



# THE CHARTERED INSTITUTE OF BANKERS OF NIGERIA

*(Incorporated in 1976 and Chartered by Decree 12 of 1990, Now Act No. 5 of 2007)*

## **BANKERS HOUSE**

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# **POLICY, RULES AND REGULATIONS ON PRACTICE LICENCE AND SEAL**

Approved by the Governing Council of  
The Chartered Institute of Bankers of Nigeria  
on October 6, 2008

## **VISION STATEMENT**

To be a world-class institution in banking and finance education, ethics and professionalism.

## **MISSION STATEMENT**

To consolidate and sustain its position as the self-regulatory professional body in Nigeria promoting banking and finance education, ethics and professionalism consistent with global best practices.

## **RESPONSIBILITIES OF THE INSTITUTE**

- To determine the standard of knowledge and skill to be attained by persons seeking to become members of the banking profession.
- To secure the establishment and maintenance of a register of members of the banking profession in the categories of Ordinary Members, Student Members, Graduate Members, Associate Members, Honorary Senior Members, Honorary Fellows and Fellows of the Institute and a register of Corporate Members.
- Conduct professional examinations leading to the award of Certificates as prescribed by the Institute.
- Ensure the furtherance, maintenance and observance of ethical standards and professionalism among practitioners of the banking profession in Nigeria.

## **VALUES**

- Excellence
- Professionalism
- Integrity
- Commitment
- Ethics
- Transparency

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# **POLICY, RULES AND REGULATIONS ON PRACTICE OF BANKING**

## **INTRODUCTION**

In consideration of the provisions under Section 16 of the CIBN Act No. 5 of 2007 which states that:

"A person other than a corporate member shall be deemed to practise as a member of the banking profession if, in consideration of remuneration received or to be received and whether by himself or in partnership with any other person-

a) he engages himself in the practice of banking or holds himself out to the public as a member of the banking profession; or

b) he renders professional services or assistance in or about matters or principle or detail relating to banking procedures; or

c) he renders any other services which may be by regulations made by the Council, be designated as services constituting practice as a member of the banking profession."

And in exercise of the powers conferred on the Governing Council of the Institute by Sections 6 and 17 (1) of the Act, the Governing Council hereby makes the following Policy, Rules and Regulations on Practice of Banking by Individuals/Non Corporate Members.

## **1.0 PRACTICE OF THE BANKING PROFESSION BY INDIVIDUALS/NON CORPORATE MEMBERS**

Pursuant to Section 16 of the Act, no individual/group of individuals either practicing alone or in partnership with other members shall practise as a member of the banking profession in Nigeria, except if he holds a valid Practice Licence issued by the Chartered Institute of Bankers of Nigeria.

## **2.0 RULES AND REGULATIONS ON PRACTICE LICENCE AND SEAL.**

No individual/non corporate member shall practise unless he has applied for and has been granted a licence to practise by the Governing Council. Such licence, which shall be in the form approved by the Governing Council, from time to time, shall be conspicuously displayed at the principal place of business of the member.

## **3.0 APPLICATION FOR PRACTICE LICENCE AND SEAL**

A prospective applicant for a Practice Licence/Seal must make an application in writing and shall be issued with an Application Form which he must complete and submit attaching relevant documents.

## **4.0 ELIGIBILITY**

i) A member who had passed the qualifying professional examinations of the Chartered Institute of Bankers of Nigeria, and worked in the financial industry for at least five years.

- ii.) Fellows or Associates of at least five years' experience.
- iii.) A qualified member by examination of a member-institute of the following bodies shall at the discretion of the Governing Council be eligible for a licence to practice:
  - (a) Alliance of African Institutes of Bankers (AAIOB).
  - (b) World Conference of Banking Institutes. (WCBI).
- iv.) In all the instances as specified above, an applicant shall be eligible for a licence/seal to practise only if he has for a continuous period of five years been employed on a full time basis as a full manager in a licenced bank or any other financial institution in Nigeria or elsewhere.

## **5.0 OWNERSHIP OF PRACTICE LICENCE/SEAL**

Any Practice Licence/Seal granted/renewed remains the property of the Institute and must be returned to it if, at any time, the holder becomes ineligible thereto under the Institute's Act, rules and regulations.

## **6.0 GRANT AND WITHDRAWAL OF PRACTICE LICENCE/SEAL**

The grant of Practice Licence/Seal to members and withdrawal of same shall be subject to approval by the Governing Council through the Institute's Practice Licence Board.

## **7.0 AMENDMENT/RENEWAL OF PRACTICE LICENCE**

### **7.1 Amendment**

The terms and conditions of a Practice Licence/Seal granted to a member may be amended subject to the approval of the Governing Council through the Practice Licence Board:

- a) On application by the Licensee.
- b) By the Practice Licence Board's initiative.
- c) By Governing Council's Initiative.

### **7.2 Renewal Requirements**

- a) Licences/Seals shall be renewable every two years. A Licence/Seal not renewed in line with the above shall remain expired and invalid.
- b) Licences/Seals may only be renewed upon application by the Licensee and verification of continuous good conduct and evidence of the Licensee's attainment of a minimum of 60 CCPD credit units per annum, i.e 180 units for three years.

## **8.0 FEES**

The following fee(s) shall from time to time, be approved by the Governing Council upon the recommendation of the Practice Licence Board:

- i. Application Fees for Licence/Seal,
- ii. Licence/Seal Fees,
- iii. Renewal/ Amendment Fees,
- iv. Change of Seal Fees.

## **9.0 DUTIES COVERED BY PRACTICE LICENCE**

The Licence granted/renewed/amended under these rules and regulations do not in any way permit/authorize/empower a licensee to receive/accept deposits from the public. Licensee shall only serve in any or all of the following capacities:

1. Financial Administrators and Managers
2. Receiver Managers and Debt Management Consultants
3. Consultants in Banking and Finance
4. Trainers in Banking & Finance
5. Arbitrators, Mediators and Conciliators in Banking and Finance matters
6. Financial Investigators/Supervisors/Examiners
7. Trustees
8. Financial Advisers/Counsellors
9. Credit Analyst, Administrators and Managers
10. Loan/Credit Adjusters
11. Industry Analysts

## **10.0 RIGHTS AND OBLIGATIONS**

- a) The Licensee shall be subject to the Code of Ethics for Members in Practice and the provisions of the CIBN Act.
- b) Licensee, on application, shall be issued with a Seal for his practice subject to conditions specified by the Governing Council.
- c) Nobody shall be a Partner of a banking practice firm except himself/herself is a licensee under these rules and regulations.
- d) Where there is need for multi-disciplinary tasks, the other party/parties must hold the practice licence(s) of his/their relevant professional bodies.

## **11.0 PRACTICE LICENCE BOARD**

There shall be a Board to be known under these rules and regulations as the CIBN Practice Licence Board.

### **11.1 Appointment of members of the Practice Licence Board**

Members of the Practice Licence Board shall be appointed by the Governing Council.

### **11.2 Composition of the Practice Licence Board**

The Practice Licence Board shall consist of seven (7) members as follows:

- i) The 1<sup>st</sup> Vice President shall serve as the Chairman of the Board.
- ii) A representative of the Body of Past Presidents
- iii) A representative of the Body of Banks' CEOs  
(shall be a Fellow of the Institute)
- iv) A former Registrar/Chief Executive of the Institute
- v) A representative of CBN
- vi) A representative of NDIC
- vii) The Registrar/Chief Executive of the Institute  
The Director, Membership, shall serve as Secretary to the Board.

### **11.3 Tenure of Members of the Board**

The tenure of any member of the Practice Licence Board shall be two years and renewable for a further period of two years except the Registrar/Chief Executive.

### **11.4 Terms of Reference for the Practice Licence Board**

1. To ensure the implementation of the approved Rules and Regulations on Practice Licence and Seal.
2. To ensure that appropriate Application/Renewal/Amendment Forms are designed for Practice Licences/Seals.
3. To recommend to the Governing Council the appropriate fee(s) to be paid for the granting/renewal/amendment of Practice Licence/Seal from time to time.
4. To ensure that appropriate Seal and Licence, respectively to be issued are designed and approved by the Governing Council.
5. To receive applications for the grant/renewal/amendment of Practice Licence and Seal from eligible persons in accordance with the Rules and Regulations duly approved by the Governing Council from time to time.
6. To screen all the applicants and make its recommendations to the Governing Council for consideration and directives.
7. To ensure that a Register for all those granted practice Licence/Seal is maintained by the Secretariat.

8. To ensure that Corporate and Public Affairs Committee of the Institute (CPAC) creates awareness on the Practice Licence and informs banks and other financial institutions of the need to consider those with the Practice Licence for consultancy and other services covered by the licence.
9. To review the Rules and Regulations from time to time and recommend same to the Governing Council for consideration and directives.
10. To monitor the use of the Practice Licence/Seal by all licensees.
11. To receive complaints and evidence of ethical/professional breeches involving licenced Members.
12. To forward reported cases, where necessary, to the Investigating Panel (Section 13 of CIBN Act No. 5 of 2007) for investigation and other necessary action(s).
13. To ensure that the use of the Licence is in line with the Code of Conduct for Members in Practice and Section 14 of CIBN Act No. 5 of 2007.
14. To report to the Governing Council, all reported cases of unethical/unprofessional practices and action(s) taken.
15. Any other assignment relevant to the Practice Licence/Seal that the Governing Council may, from time to time, require the Board to handle.

## **CODE OF CONDUCT FOR MEMBERS IN PRACTICE**

### **PREAMBLE**

One of the principal objectives of the CIBN Act No. 5 of 2007 is to maintain high standards of professional practice and conduct by all members. The Act sets out a coherent framework of ethical principles which promote the duty of members to discharge their professional obligations in a manner which has regard to wider public interest and stipulates sanctions for any act likely to bring discredit to members, the Institute and/or the banking profession.

This **Code of Conduct for Members in Practice** which is to complement the provisions of the CIBN Act No. 5 of 2007 represents the essential framework within which members in practice shall provide their services. It also provides the statement for the provision of effective and efficient regulation and control of conduct of members in practice. The purpose of the Code is to further regulate the level of discipline of Members in Practice of the profession of banking.

The term "member" includes, except where the context otherwise requires, a firm or professional practice of members of the Institute including licensees.



## **ARTICLE 1: ADVERTISEMENT AND PUBLICITY OF PROFESSIONAL ACTIVITIES OR BUSINESS**

- 1.1 A member shall not seek publicity for his or her services, achievements and products in any way.
- 1.2 All letter heads, brochure, invoices and similar practice documents must comply with the laws of the land (Nigeria) and should be legal, decent, honest, truthful and clearly distinguishable as such.
- 1.3 A member involved in either public speaking, lectures, radio and television appearances or any of such public activities must strictly observe professional ethics which demand modesty concerning personal attainment and achievements and courtesy in reference to colleagues.
- 1.4 A member shall not intentionally disseminate false or misleading information and shall take to use reasonable care to avoid the dissemination of false or misleading information.
- 1.5 A member shall not engage in any practice or be seen to conduct himself in any manner that is detrimental to the reputation of banking professionals and the interest of the banking profession.
- 1.6 A member shall not propose to clients any action which would constitute an improper influence on both the regulatory and legislative authorities.
- 1.7 A member shall not engage in any practice which tends to corrupt the integrity of the profession of banking.

## **ARTICLE 2: CONFLICTS OF INTEREST, IMPARTIALITY AND INDEPENDENCE**

- 2.1 A member should not accept or continue an engagement in which there is or likely to be a conflict of interest between him and his clients.
- 2.2 A member must not allow any personal interest (financial or otherwise) to interfere or be seen to interfere, with the exercise of his independent professional judgment. If any interest (actual or potential) arises, it must be dealt with by full and prompt disclosure.
- 2.3 A member shall inform a client of any shareholding or financial interest held by him in any company, firm or person whose services it recommends.

- 2.4 A member shall not without the clients' consent accept fees or other valuable consideration from anyone other than the client in connection with services for that client.
- 2.5 A member shall only represent conflicting interests with the consent and knowledge of those concerned.

**ARTICLE 3: FIRM/COMPANY: NAME AND STYLE OF PRACTICE, PARTNERSHIP, REGISTRATION OF FIRMS AND CONSORTIA**

- 3.1 The Name and Style of a practice shall as far as possible reflect the personal names of the principal partner.
- 3.2 Any member who operates under a pseudonym name shall indicate the names and qualifications of the partners on the firm's letter heads and documents.
- 3.3 Practice firms shall submit to the Institute the outline details of the Partnership and/or Memorandum & Article of Association.
- 3.4 All changes that may occur from time to time in the partnership details should be notified to the Institute within six months of such changes.
- 3.5 A member shall not have or take as partner or co-director in his firm any Person who is:
  - 3.5.1 disqualified from membership of the Institute under the CIBN Act No. 5 of 2007.
  - 3.5.2 legally incapacitated by reason of bankruptcy or having been certified as being of unsound mind.
  - 3.5.3 dismissed from his previous employment.
  - 3.5.4 convicted by a Court of law on criminal offence.
  - 3.5.5 disqualified as may be determined by Council from time to time.
- 3.6 To establish a practice firm, an application should be sent to the Institute giving all required details. Such details include:
  - (a) Name and address of the firm.
  - (b) History of the firm.
  - (c) Documents relating to the incorporation /registration of the firm.
  - (d) List of Directors and Shareholders who shall be members of the Institute or Licensees of other Professional organisations.

- 3.7 Renewal of Registration/Licence shall be dependent on the submission by the firm of documentary evidence of the following:
  - 3.7.1 Evidence of continued existence of the practice and attainment by the partners of specified number of Continuing Compulsory Professional Development credits (CCPD).
  - 3.7.2 Evidence of changes, if any, in the original details of the partnership.
  - 3.7.3 Compliance with the practice regulation.
  - 3.7.4 Completed Application for Registration/Licence Renewal Form
  - 3.7.5 Evidence of payment of annual subscriptions by member(s)/partners.
- 3.8 Members shall be allowed to participate in multi-disciplinary **Consortia** provided that all their partners are registered/licenced by the various professional regulatory bodies recognized by the Association of Professional Bodies of Nigeria (APBN).
- 3.9 The scope of practice of a consortium shall be limited at any time to the professional disciplines of the registered participating partners/practice firms.
- 3.10 The name of the consortia shall be registered with the Institute in the consortia register.

#### **ARTICLE 4: CONTINUING COMPULSORY PROFESSIONAL DEVELOPMENT (CCPD)**

- 4.1 Every partner of a practice firm shall complete a minimum of 60 CCPD Credit Units per annum. This will be a minimum of 180 credit units per Licensee in three years and is a requirement for the renewal of Practice Licence.

#### **ARTICLE 5: FAIR COMPETITION AND DEALING**

- 5.1 A member shall not knowingly seek to displace another member's relationship with a client other than in fair competition or at the behest of the client.
- 5.2 If a member in practice (the Professional Banker) obtains the advice of a member (the consultant) on a consultancy basis on behalf of a client, the consultant or any practising member with whom he or his consultancy organization is associated should not, without the consent of the practitioner, accept from that client within one year of completion of the

consultancy assignment, any work which was, at the time the consultant was first retained in relation to that client's affairs being carried out by the practitioner.

- 5.3 The same considerations in 5.2 above apply where a Professional Banker introduces one of his clients to the consultant for the purpose of consultancy.
- 5.4 A member has a general duty of fair dealing towards his clients, past and present, fellow members and the public.

#### **ARTICLE 6: CONFIDENTIALITY**

- 6.1 A member shall safeguard the confidentiality of both the present and former clients and shall not disclose or use these confidences to the disadvantage or prejudice of such clients or to his financial advantage.

Dated this 6<sup>th</sup> day of October, 2008

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**Dr. Erastus B. O. Akingbola, MON, FCIB**  
President/Chairman of Council

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**'Uju M. Ogubunka, Ph.D, FCIB**  
Registrar/Chief Executive /  
Secretary, Governing Council



# THE CHARTERED INSTITUTE OF BANKERS OF NIGERIA

(Incorporated in 1976 and Chartered by Act 12 of 1990 now Act No. 5 of 2007)

*This is to certify that*

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*Is granted the*

## **Practice Licence Certificate**

*This ... ..day of . ....2009*

