

**CHAPTER 29****BANKING (FREEZING OF ACCOUNTS) ACT  
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**SCHEDULES FORMS****CHAPTER 29****BANKING (FREEZING OF ACCOUNTS) ACT**

**An Act to empower the President to, where he suspects or believes that any person has been involved in certain offences including bribery and abuse of office, issue directions causing investigation into the person's account including restriction of the operation of such account in accordance with the terms of the directions.**

1984 No. 6.

[31<sup>st</sup> December 1983]

Commencement.

1. (1) Where the President has reasonable cause to suspect that transactions, whether before or after the commencement of this Act, in any account of persons (hereinafter referred to as "the account") with any bank are such as may involve the offences of

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bribery, corruption, extortion or abuse of office, he may direct or cause direction to be issued to the manager of the bank where the accounts are, or are believed to be, or in the alternative to the head office of such bank requiring the bank to freeze forthwith all transactions in the accounts concerned.

(2) The manager of a bank in which an account affected by a direction issued under subsection(1) of this section is kept shall, on receipt of a direction to that effect, forthwith suspend all banking transactions whatsoever relative to such account for such period as may be specified in the direction.

(3) Where an account has been frozen pursuant to a direction under subsection(1) of this section, the President may authorise any qualified person to issue an order requiring the bank to prepare or cause to be prepared a record of transactions in the accounts of the persons named in the orders over the period stated therein; and the manager shall prepare and certify the records as required on or before the expiration of seven working days from the date of the receipt of the order or within such extension as may be approved by the person issuing the order.

Form 1

(4) Orders for a report on accounts shall be as in Form 1 in the Schedule to this Act or to the like effect and shall be sent by registered post or may be delivered.

(5) If a receipt appears to relate to an order under this Act and to be signed by or on behalf of the bank to which it is addressed or delivered, the receipt shall be sufficient evidence of delivery without further proof.

Verification of accounts.

2. (1) A qualified person authorised in that behalf, after production to the manager of this authority, shall consider the record furnished by the bank and may, if he thinks it fit, thereafter by supplementary order as in Form 2 in the Schedule

to this Act, require the manager to give to him further information or produce books or documents relating to particular items in the record of any of the accounts; and the manager shall furnish such information within an agreed time or, if no time is agreed, then within three days after the date of the order.

(2) A qualified person investigating the accounts having completed his investigations as far as possible shall, within seven days of the receipt of the record or additional record furnished by the bank, submit his findings together with the conclusions drawn by him and the reasons therefor to the Secretary to the Federal Military Government who shall likewise thereafter report to the President.

(3) If the President, after considering the report of a qualified person submitted pursuant to subsection(2) of this section, is of opinion that items in the accounts or any of them confirm or tend to confirm the reasonable suspicion of the President under section 1(1) of this Act, he may cause an order to be issued for the continued freezing of the account concerned.

(4) Where the President is satisfied that the report submitted pursuant to subsection (2) of this section does not confirm his suspicion that the person concerned has been involved in the offences of bribery, corruption, extortion or abuse of office, he may cause to be revoked the direction freezing the account and thereafter, normal banking transactions shall forthwith resume relative to that account.

(5) Where a direction freezing an account is given pursuant to the provisions of subsection(3) of this section, the direction shall have effect for the period mentioned in the order unless sooner revoked by another order:

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Provided that the President may delegate his powers under the foregoing provisions of this section to qualified person, and the period mentioned in any such order may, from time to time by subsequent orders issued as aforesaid, be extended for such further period as may be specified in the order.

(6) Where the President after considering the reports submitted pursuant to subsection(2) of this section is of the opinion that the report confirms or tends to confirm his suspicion of the commission of the offences specified in section(1) of this Act, the president may direct that a copy of the report be delivered to the Attorney-General of the Federation and the Attorney-General shall thereafter take such action as appears to him necessary.

Transitional provisions.

3. Any account frozen by any person authorised in that behalf, whether by the President or any other authority between the date of the commencement of this Act and the date of its making, shall be deemed to have been frozen under this Act and shall have full effect as if so issued, notwithstanding any deviations from the foregoing provisions of this Act but any such freezing order still pending shall, as from the date of the making of this Act, be conducted in compliance therewith.

Indemnity for compliance.

4. Where the manager complies with any direction or order made or deemed to have been made under this Act, by the President or a person authorised by him, the bank and all persons complying with the direction, or as the case may be, any order or requirement of the person aforesaid shall be indemnified from liability to the extent of compliance therewith; and accordingly, no action, claim, suit or demand by or on behalf of any person whose account is frozen or investigated pursuant to any such direction, order or requirement shall lie against the bank or any person so complying.

Exclusion of remedies.  
Cap. 62.

5. (1) The question whether any provision of Chapter IV of the

Constitution of the Federal Republic of Nigeria has been, is being or would be contravened by anything done or proposed to be done in pursuance of this Act shall not be enquired into in any court of law, and accordingly no provision of that Constitution shall apply in relation to any such question; and no court or person shall be concerned to enquire whether the circumstances justify any order, direction or requirement under this Act.

(2) An appeal shall not lie to any court against this Act or any order made or given thereunder, or any subsequent direction or requirement of the President or a person authorised by him in that behalf, as the case may be.

6. It shall be an offence against this Act for any bank manager to refuse to comply with any direction under this Act or any order or requirement of the President or a person authorised by him in that behalf; and the penalties prescribed under the Banking Act in respect of failure to produce any book, account, document or information or in respect of any falsehood shall apply to the failure to comply with any order, direction or requirement under this Act or of any falsehood as they apply to cases within that subsection.

Offences.

Cap. 28.

7. In this Act, unless the context otherwise requires-  
"manager" includes any company or association or body of persons (corporate or unincorporate) in which the bank affected by a direction or order is, or may be, aware that the persons designated by name in such direction or order are interested as directors, partners, managers, or agents;

Interpretation.

"President" means the President, Commander-in-Chief of the Armed Forces or any person authorised by him in any regard under this Act;

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Short title.

8. This Act may be cited as the Banking (Freezing Accounts) Act

**SCHEDULE  
FORMS  
FORM 1**

**ORDER FOR REPORT ON ACCOUNTS  
(under the Banking (Freezing of Accounts) Act)**

To the Manager.....  
(here insert name of bank and the location)

You and all persons in the employment of the aforesaid bank are hereby ordered by the President under the provisions of the Banking (Freezing Accounts) Act to prepare a record of transactions in the accounts of the following persons, namely.....

.....  
(here insert names)

2. The period to be covered is.....  
(here insert the time)

and if an account is now closed, the date when it was closed is to be stated.

3. The record of transactions is to be made available to any bank examiner or qualified person (on production of his authority) on or before the.....day of.....19.....

**AND NOTICE IS HEREBY GIVEN-**

(a) that a bank examiner or other qualified person (after production of his authority to investigate accounts under the above Act) may require further information relative to particular cases and is empowered to impose a freezing order for a period of up to .....

(b) that the failure to comply with the requirements of this order is an offence under the Act for which penalties are

prescribed: and

(c) that to the extent of due compliance, an indemnity is provided under the Act.

DATED at .....this.....day of .....19.....

.....  
Bank Examiner or qualified person

FORM 2

SUPPLEMENTARY ORDER

(this form may be amended according to circumstances)

To the  
Manager.....

(here insert name and branch of

Bank)

UNDER the authority conferred on me by section 2 of the Banking(Freezing of Accounts) Act you are hereby ordered-

(a) to supply the following information relating to the undermentioned accounts, that is to say.....

.....  
*(here set out briefly the information required in respect of named accounts)*

(b) to produce the books and documents relating to the under mentioned accounts, that is to say.....

.....  
*(here set out the books and documents to be produced in respect of named accounts)*

(c) to stop all outward payments, operations or transactions

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(including bills of exchange) as far as possible in the ordinary course of banking in respect of the following accounts.....

.....

*(here indicate the accounts)*

2. Nothing in this order shall prevent any transaction submitted to and approved by a bank examiner, or the withdrawal without such approval on any one banking day or thereafter at intervals of not less than one week of amounts not exceeding at any one time.....

(here state the amount N.....

N.....in the case of a corporate account.)

3. This Order shall cease to have effect after the .....day of.....19..... unless sooner revoked by a bank examiner or qualified person.

DATED at .....this .....day of .....19.....

.....  
Bank Examiner or qualified person