost Fund and causing moneys standing to the credit of the Resolution Cost Fund to be invested in accordance with the provisions of this Act;

(d) formulating policies for running the Secretariat; and

(e) performing other functions that are consistent with the purpose of the Resolution Cost Fund as specified in section 60E of this Act.

(2) The Board of Trustees may delegate any part of its responsibilities under this Act as it may deem fit and may appoint independent service providers, professional advisers and consultants for the performance of any of its functions and for running the Secretariat.

(3) In the discharge of their responsibilities and duties, members of the Board of Trustees shall be deemed to stand in a fiduciary relationship with the Corporation and shall act with due care and skill, in utmost good faith and in the best interest of the Corporation.

60K. (1) Subject to subsection (2) of this section, members of the Board of Trustees, except the members nominated by eligible financial institutions who shall only hold office for a term of two years, shall hold office for as long as they continue to hold the office by virtue of which they were appointed to the Board of Trustees.

Tenure, cessation of membership, and casual vacancy.

(2) A member of the Board of Trustees shall cease to hold office as a member if he ceases for any reason howsoever to hold the office by reason of which he holds membership of the Board of Trustees.

(3) Where a vacancy occurs as a result of the death, resignation, retirement, disqualification or removal of a member of the Board of Trustees, the parastatal or eligible financial institution that the member represents on the Board of Trustees shall nominate another of its members to fill the vacancy so occasioned, for the remainder of the term of office of the member whose death, resignation, retirement, disqualification or removal occasioned the vacancy.

60L. The Board of Trustees shall meet for the conduct of its business at the Secretariat or such other place at such times and on such days as the Chairman may decide; and the Board shall, subject to the provisions of this Act, have power to regulate its proceedings.

Proceedings of the Board of Trustees.

60M. No remuneration shall be payable to members of the Board of Trustees, except the sitting allowances as the Governor may from time to time determine.

No Remuneration.

Provided that members of the Board of Trustees shall be entitled to be reimbursed in full for all reasonable expenses incurred in pursuit of the business of the Board of Trustees and in the discharge of their functions.

60N. (1) There is hereby established for the Board of Trustees, a Secretariat which shall be situate at the head office of the Central Bank of Nigeria, or such other place as the Central Bank of Nigeria may determine, and shall be staffed by such number of persons to be seconded from all or any of the Central Bank of Nigeria, the Federal Ministry of Finance, the Nigeria Deposit Insurance Corporation and an eligible financial institution as the Board of Trustees may from time to time determine, and Secretariat shall have such functions as are, from time to time, prescribed by the Board of Trustees.

Secretariat of the Board of Trustees.

(2) Persons seconded to the Secretariat shall during the period of the secondment remain employees of the seconding institution and the seconding institution shall continue to be responsible for the remuneration of such employee.

60O. (1) All moneys standing to the credit of, or other assets of the Resolution Cost Fund shall be held by the Central Bank of Nigeria or, at the instance of the Central Bank of Nigeria by custodians appointed by the Board of Trustees for that purpose in accordance with written custodial services agreement entered into between the Resolution Cost Fund and the custodian in form and substance satisfactory to the Board of Trustees.

Custody of moneys and appointment of custodians

(2) A prospective custodian shall be engaged by the Board of Trustees through open and competitive selection procedures, and to qualify for appointment, the prospective custodian shall-

(a) be a limited liability company duly incorporated in accordance with the laws of the Federal Republic of Nigeria;

(b) be a licensed financial institution or be wholly or jointly owned by a licensed financial institution with a combined minimum net worth of N25 billion unimpaired by losses;

(c) have, or its parent company or companies, have a combined total balance sheet of at least N125 billion;

(d) be a reputable custodian company with excellent track record;

(e) have the professional and technical capacity to provide custodial services as contemplated under this Act;

(f) have never been a custodian of any assets which was mismanaged or has been in distress due to any fault, either fully or partially by the custodian;

(g) have never been nor is a debtor of the Corporation or the obligor whether directly or indirectly or in relation to an eligible bank asset;

(h) possess appropriate information and communication technology that can adequately cater for online real-time transactions and for keeping proper accounting records;

(i) have a system of internal controls which ensures that the assets under its custody are safeguarded and segregated and records adequately reflect the information they purport to present;

(j) be capable of providing a guarantee, either by itself or through its parent company or companies, to the full sum and value of assets held or to be held by it, in bank deposits and other liquid assets;

(k) not be an entity or company in which any fund manager appointed by the Board of Trustees in relation to the Resolution Cost Fund, or any of the subsidiaries of such fund manager has an aggregate shareholding exceeding 5% of its issued and paid capital; and

(l) meet such other additional requirements or conditions as may be prescribed from time to time by the Board of Trustees.

(3) In addition to meeting the criteria stipulated in section (2) of this section, an applicant shall only be appointed as a fund manager if it procures, to the reasonable satisfaction of the Board of Trustees, loss insurance cover and fidelity bond in such amount as the Board of Trustees may stipulate from time to time.

60P. (1) All moneys standing to the credit of the Resolution Cost Fund which are not immediately required to be utilised shall be invested in any of the following –

Investment of
Resolution Cost
Fund.

(a) debt securities issued, or which are guaranteed by the Federal Government of Nigeria or the Central Bank of Nigeria;

(b) with the prior written consent of Central Bank of Nigeria, debt securities issued, or which are guaranteed by the central government of a sovereign country;

(c) with the prior written consent of Central Bank of Nigeria, debt securities issued, or which are guaranteed by an international financial institution of which Nigeria is a member;

(d) debt securities issued by the Corporation;

(e) repurchase agreements fully collateralised by debt securities of the governments and institutions mentioned section 76(1)(a)-(c), with a maximum maturity of 30 days; and

(f) such other debt securities or instruments that the Board of Trustees may with the approval of the Central Bank of Nigeria, from time to time, designate;

Provided always that in the case of paragraphs (b), (c), and (e) above, such debt securities or instruments shall be freely tradable securities.

(2) All bonuses, profits and other returns which accrue on investments made under

subsection (1) of this section shall form part of the Resolution Cost Fund and may be re-invested in accordance with subsection (1) of this section.

60Q. (1) For the purposes of managing and investing moneys standing to the credit of the Resolution Cost Fund as required under subsection (1) of section 76, the Board of Trustees shall appoint independent third party professional fund managers who shall act on behalf of the Board of Trustees to administer and manage the Resolution Cost Fund and invest or re-invest moneys standing to the credit of the Resolution Cost Fund and accretions thereto in accordance with the provisions of this Act and fund management guidelines to be issued from time to time by the Board of Trustees.

Appointment of
fund managers.

(2) A prospective fund manager shall be appointed by the Board of Trustees through open and competitive selection procedures, and to qualify for appointment, the prospective fund manager shall –

(a) be a limited liability company duly incorporated in accordance with the laws of Federal Republic of Nigeria;

(b) have a minimum paid up share capital of N150,000,000 or such higher sum as may be prescribed, from time to time, by the Board of Trustees;

(c) be duly registered with the Securities and Exchange Commission as a portfolio/fund manager and be in good standing with the Securities and Exchange Commission;

(d) possess a proven track record of managing funds amounting to N10,000,000,000 or more (or such other amount as may from time to time be prescribed by the Board of Trustees), in Nigeria;

(e) not be engaged in any business other than the management of funds and assets;

(f) not have compounded its debt or failed to honour its lawful obligations;

(g) have never been a manager or administrator of any funds or assets which were mismanaged or has been in distress due to any fault, either fully or partially, of the prospective fund manager or any of its subscribers, directors or officers;

(h) have never been nor is a debtor of the Corporation or the obligor whether directly or indirectly in relation to an eligible Bank Asset;

(i) have a management team comprising at least two sponsored individuals duly registered with the Securities and Exchange Commission;

(j) possess appropriate information and communication technology to adequately cater for online real-time transactions and for keeping proper accounting records; and

(k) meet such other additional requirements or conditions as may be prescribed from time to time by the Board of Trustees.

(3) In addition to meeting the criteria stipulated in subsection (2) of this section, an applicant shall only be appointed as a fund manager if it procures, to the reasonable satisfaction of the Board of Trustees, loss insurance cover and fidelity bond in such amount as the Board of Trustees may stipulate from time to time.

(4) The appointment of a fund manager in pursuance of the provisions of this section, and the terms of such appointment, shall be documented in a written contract, between the Resolution Cost Fund and the fund manager to be known as the Fund Management Contract.

(5) No fund manager appointed in pursuance of this section shall directly or indirectly have or keep custody of any or maintain any settlement accounts in relation thereto.

60R. (1) At the end of the tenor, the Resolution Cost Fund shall stand dissolved and the Board of Trustees shall appoint on such terms as it deems fit, one or more liquidators to wind up the affairs of the Resolution Cost Fund; realise all assets of the Resolution Cost Fund and to distribute, in accordance with subsection (5) of this section, the proceeds of realisation and all moneys then standing to the credit of the Resolution Cost Fund.

Dissolution of
Resolution Cost
Fund.

(2) The following persons shall not be eligible to be appointed as a liquidator of the Resolution Cost Fund -

(a) an infant;

(b) a person of unsound mind;

(c) a body corporate;

(d) an undischarged bankrupt;

(e) an employee or officer of an eligible financial institution;

(f) a member of the Board of Trustees;

(g) any person convicted of any offence involving fraud, dishonesty, official corruption or moral turpitude; and

(h) a person who is a debtor of the Corporation or the obligor whether directly or indirectly in relation to an eligible Bank Asset;

(3) Upon the appointment of a liquidator under subsection (1) of this section, all powers of the Board of Trustees shall cease except so far as is necessary to consider and if thought fit approve the account for the winding up prepared by the liquidator in pursuance of subsection (4) of this section.

(4) As soon as the affairs of the Resolution Cost Fund are fully wound up, the liquidator shall prepare an account of the winding up, showing how the winding up has been conducted and lay same before the Board of Trustees.

(5) Subject to subsection (6) of this section, all moneys standing to the credit of the Resolution Cost Fund over and above that required for the purposes specified under section 65 of this Act, shall after the dissolution and winding up of the affairs of the Resolution Cost Fund be deemed to be held in trust for the benefit of the Central Bank of Nigeria and the eligible financial institutions and shall be distributed by the liquidator amongst the Central Bank of Nigeria and the eligible financial institutions on a pro rata basis.

(6) All costs, charges and expenses properly incurred in the winding up of the Resolution Cost Fund, including the remuneration of the liquidator, shall be payable out of the moneys standing to the credit of the Resolution Cost Fund and assets of the Resolution Cost Fund.

60S. The Board of Trustees shall cause to be kept, for the Resolution Cost Fund, proper books of accounts with respect to all annual banking sector resolution cost levies and contributions made to the Resolution Cost Fund, all the transactions and investments of the Resolution Cost Fund and give a true and fair view of the state of affairs of the Resolution Cost Fund in such form and in compliance with such accounting standards as may be prescribed by the Central Bank of Nigeria.

Books of
accounts.

60T. (1) The Board of Trustees shall cause the accounts of the Resolution Cost Fund to be submitted for audit within six weeks after the end of each financial year to such independent firm of auditors as the Board of Trustees may appoint, to qualify for such appointment, such independent firm of auditors shall -

Audit of
Resolution Cost
Fund.

(a) be a member of one of the professional bodies recognised in Nigeria; and

(b) be resident in Nigeria and carry on in Nigeria, professional practice as accountant and auditor.

(2) The Board of Trustees shall cause a copy of the accounts of the Resolution Cost Fund as audited to be submitted to the Governor, each eligible financial institution and both Houses of the National Assembly through the relevant Standing Committees of the National Assembly within twelve weeks after the end of the financial year to which such account relates.

60U. The Board of Trustees shall, not later than 3 months after the end of each financial year, beginning with the financial year ending 2014, submit a report in such form and with such information as may be specified by the Central Bank of Nigeria (in this Act referred to as an "annual report") to the President, the Minister, the Governor, both Houses of the National Assembly and each eligible financial institution, of its activities during the financial year concerned:

Annual Report of
Resolution Cost
Funds

Provided that the audited accounts of the Corporation for the relevant year, and failing that, the management accounts of the Corporation, shall be included in the annual report.

60V. The financial year of the Resolution Cost Fund shall begin on the 1st day of January and end on the 31st day of December.

Financial Year of
Resolution Cost
Fund.

60W. (1) Without prejudice to the provisions of section 54 of this Act, any eligible financial institution which fails to comply with any of the provisions of Part IX of this Act shall be guilty of an offence and shall on conviction be liable to a fine of N1,000,000,000 for each incidence of non-compliance.

Offence in relation to Resolution Cost Fund.

(2) Where an eligible financial institution commits an offence under section 60W(1), every director and management staff of such eligible financial institution shall also be severally guilty of that offence and liable to be prosecuted, convicted and punished for the offence in like manner as if he had himself committed the offence, unless he proves that at the relevant time, he demanded of the board of directors of the eligible financial institution, in writing that the eligible financial institution complies with the provisions of this Act and delivered a copy of such demand to the Board of Trustees.

(3) A person, who being a director or an employee of an eligible financial institution, knowingly or recklessly makes a false claim or representation in any material respect in relation to the ascertainment of the amount of the banking sector resolution cost which an eligible financial institution is liable to pay under of this Act shall be guilty of an offence under this Act and shall on conviction be liable to a fine of N10,000,000 or imprisonment for a term of two years or both.

Annual report of Resolution Cost Fund.

(4) Subject to the provisions of section 60W(3) if the annual levy to which an eligible financial institution is liable under this Act, or any part thereof is not paid within the time specified in this Act, the eligible financial institution that so fails to pay the annual levy or any part thereof shall be liable, in addition to annual levy or any part thereof due, an additional sum amounting to ten times the annual levy or part thereof so unpaid for every month that annual levy or part thereof remains unpaid.

Provided always that the Board of Trustees may remit in whole or in part the additional sum imposed by the provisions of this subsection (4) of this section.

60X. (1) Without prejudice to subsection (3) of this section –

(a) no suit shall lie or be instituted against the Resolution Cost Fund, a member of the Board of Trustees or any person acting on behalf of the Resolution Cost Fund for any act done under or in execution of this Act unless it is commenced within 3 months after the act, neglect or default complained of, or in the case of a continuing act, neglect or default, within 3 months after the ceasing thereof; and

(b) no suit shall be commenced against the Resolution Cost Fund, a member of the Board of Trustees or any person acting on behalf of the Resolution Cost Fund before the expiration of 1 month after written notice of intention to commence the suit shall have been served on the Resolution Cost Fund by the intending plaintiff or his agent; and the notice shall clearly and explicitly state the cause of action, the particulars of the claim, the name and place of abode of the intending plaintiff and the relief which he claims.

Limitation of action in relation to Resolution Cost Fund.

(2) In any action or suit relating to the Resolution Cost Fund no injunction or order in the nature thereof shall be issued against the Resolution Cost Fund or any asset of the Resolution Cost Fund; and no execution or attachment or processes in the nature thereof shall be issued against moneys standing to the credit of the Resolution Cost

Fund but any sums of money which may, by the judgment of a court, be awarded against the Resolution Cost Fund, shall, subject to any directions given by the court where notice of appeal has been given by the Resolution Cost Fund, be paid from moneys standing to the credit of the Resolution Cost Fund.

(3) Neither the Resolution Cost Fund, nor the Board of Trustees, nor any person engaged by the Resolution Cost Fund or the Board of Trustees in connection with the performance of the functions of the Board of Trustees or the business of the Resolution Cost Fund, shall be subject to any action, claim, or demand by or liability to any person in respect of anything done or omitted to be done in good faith in pursuance or in execution of, or in connection with the execution or intended execution of any power or function conferred on the Board of Trustees.

(4) Every member of the Board of Trustees or agent for the time being of the Resolution Cost Fund shall be indemnified out of the assets of the Resolution Cost Fund against any liability incurred by him in defending any civil proceedings, if such proceeding is brought against him in his capacity as a member or agent:

Provided that nothing in this subsection shall be construed as entitling a member of the Board of Trustees to be indemnified against liability arising from the breach of the fiduciary or other duties imposed by section 60J (3) of this Act.

60Y. Without to the powers of the Central Bank of Nigeria to make regulations and to issue guidelines and direction under this Act, the Central Bank of Nigeria shall have power to make rules and regulations for giving effect to the provisions of this Part of this Act and without limitation, for regulating the management and operations of the Fund, and the proceedings of the Board of Trustees.

Rules and regulations in respect of Resolution Cost Fund.

60Z. Where any other enactment or law is inconsistent with the provisions of this Act, the provisions of this Act shall prevail."

Other inconsistent enactments or laws.

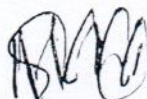
9. Section 61 of the Principal Act is amended by inserting, in alphabetical order, the following definitions -

- (a) "eligible equity" means shares, stock or other interest in the equity or share capital of an eligible financial institution;
- (b) "tenor" when used in Part IX of this Bill means a period of 10 years from the calendar year 2010 but may be extended by not more than a maximum of 5 years by the National Assembly; and
- (c) "total assets" when used in Part IX of this Bill means all assets of an eligible financial institution above and/or below the balance sheet line whether contingent or otherwise.

10. This Act may be cited as the Asset Management Corporation of Nigeria (Amendment) Act, 2015.

Citation.

I, CERTIFY, IN ACCORDANCE WITH SECTION 2 (1) OF THE ACTS AUTHENTICATION ACT CAP. A2, LAWS OF THE FEDERATION OF NIGERIA 2004, THAT THIS IS A TRUE COPY OF THIS BILL PASSED BY BOTH HOUSES OF THE NATIONAL ASSEMBLY.



SALISU ABUBAKAR MAIKASUWA, OON, mni
CLERK TO THE NATIONAL ASSEMBLY

23rd DAY OF MAY, 2015

Schedule to Asset Management Corporation of Nigeria (Amendment) Bill, 2015.

SHORT TITLE OF THE BILL	LONG TITLE OF THE BILL	SUMMARY OF THE CONTENTS OF THE BILL	DATE PASSED BY THE SENATE	DATE PASSED BY THE HOUSE OF REPRESENTATIVES
Asset Management Corporation of Nigeria (Amendment) Bill, 2015.	An Act to amend the Asset Management Corporation of Nigeria Act; and for related matters.	This Bill amends the Asset Management Corporation of Nigeria Act No 4, 2010.	21 st May, 2015	21 st May, 2015

I certify that this Bill has been carefully compared by me with the decision reached by the National Assembly and found by me to be true and correct decision of the Houses and is in accordance with the provisions of the Acts Authentication Act Cap. A2, Laws of the Federation of Nigeria, 2004.



SALISU MAIKASUWA, OON mni
 Clerk to the National Assembly
 21st Day of May, 2015

I ASSENT



DR. GOODLUCK EBEBE JONATHAN, GCFR
 President of the Federal Republic of Nigeria
 26th Day of May, 2015