

NATIONAL INSURANCE CORPORATION OF NIGERIA ACT

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NATIONAL INSURANCE CORPORATION OF NIGERIA ACT

An Act to establish the National Insurance Corporation of Nigeria, set out its functions, regulate its management and provide for other matters ancillary thereto.

[1969 No. 22.]

[1st July, 1969]

[Commencement.]

Constitution and functions of the Corporation, etc.

1. Establishment and constitution of the Corporation

(1) There shall be for the purposes of this Act, a corporation to be known as the National Insurance Corporation of Nigeria (in this Act referred as "the Corporation"), which shall be constituted in accordance with and shall have such powers and duties as are conferred on it by, or by virtue of the following provisions of this Act.

(2) The Corporation shall be a body corporate with perpetual succession and a common seal.

(3) The Corporation may sue or be sued in its corporate name and may hold, acquire, and dispose of any property movable or immovable.

1. Board of directors

(1) The governing body of the Corporation shall be a Board of Directors (in this Act referred to as "the Board") which, subject to this Act, shall consist of not less than seven or more than nine directors of whom one director shall be appointed Chairman and one other Director shall be the Managing Director appointed under section 21 of this Act, but in no circumstances shall the position of Chairman be held by the Managing Director.

(2) The Chairman shall be appointed by the President.

(3) All members of the Board, except the Managing Director, but including the Chairman, shall be appointed to serve as part-time members.

(4) The Board shall be responsible for the determination of the overall policy of the Corporation, and in particular with regard to the financial, economic and operational programmes of the Corporation, and for ensuring the implementation of such policy; but the Board shall not, in implementing such policy, have or exercise any of the executive functions of the Corporation vested in the managing director pursuant to section 21 of this Act.

1. Composition of the board of directors, etc.

(1) The membership of the Board shall comprise-

(a) eight persons who shall not be Federal or State public officers, one of whom shall be appointed as Chairman; and

(b) the Managing Director of the Corporation.

(2) Appointments of members of the Board under paragraph (a) of subsection (1) of this section, and of the Chairman, shall be made by the President only after first satisfying himself in respect thereof that the persons concerned are persons of integrity and of good standing in the community from which they are to be drawn; and in addition, the President must be satisfied that such persons are in the field of industry, commerce, finance

or administration and also have specialised knowledge of the working of an insurance business, so as to be capable of discharging the functions of their office in a manner satisfactory to the President.

(3) The supplementary provisions contained in the Schedule to this Act shall have effect in relation to the

Corporation, the Board and the other matters therein mentioned.

[Schedule.]

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[Repealed by the Insurance Act, 2003.]

1. Corporation not to be exempt from taxation, etc.

(1) It is hereby declared that, subject to subsection (2) of this section, the Corporation shall be liable for taxation of any description (including liability for any duty, rate, levy or other charge whatsoever, whether general or local, properly levied and payable).

(2) Nothing in this section shall be construed to impose liability for company income tax upon the Corporation, until such time as the amount in the general reserve fund of the Corporation is for the first time equal to twice the amount of the paid-up capital of the Corporation.

1. **General directions**

(1) The Minister may give to the Board directives of a general or of a special nature with regard to the exercise of the functions of the Corporation; and as the case may require, it shall be the duty of the Chairman, the Board and the Managing Director to comply with the directives, unless matters of policy are in dispute and subsection (2) of this section applies.

(2) In the application of subsection (1) of this section, where the Minister intends to initiate a policy affecting the exercise of the functions of the Corporation, he shall consult with the chairman, and in the event of disagreement between the Minister and the chairman over the implementation of that policy, the policy and any directive issued in that respect, shall stand suspended, so however that if any part of the policy so in dispute is severable from any other aspects of the policy not in dispute, the policy or the directive issued shall be suspended only in respect of the part in dispute; and thereafter the policy, or the part in dispute so suspended shall, upon its being referred by the Minister to the President, be affirmed, modified, or rejected by the President, and the President may give such directions thereon as he thinks fit.

1. Corporation deemed to be a registered insurer

(1) Without prejudice to subsections (1) and (2) of section 1 of this Act, and subject as hereinafter in this Act provided, the Corporation shall be deemed to be a company registered under the Insurance Act.

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(2) Accordingly, and in so far as the provisions of the Insurance Act are not inconsistent with those of this Act, the Corporation shall comply with the requirements of the Act aforesaid, as if the Corporation were a company so registered, and that Act shall, in relation to the Corporation, have effect and be construed accordingly.

1. Duty of registered insurer to furnish information

(1) It shall be the duty of every registered insurer to produce to any person authorised by the Registrar of Insurance, on production by that person, if so required, of a duly authenticated document showing his authority, such books of accounts, records and documents, and to supply copies of and extracts from such books, records and documents and to furnish such other information, as may reasonably be required for purposes of this Act.

(2) If any person fails to comply with the requirements of this section, he shall be guilty of an offence under this Act.

General financial provisions

1. Share capital of the Corporation, etc.

(1) The share capital of the Corporation shall, subject to subsection (2) of this section, be N2 million divided into 20,000 shares of N100 each, and the said shares shall, on the commencement of this Act, be deemed to be subscribed for, issued, and called up in full; and payment in respect of such call up shall be made by the holder of the shares at such times and in such manner as the President may direct.

(2) The Minister may, from time to time, with the approval of the President, increase the share capital of the Corporation; and, as soon as may be after any such increase, the Board may make calls for the additional shares on such terms and conditions as the Board may determine.

(3) **All** the shares in the Corporation shall be taken up by the Federal Government, and subject to subsections (1) and (2) of this section, shall be paid for by that Government.

(4) The Accountant-General of the Federation shall, when authorised under this subsection by the Minister of Finance, charge to and issue out of the Consolidated Revenue Fund of the Federation (in this Act referred to as "the Consolidated Revenue Fund") any

sum required for making payment for shares in the Corporation taken up by the Federal Government.

10. Liability of shareholder limited

The liability of any holder of shares in the Corporation, shall be limited to the amount, if any, unpaid on the shares held by the holder.

11. Declaration of dividend

No dividend shall be declared by the Board unless-

- (a) at the time of the declaration, the amount in the general reserve fund of the Corporation exceeds the amount of N 100 million;
- (b) such dividend has been earned and has been approved by the Minister.

12. Loan of two hundred thousand naira to the Corporation

(1) The initial expenses and working capital of the Corporation shall be provided out of a loan to be granted to the Corporation by the Federal Government; and for that purpose, where the Minister of Finance is satisfied as to the amount he may authorise an advance by way of loan not exceeding N200,000 from the Contingency Fund of the Federation or such other fund as the Minister aforesaid may direct and the loan when so made, shall bear interest at such rate as the Minister aforesaid may approve or require.

(2) The Accountant-General of the Federation shall, as directed by the Minister of Finance under this section, issue out of the relevant fund of the Federation sums necessary for making the loan of N200,000 to the Corporation under subsection (1) of this section.

13. Repayment of loan of two hundred thousand naira

(1) The Corporation shall at such times and in such manner as the Minister of Finance with the approval of the President may direct, repay the loan made to the Corporation under section 12 of this Act, together with interest at the rate prescribed.

(2) Any sums received by way of repayment of the said loan or of interest thereon, shall be paid into the Consolidated Revenue Fund.

14. Borrowing powers

Subject to any restriction imposed by this Act as to the amount thereof, the Corporation may, with the consent of the Minister given either generally or in any particular case, borrow by way of temporary accommodation from the Federal Government such sums as the Corporation may require in the exercise of its functions under this Act.

15. Limit on borrowing

(1) Subject to the following provisions of this section, the Minister may by order direct that the aggregate of the amount outstanding in respect of the principal of any monies borrowed by the Corporation, shall not at any time exceed N100,000; and while such an order is in force that aggregate amount shall not, except with the approval of the President, exceed the sum so specified.

(2) Nothing in this section shall prevent the Corporation from borrowing in excess of any limit (if any) imposed by virtue of subsection (1) of this section, for the purpose of paying off any loan.

(3) A person lending money to the Corporation shall not be bound to enquire whether the borrowing is within the power of the Corporation.

16. General reserve fund

Without prejudice to the provisions of any enactment requiring the establishment of technical reserves by a registered insurer, the Corporation shall establish and maintain a general reserve fund out of the profits of the Corporation for meeting contingencies, depreciation of assets, for the liquidation of any debt or liability of the Corporation and for such other purposes as the Board may consider necessary for the proper functioning of the Corporation under this Act.

17. Application of profits

The profits of the Corporation in any financial year shall be applied in such manner as the Board may, with the approval of the Minister direct, and dividends on the shares of the Federal Government in the Corporation shall be paid into the Consolidated Revenue Fund.

Provisions relating to staff

18. Officers and servants of the Corporation, etc.

(1) Subject to sections 19 and 20 of this Act, there shall be in the employ of the Corporation, such number of officers and servants as may appear expedient and necessary to the Board, for the proper and efficient conduct of the business and functions of the Corporation.

(2) Unless otherwise precluded by this Act, the Corporation may exercise any of the powers and perform any of the functions and duties conferred and imposed on the Corporation by this Act through or by any of its officers and servants duly authorised by the Corporation in that behalf.

19. Managing director of the Corporation

(l) There shall be an officer of the Corporation, to be known as the managing director, who shall be appointed by the Minister, subject to the approval of the President and the person so appointed shall-

(a) be the holder of a recognised qualification in the field of insurance and shall have at least ten years' experience in insurance business;

(b) not, while he is the holder of that office, hold any directorship in any corporation, company or concern other than the Corporation.

(2) The managing director shall be the chief executive of the Corporation and shall be responsible for the general administration of the Corporation, the execution of the policy of the Corporation and the transaction of its day-to-day business.

20. Secretary of the Corporation

(l) There shall be appointed by the Minister, subject to the approval of the President, an officer of the Corporation to be known as the secretary.

(2) The secretary shall be responsible to the managing director, as the chief executive officer of the Corporation, and under his direction and control, the secretary shall carry out the day-to-day administration of the affairs of the Corporation; and without prejudice to the generality of the foregoing provisions of this subsection, the secretary shall be responsible for the following matters, that is to say-

(a) making arrangements for meetings of the Board;

(b) preparing the agenda and the minutes of such meetings;

(c) conveying decisions of the Board to members of the Board;

(d) arranging for payment of fees and allowances, of meetings and all other matters affecting members of the Board, and he shall perform all other duties affecting the Corporation as may be specifically assigned to him by the managing director.

21. Retirement benefit fund for employees of the Corporation

(l) The Board shall make rules for the establishment and maintenance of a fund to be known as the "National Insurance Corporation of Nigeria Pension and Welfare Fund", for providing pensions to employees of the Corporation, and in the case of injuries or death of such employees, for providing benefits to them or their dependants.

(2) Provisions shall be made by the rules for the payment of contributions to the said fund by the Corporation or the employees of the Corporation, or both, as the Minister may direct or require.

(3) Rules made for the purpose of this section shall not have effect, until approved by the Minister.

Accounts, returns and information

22. Accounts and audit

(1) The Corporation shall keep proper accounts and proper records in relation thereto and shall, in respect of each financial year, prepare a balance sheet, a profit and loss account, revenue accounts, and other statements and abstracts in accordance with the requirements of the Insurance Act.

[Cap. 117.

(2) The accounts of the Corporation shall be audited by auditors appointed from the list of auditors and in accordance with the guidelines supplied by the Auditor-General for the Federation.

(3) The auditors shall, on completion of the audits of the accounts of the Corporation for each financial year, prepare and submit to the Board, the following two reports, that is to say-

(a) a report (elsewhere in this Act referred to as "the general report"), which shall set out general observations and recommendations of the auditors, on the financial affairs of the Corporation for that year and on any important matters which the auditors may consider necessary, to bring to the knowledge of the general public; and

(b) a detailed report (elsewhere in this Act referred to as "the full report"), which shall set out detailed observations and recommendations of the auditors on all aspects of the operations of the Corporation for that year.

23. Power of President to give directions to auditors, etc.

The President may, in respect of any particular audit under this Act, if of opinion that it is in the public interest so to do, from time to time give directions-

(a) to the auditors of the Corporation, requiring them to carry out any examination which would enable them to report to the President upon the adequacy of any measures taken by the Corporation for the protection of the interests of the shareholders, policy holders, and other creditors of the Corporation, or upon the sufficiency of procedure in auditing the financial affairs of the Corporation;

(b) to the said auditors requiring them to enlarge, within the requirements of their directions, the scope of the audit of the financial affairs of the Corporation or

to adopt a different procedure in the audit;

(c) to the said auditors or any other persons requiring them jointly or severally to carry out such other examinations as may be mentioned in the directions, and it shall be the duty of the auditors or other persons directed as aforesaid, to comply with those directions and to report to the Board accordingly.

24. Returns by the Corporation

(1) The Corporation shall, within six months after the close of each financial year, furnish to the Minister and to the Registrar of Insurance-

(a) a copy of the audited accounts of the Corporation and of the statements and abstracts mentioned in section 22 of this Act;

(b) a copy of the general report and of the full report of the auditors mentioned in the said section 22;

(c) a detailed report of the Board on the state of affairs of the Corporation for that financial year, including a statement of the amount out of the profits which the Board proposes to carry to the general reserve fund of the Corporation; and of the amount which the Board recommends should be paid by way of dividend, and the Minister shall, as soon as may be after receipt thereof, submit to the President a copy of each of the documents furnished to him under this subsection.

(2) As soon as may be after the Corporation has complied with the requirements of subsection (1) of this section, the Board shall cause the audited accounts of the Corporation and the general report aforesaid to be published in the Federal *Gazette*.

25. Power to call for information from the Corporation

(1) An officer of the Federal Ministry of Commerce may, if authorised by the Minister in that behalf, give notice in writing under this section to the Corporation, requiring the Corporation to provide the Minister with such information relating to the property, financial position, activities or proposed activities of the Corporation as may be required by the notice.

(2) The Corporation shall within a reasonable time after a notice is given to it under subsection (1) of this section, provide the Minister with the information required thereby, but if a time is prescribed by the notice, the Corporation shall provide the information within the time so prescribed.

Legal proceedings

26. Limitation of suits against the Corporation, etc.

(1) Notwithstanding anything in any other enactment, no suit against the Corporation, a director or any officer or servant of the Corporation for any act done in pursuance or execution or intended execution of any enactment or law, or of any public duties or authority, or in respect of any alleged neglect or default in the execution of such enactment or law, duties or authority, shall lie or be instituted in any court, unless it is commenced twelve months next after the act, neglect or default complained of or, in the continuance of damage or injury, within twelve months next after the ceasing thereof.

(2) No suit shall be commenced against the Corporation before the expiration of a period of one month after written notice of intention to commence the suit shall have been served upon the Corporation 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.

27. Service of documents

The notice referred to in section 26 (2) of this Act and any summons, notice or other document required or authorised to be served upon the Corporation under the provisions of this Act or any other enactment or law may be served by delivering the same to the chairman or the managing director of the Corporation, or by sending it by registered post addressed to the managing director at the principal office of the Corporation.

28. Restriction on execution against the property of the Corporation

In any action or suit against the Corporation, no execution or attachment or process in the nature thereof, shall be issued against the Corporation, but any sums of money which may by the judgment of the court be awarded against the Corporation shall, subject to any directions given by the court where notice of appeal has been given by the Corporation in respect of the said judgment, be paid by the Corporation from the general reserve fund of the Corporation.

29. Indemnity of officers and servants of the Corporation

Every director, agent, auditor, secretary, and other officer or servant for the time being of the Corporation shall be indemnified out of the assets of the Corporation against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted, if any such proceeding is brought against him in his capacity as such director, agent, auditor, secretary or other officer or servant as aforesaid.

Miscellaneous and general

30. False information

If any person in giving any information for the purposes of this Act or any regulation thereunder, makes any statement which he knows to be false in a material particular, or recklessly makes any statement which is false in a material particular, he shall be guilty of an offence and liable on conviction to imprisonment for a term not exceeding five years or to a fine of N 1,000 or to both such imprisonment and fine.

31. Offences by body corporate

(1) Where an offence under this Act committed by any body corporate, including a registered insurer, is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, any director, manager, secretary or other similar officer of the body corporate, or any person who was purporting to act in any such capacity, he, as well as the body corporate, shall be guilty of that offence and liable to be proceeded against and punished accordingly.

(2) Where the affairs of a body corporate established under any enactment are managed by its members, with or without directors, the expression "director" as used in subsection (1) of this section, shall in proper case include any such member.

32. Penalty for offences for which no other penalty is provided

Any person who is guilty of an offence under this Act, or who contravenes or fails to comply with any provision of this Act, for which no other penalty is specifically provided, shall be liable on conviction to a fine not exceeding *NS,000* and, if the default in respect of which he is so convicted is continued after the conviction, he shall be liable to a further sum of *NS0* for each and every day during which the contravention or default continues and liability for such further sum shall commence from the day following the conviction, or from such day thereafter as the court may order.

33. Application of Companies and Allied Matters Act

The Minister may, from time to time, by order published in the *Federal Gazette*, apply to the Corporation any of the provisions of the Companies and Allied Matters Act not inconsistent with this Act, with any necessary modifications as he may prescribe, but otherwise nothing in the Companies and Allied Matters Act or any Act thereby repealed, shall apply to the Corporation.

[Cap. C20.]

34. Winding up of the Corporation

The Corporation shall not be wound up, except by or under the authority of an Act.

35. Regulations

Without prejudice to any other power of the Minister under this Act to make regulations for any special purposes, regulations may be made by the Minister generally for the purposes of this Act.

36. Power of Board to make rules and bye-laws

(1) The Board may make rules or bye-laws, not inconsistent with this Act or any regulations made thereunder, for the general and efficient conduct of the business of the Corporation as an insurer, and without prejudice to the generality of the power so conferred, rules or bye-laws may-

(a) prescribe the manner and conditions subject to which the Corporation may enter into reinsurance contracts;

(b) prescribe premium and commission rates, terms and conditions, to be offered by the Corporation in connection with insurance or reinsurance business.

(2) Where rules or bye-laws are made pursuant to subsection (1) of this section, it shall not be necessary for their validity to cause them to be published in the *Federal Gazette*, but the Board shall bring them to the notice of such interested persons (including officers and servants of the Corporation) as the Board may, from time to time, determine.

37. Interpretation

In this Act, except where the context otherwise requires, the following expressions have the meanings hereby respectively assigned to them, that is to say-

“Board” has the meaning assigned to it in section 2 of this Act;

“body corporate” includes an association of underwriters;

“chairman” means the chairman of the Board;

“Consolidated Revenue Fund” means the Consolidated Revenue Fund of the Federation;

“Corporation” means the National Insurance Corporation of Nigeria, established under section 1 of this Act;

“director”, in relation to the Corporation, means a member of the Board;

“financial year”, in relation to the Corporation, means the period of twelve months ending with 31 December in any year and, where appropriate, includes any lesser period ending with that date;

“general reserve fund of the Corporation” means the fund established and maintained by the Corporation pursuant to section 16 of this Act;

“Minister” means the Minister charged with responsibility for matters relating to trade;

“Minister of Finance” means the Minister charged with responsibility for finance;

“managing director” means the managing director of the Corporation;

“policy” in relation to insurance includes every writing whereby any contract of insurance is made or agreed to be made;

“Registrar of Insurance” means the Registrar of Insurance under the Insurance Act; [Cap. 117.]

“registered insurer” means, without prejudice to section 7 of this Act, any person (other than the Corporation), registered as an insurer under the Insurance Act.

38. Short title

This Act may be cited as the National Insurance Corporation of Nigeria Act.

SCHEDULE

[Section 3 (3).]

Supplementary provisions as to the Corporation and the Board

Tenure and vacation of office of member of the Board

1. Tenure of office, etc., of members of the Board

(1) Subject as hereinafter provided, a member of the Board appointed under section 3 (1) (a) of this Act, shall hold and vacate office as such in accordance with the terms of the instrument appointing him to be a member of the Board.

(2) A member of the Board holding office as aforesaid shall, unless he previously vacates it, vacate that office on the expiration of the period of three years, beginning with the date of his appointment.

(3) A person ceasing to hold office as a member of the Board otherwise than by removal for misconduct, shall be eligible for reappointment as such a member.

(4) Before appointing a person to be a member of the Board under section 3 (1) (a) of this Act, the Minister shall satisfy himself that the person shall have no such financial or other interest as is likely to affect prejudicially the discharge by him of his functions as a member of the Board, and the Minister shall also satisfy himself from time to time with respect to every member of the Board, that the member has no such interest; and any person who is, or whom the Minister proposes to appoint to be, a member of the Board shall, whenever requested by

the Minister so to do, furnish to him such information as the Minister considers necessary for the performances by the Minister of his duties under this sub-paragraph.

(5) A person who is a member of any other statutory corporation shall not be eligible for appointment as the managing director or as a member of the Board under section 3 (l) (a) of this Act.

(6) Nothing in sub-paragraph (5) of this paragraph, shall be construed as preventing any Director-General who is a member of the Board from being a member of any other statutory corporation.

2. Variation of terms of appointment of member of the Board

Where a member of the Board (not being the managing director) becomes or ceases to be chairman, the Minister may, with the approval of the President, vary the terms of the instrument appointing him to be a member, so far as they relate to the date on which he is to vacate office as such or otherwise.

3. Member may resign from the Board

A member of the Board holding office in pursuance of section 3 (l) (a) of this Act may, at any time, resign his membership by notice in writing addressed to the Minister.

4. Power of Minister to remove member from the Board

If the Minister is satisfied that a member of the Board appointed by him-

(a) absents himself from three consecutive meetings of the Board, without the permission of the chairman or if the member is the chairman, without the permission of the Minister; or

(b) holds any other office of profit under the Corporation; or

(c) enters into any contract with the Corporation or is concerned or participates in the sharing of the profits of any contract with the Corporation (not being a contract of insurance relating to his life or the lives of his dependants or relating to any property in which he has an insurable interest); or

(d) is unable to pay his debts or has made arrangement with his creditors; or

(e) is incapacitated by physical or mental illness; or

(f) takes part in partisan political activities; or

(g) is convicted, or has at any time been convicted, in any court of law in Nigeria or elsewhere, of any offence involving dishonesty or moral turpitude; or

(h) is otherwise guilty of any misconduct or is unable or unfit to discharge the functions of a member, the Minister may, with the approval of the President, declare his office as a member to be vacant and shall notify the fact in such manner as the Minister may think fit; and thereupon the office shall become vacant.

Tenure of office of chairman

5. Tenure of office of chairman

(1) Subject as hereinafter provided, the chairman shall hold and vacate office as such in accordance with the terms of the instrument appointing him chairman.

(2) The chairman may at any time resign his office as such by notice in writing addressed to the Minister.

(3) If the chairman ceases to be a member of the Board he shall also cease to be chairman.

Remuneration of members of the Board

6. Remuneration of members of the Board

(1) Subject to sub-paragraph (2) of this paragraph, the Corporation shall pay to each member of the Board such remuneration as the Minister may, with the approval of the President, determine; and if a person ceases to be member of the Board and it appears to the Minister that there are special circumstances which make it right that that person should receive compensation, the Minister may, with the approval of the President, require the Corporation to pay to that person a sum of such amount as the Minister may, with the approval of the President, determine.

(2) No remuneration, except such allowance for expenses as may be expressly authorised by the President, shall be paid to any member of the Board holding office, otherwise than in pursuance of section 3 (1) (a) of this Act.

Proceedings of the Corporation

7. Meetings of the Board

(1) The Board shall in each year hold a general meeting as its annual meeting, in addition to any other meetings in that year, and it shall specify the meeting as such.

(2) The annual general meeting shall be held within six months after the close of each financial year, so however that if any such meeting is held at any time after the commencement of this Act and not later than 31 December 1969, it shall be deemed to have been held within the period hereinbefore prescribed.

(3) The Board shall ordinarily meet for the dispatch of business at such times and places as the chairman may from time to time appoint, but not less than three times in any financial year.

(4) The chairman shall preside at all meetings of the Board when he is present, and when he is not present, such other member of the Board present at the meeting as the members may appoint for that meeting shall preside at the meeting.

(5) Subject to paragraph 8 (3) of this Schedule, the quorum at any meeting of the Board shall be four.

(6) Where not less than five members of the Board request the chairman, by notice in writing signed by them, to convene an extraordinary meeting of the Board for the purposes specified in the notice, the chairman shall, upon receipt of the notice convene an extraordinary meeting of the Board for those purposes at the earliest convenient date.

8. Voting at meetings

(1) All questions at a meeting of the Board, shall be determined by a majority of votes of the members of the Board present and voting, being members who under this paragraph are entitled to vote at such meeting.

(2) At any meeting of the Board, each member thereof other than the managing director shall have a deliberative vote, and if there is equality of votes the chairman at the meeting shall, if entitled to a deliberative vote, have a second or casting vote.

(3) The managing director shall have a right to be present at all or any meetings of the Board, but he shall not have the right to vote at any such meeting, and he shall not count towards a quorum at any meeting of the Board.

9. Power of chairman to withhold implementation of certain decisions

(1) If the chairman considers that at any meeting of the Board a matter which, in his opinion, affects the public interest has been wrongly decided-

(a) he may cause the implementation of the decision to be suspended; and

(b) in such case, he shall, within ten days after the date on which the decision was made, submit a statement of the decision together with his objections thereto and any representations which any other member of the Board may desire to make with regard to the decision (such statement, objections and representations being in writing), for determination by the Minister, and the decision aforementioned shall be implemented only if the Minister so determines and subject to any modifications which the Minister may direct.

(2) Without prejudice to the power conferred on the chairman by sub-paragraph (l) of this paragraph, if the chairman considers that at any meeting of the Board not attended by all the persons who for the time being are members of the Board, a question which, in his opinion, is of sufficient importance to justify action being taken as provided in this sub-paragraph has been wrongly decided-

(a) he may cause the implementation of the decision to be suspended for not more than one month after the date on which the decision was made; and

(b) in such case he shall, within the said month, convene and hold another meeting of the Board at which the question aforesaid shall be again considered and determined, so, however that he shall not exercise the power conferred by this sub-paragraph more than once in respect of the same question.

1. Standing orders, etc.

(l) Subject to the provisions of this Act and of this Schedule, the Board may make standing orders with respect to the holding of meetings of the Board, the notices to be given of such meetings, the proceedings thereat, the keeping of minutes of such proceedings and the custody or the production for inspection of such minutes.

(2) Subject as aforesaid and to any standing order made under sub-paragraph (l) of this paragraph, the procedure of the Board with respect to holding of meetings shall be such as the Board may from time to time determine.

Disclosure of interests by members of the Board

1. Disclosure of interests by members of the Board

(l) A member of the Board who is in any way directly or indirectly interested in a transaction or project of the Corporation, shall disclose the nature of his interest at a meeting of the Board, and the disclosure shall be recorded in the minutes book of the Corporation, and the member shall not take any part in any deliberation or decision of the Board with respect to that transaction or project.

(2) For the purposes of sub-paragraph (l) of this paragraph, a general notice given at a meeting of the Board by a member of the Board to the effect that he is associated with any trade or business or is a member of a specified company or firm and is to be regarded as interested in any transaction or project of the Corporation concerning that trade, business, company or firm, shall be regarded as sufficient disclosure of his interest in relation to that transaction or project.

(3) A member of the Board need not attend in person at a meeting of the Board in order to make a disclosure which he is required to make under this paragraph, if he takes reasonable

steps to ensure that the disclosure is made by a notice which is brought up and read at the meeting.

1. Offices and Agency

(1) The Corporation shall have its principal office in Lagos and may open branch offices in the Federation in accordance with the decisions of the Board.

(2) The Board may, with the approval of the Minister, open branch offices or establish agencies of the Corporation outside Nigeria.

The common seal

13. Common seal

(1) The seal of the Corporation shall be such as may be determined by the Board; and the affixing of the seal shall be authenticated by the signatures of the chairman and of the managing director, or of some other members authorised generally or specifically by the Corporation to act for that purpose.

(2) The Corporation may have for use in any territory or place not situated in Nigeria, an official seal, which shall be a facsimile of the seal of the Corporation, and-

(a) such official seal may be affixed manually or may be engraved, lithographed, printed or mechanically reproduced upon any contract, instrument or other documents requiring the same;

(b) the provisions of this Schedule shall apply in respect of such official seal as they apply in respect of the seal of the Corporation.

Instruments of the Corporation

14. Execution of instruments

Any contract or instrument which, if made or executed by a person not being a body corporate, would not be required to be under seal, may be made or executed on behalf of the Corporation by the managing director, or any other person generally or specially authorised by the Board to act for that purpose.

1. Presumption as to execution of documents

Any document purporting to be a document executed under the seal of the Corporation authenticated as mentioned in paragraph 13 (1) of this Schedule, shall be received in evidence and shall, unless the contrary is proved, be deemed to be so executed.

Validity of proceedings

1. Validity of proceedings

The validity of any proceedings of the Board shall not be affected by any vacancy in the membership of the Board or by any defect in the appointment of a member of the Board, or by reason that a person not entitled to do so took part in the proceedings.

Miscellaneous

17. Membership of Board not office of emolument under any government in the Federation

A person shall not by reason only of his membership of the Board be treated as holding an office of emolument under the Government of the Federation or the Government of any State therein.

NATIONAL INSURANCE CORPORATION OF NIGERIA ACT

SUBSIDIARY LEGISLATION

List of Subsidiary Legislation

1. Exemption of certain Classes of Insurance Business Order.

2. National Insurance Corporation of Nigeria (Reconstruction and Merger) Order.

EXEMPTION OF CERTAIN CLASSES OF INSURANCE BUSINESS ORDER

[L.N. 84 of 1970.]

under section 8 (4)

[2nd January, 1971]

[Commencement.]

1. Exemption of certain classes of insurance business

The following classes of insurance business are hereby exempted from the provisions of section 8 (l) of the National Insurance Corporation of Nigeria Act, that is to say-
[Cap. N54.]

- (a) life insurance business;
- (b) marine insurance business.

1. Short title

(l) This order may be cited as the Exemption of Certain Classes of Insurance Business Order.

(2) The Exemption of Certain Classes of Insurance Business Order 1969 is hereby revoked.

[L.N. 57 of 1969.]

NATIONAL INSURANCE CORPORATION OF NIGERIA
(RECONSTRUCTION AND MERGER) ORDER

[S.1. 22 of 200 I.]

under section 33

[14th September, 200 I]

[Commencement.]

1. Application of section 591 Cap. C20

As from the commencement of this order, the provisions of section 591 of the Companies and Allied Matters Act, as modified by the Investments and Securities Act, shall apply to the National Insurance Corporation of Nigeria.

[L.F.N. 1999 No. 45.]

1. Reconstruction and merger provisions

For the purposes of giving effect to paragraph I of this order, any other provisions regarding reconstruction and merger of companies contained in the Companies and Allied Matters Act, as modified by the Investments and Securities Act, shall also be applicable to the National Insurance Corporation of Nigeria.

1. Citation

This order may be cited as the National Insurance Corporation of Nigeria (Reconstruction and Merger) Order 2001.