8TH NATIONAL ASSEMBLY
SECOND SESSION
No. 89

SENATE OF THE FEDERAL REPUBLIC OF NIGERIA

VOTES AND PROCEEDINGS

Tuesday, 9th May, 2017

1. The Senate met at 10:42 a.m. The Senate President read Prayers.

2. **Votes and Proceedings:**
The Senate examined the Votes and Proceedings of Thursday, 4th May, 2017.

Question was put and the Votes and Proceedings were approved.

3. **Message from Mr. President:**
The Senate President announced that he had received a letter from Mr. President, Commander-in-Chief of the Armed Forces of the Federation, which he read as follows:

Medical follow-up:

PRESIDENT,
FEDERAL REPUBLIC OF NIGERIA

5th May, 2017

Distinguished Senator Abubakar Bukola Saraki
President of the Senate,
Senate Chambers,
National Assembly Complex,
Three Arms Zone,
Abuja.

Dear Distinguished Senate President,

<u>MEDICAL FOLLOW- UP</u>

In compliance with Section 145 (1) of the 1999 Constitution (as amended), I wish to inform the Distinguished Senate that I will be away for a scheduled medical follow - up with my doctors in London. The length of my stay will be determined by the doctors' advice. While I am away, the Vice President will coordinate the activities of the Government.

Please accept, Distinguished Senate President, the assurances of my highest consideration.

Yours Sincerely,
(Signed)
Muhammadu Buhari

4. Announcements:

(a) ***Nigeria-Germany Parliamentary Friendship Group:***

The Senate President named the following Senators as Members of the Nigeria-Germany Parliamentary Friendship Group:

(i)	Senator Bala Ibn Na'Allah	—	Chairman
(ii)	Senator Enyinnaya H. Abaribe	—	Member
(iii)	Senator Abubakar Kyari	—	Member
(iv)	Senator Monsurat J. A. Sunmonu	—	Member
(v)	Senator Samuel O. Egwu	—	Member
(vi)	Senator Ben Murray-Bruce	—	Member
(vii)	Senator David Umaru	—	Member

(b) ***Nigeria-Morocco Parliamentary Friendship Group:***

The Senate President named the following Senators as Members of the Nigeria-Morocco Parliamentary Friendship Group:

(i)	Senator Ike Ekweremadu	—	Chairman
(ii)	Senator Philip T. Aduda	—	Member
(iii)	Senator Abdullahi Adamu	—	Member
(iv)	Senator Bukar Abba Ibrahim	—	Member
(v)	Senator Gershom O. Bassey	—	Member
(vi)	Senator Dino Melaye	—	Member
(vii)	Senator Olanrewaju A. Tejuoso	—	Member
(viii)	Senator Sabo M. Mohammed	—	Member
(ix)	Senator Francis A. Alimikhena	—	Member

(c) ***Dangerous Drugs Act (Amendment) Bill, 2017:***

The Senate President named the following Senators as Conferees of the Dangerous Drugs Act (Amendment) Bill, 2017:

(i)	Senator Olanrewaju A. Tejuoso	—	Chairman
(ii)	Senator Matthew A. Urhoghide	—	Member
(iii)	Senator Suleiman M. Nazif	—	Member
(iv)	Senator Andy E. Uba	—	Member
(v)	Senator Theodore A. Orji	—	Member
(vi)	Senator David J. Jang	—	Member

(d) ***Acknowledgment:***

The Senate President acknowledged the presence of the Staff and Students of St. Louis Secondary School, Bompai, Kano State who were in the gallery to observe Senate Proceedings.

5. Personal Explanation:

Rising on Rule 43, Senator John O. Enoh *(Cross River Central)* drew the attention of the Senate to his Party Membership resignation from the Peoples Democratic Party (PDP), and his formal registration with the All Progressives Congress (APC) along with his teaming supporters on Saturday, 6^{th} May, 2017, in Agbokim-Obi Ward, Etung Local Government Area of Cross River State.

6. **Committee on Appropriations:**
Report on the 2017 Appropriation Bill, 2017 (SB. 412):
Motion made: That the Senate do receive the Report of the Committee on Appropriations on the 2017 Appropriation Bill, 2017 (*Senator Mohammed D. Goje — Gombe Central*).

Question put and agreed to.

Report Laid.

7. **Committee on Ethics, Privileges and Public Petitions:**
Motion made: That the Senate do receive the Reports of the Committee on Ethics, Privileges and Public Petitions in respect of:

a. Petition from Mr. Ghali Mustapha against the Nigeria Police for Alleged Wrongful Dismissal from the Service;

b. Petition from Mr. Mohammed Sani Lapai against the Securities and Exchange Commission for Alleged Unlawful Disengagement from the Service of the Commission; and

c. Petition From Captain James Pere Femowei (Rtd) against the Nigerian Army for Alleged Non-Inclusion in Military Pension by the Army (*Senator Samuel N. Anyanwu — Imo East*).

Question put and agreed to.

Reports Laid.

8. **Committee on Banking, Insurance and Other Financial Institutions:**
Report on the Credit Bureau Services Bill, 2017 (SB. 205):
Motion made: That the Senate do consider the Report of the Committee on Banking, Insurance and Other Financial Institutions on the Credit Bureau Services Bill, 2017 (*Senator Rafiu I. Adebayo — Kwara South*).

Question put and agreed to.

Report presented.

Motion made: That the Senate do resolve into the Committee of the Whole to consider the Report *(Senate Leader)*.

Question put and agreed to.

(SENATE IN THE COMMITTEE OF THE WHOLE)

CONSIDERATION OF A BILL FOR AN ACT TO PROVIDE FOR THE FRAME WORK FOR CREDIT REPORTING AND OTHER RELATED MATTERS, 2017.

Clause 1: **Objectives of the Bill.**
The Objectives of this Bill are to:—

(a) facilitate and promote access to credit, and enhance risk management in credit transactions;

(b) promote access to, accurate, fair and reliable credit information, and to protect the privacy of such information;

(c) set standards and conditions for the establishment, regulation and operations of credit bureaux;

(d) promote fair and competitive credit reporting system;

(e) promote responsibility in the credit market by encouraging responsible borrowing, avoidance of over-indebtedness and fulfillment of financial obligations by consumers, and discouraging reckless credit granting by credit providers and contractual default by consumers; and

(f) facilitate credit information sharing

Committee's Recommendation:
That the provision in Clause 1 be retained (*Senator Rafiu I.Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 1 do stand part of the Bill, put and agreed to.

PART II - LICENSING AND REGULATION OF CREDIT BUREAUX

Clause 2: **No operation without a Licence.**

(1) No person shall establish, operate or conduct business as a credit bureau or otherwise engage in, or perform the functions or activities of a credit bureau, unless such person is licensed by the Bank in accordance with the provisions of this Bill.

Conditions for the grant of a Licence

(2) Any person desiring to undertake business as a credit bureau in Nigeria shall apply in writing to the Governor for the grant of a Licence and shall accompany the application with such documentation and information as the Bank may, by regulations, prescribe from time to time.

(3) A person shall not be licensed by the Bank to operate as a Credit Bureau unless such person: —

(a) is duly incorporated in Nigeria as a company limited by shares in accordance with the provisions of the Companies and Allied Matters Act (or any replacement thereof); and

(b) meets the minimum capital requirements, and satisfies such other requirements and procedures as the Bank may, by regulations, prescribe from time to time.

(4) Upon satisfying the conditions in subsections (1) and (2) of this section, the Bank shall issue a Licence to such person, subject to such terms and conditions as may be specified by the Bank in the Licence.

(5) Where an application for a Licence is refused, the Bank shall state the reasons for such refusal in a notice of refusal to the applicant, and where applicable, the Bank may advise the applicant of the necessary actions which the applicant needs to take before resubmitting a fresh application for a Licence.

Time limit for decision on grant of Licence

(6) The Bank shall communicate its decision on an application for a Licence within three months from the date of receipt of the application and all accompanying documentation and requirements.

Committee's Recommendation:
That the provision in Clause 2 be retained (*Senator Rafiu I.Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 2 do stand part of the Bill, put and agreed to.

PART III - OPERATIONS OF CREDIT BUREAUX

Clause 3: **Functions of Credit Bureaux**

(1) Credit Bureaux shall perform the following functions: —

(a) creating and maintaining a database of credit and credit-related information in accordance with the provisions of this Bill;

(b) receiving, collating and compiling credit and credit-related information from Credit Information Providers; Credit Information Users; and such other persons as the Bank may from time to time prescribe;

(c) issuing Credit Reports, and providing other services that relate to Permissible Purposes;

(d) investigating, at the request of a Credit Information User, an application for credit on behalf of any person to whom an application for a credit based transaction has been made;

(e) carrying out such other functions and services that are compatible with the nature of the foregoing activities, provided that the confidentiality of any information which they obtain in the course of carrying out such functions or rendering such services shall be maintained in the manner prescribed under this Bill; and

(f) Carrying out such other functions and activities as the Bank may by regulations prescribe from time to time.

(2) No Credit Bureau shall engage in any form of business other than those referred to in subsection (1) of this section.

(3) In performing its functions, a Credit Bureau: —

(a) shall not offer an opinion on the creditworthiness or otherwise of a Data Subject when issuing Credit Reports;

(b) shall implement procedures and systems that ensure that the Credit Information on its database is updated on an on-going basis, and update its database as often as necessary in accordance with the nature of the information stored, or whenever information is provided by a Credit Information Provider;

(c) shall, where the information reported or submitted to it appears to be inaccurate, incomplete, misleading, or contains any manifest error, take reasonable steps to verify the accuracy of such Credit Information;

(d) shall not include information relating to race, ethnicity, colour, religion or political affiliation either in its data format or in the Credit Reports or any other report or feedback that it provides to Credit Information Users;

(e) shall not release or provide Credit Information to any Credit Information User with which it does not have a Data Exchange Agreement, unless the written or other authenticated consent of the relevant Data Subject has been obtained and shown to the Credit Bureau (such consent to be in a form and substance satisfactory to the Credit Bureau); and

(f) may charge such fees, as the Bank may from time to time approve, for providing Credit Information

Committee's Recommendation:
That the provision in Clause 3 be retained (*Senator Rafiu I.Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 3 *do stand part of the Bill, put and agreed to.*

Clause 4: **Collaboration with CRMS and Other Public Registries.**

(1) The CRMS shall continue to perform its regulatory and prudential functions on behalf of the Bank.

(2) In performing its functions, a Credit Bureau may from time to time, request for Credit Information from the CRMS and Other Public Registries, and the CRMS and the Other Public Registries shall upon such request, provide the requested information to the Credit Bureau, and the Credit Bureau may include such information in Credit Reports issued to Credit Information Users.

Committee's Recommendation:
That the provision in Clause 4 be retained (*Senator Rafiu I.Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 4 *do stand part of the Bill, put and agreed to.*

Clause 5: **Retention period of Credit Information.**

A Credit Bureau shall maintain Credit Information for a period of not less than six (6) years from the date on which such Credit Information was provided to it or, if later, from the date on which it last provided such information to a Credit Information User, after which such Credit Information shall be archived for a further period of ten (10) years, and may thereafter be destroyed by the Credit Bureau.

Committee's Recommendation:
That the provision in Clause 5 be retained (*Senator Rafiu I.Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 5 *do stand part of the Bill, put and agreed to.*

Clause 6: **Obligations of Credit Bureaux.**

(1) A Credit Bureau shall at all times: —

(a) implement strict data quality control procedures in order to ensure the quality of its database and the continuity of its services;

(b) utilise the Credit Information collected solely for the purposes allowed under this Bill;

(c) adopt measures and procedures to detect the misuse of data held in its database and ensure the confidentiality and security of such data;

(d) adopt procedures to allow Credit Information Providers to correct data found to be inaccurate, invalid, incomplete or out of date;

(e) provide to the Bank for the purpose of supervision, unrestricted access to all the Credit Information managed by the Credit Bureau, either through access to its systems or in other manner stipulated by the Bank;

(f) maintain reasonable and accessible dispute resolution processes and procedures to allow Data Subjects to request for the correction of Credit Reports or Credit Information which are alleged to be inaccurate, invalid, incomplete or outdated; and

(g) issue, at no cost to the Data Subject, a corrected copy of a Credit Report, either (i) at the end of a dispute resolution process challenging the accuracy of the information in a Credit Report; or (ii) upon the request of the Data Subject, when the Credit Report of a Data Subject is found to contain inaccurate, invalid or incomplete data.

(2) A Credit Bureau shall refuse to provide a Credit Report or to perform any other function if the provision of such report or the performance of such function contravenes or will contravene a provision of this Bill or any other law.

Committee's Recommendation:
That the provision in Clause 6 be retained (*Senator Rafiu I.Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 6 do stand part of the Bill, put and agreed to.

Clause 7: **Permissible Purposes for accessing Credit Information.**

(1) A Credit Information User may only seek Credit Information from a Credit Bureau for a Permissible Purpose.

(2) For the purpose of this Bill, Permissible Purpose includes: —

(i) considering an application for credit by any person or considering a person's qualification to act as a guarantor for any credit;

(ii) reviewing, renewing, restructuring or monitoring of existing credit facilities;

(iii) carrying out employment checks on employees or prospective employees;

(iv) assessing the creditworthiness of a prospective tenant in any lease or tenancy;

(v) underwriting, reviewing, renewing insurance policies or analysing insurance claims;

(vi) considering applications for credit contracts or other post-paid services;

(vii) taking actions in respect of debt collection, enforcement of a monetary judgment or enforcement of any other debt;

(viii) satisfying a request by a Data Subject to validate the correctness or otherwise of Credit Information held by a Credit Bureau in respect of such Data Subject;

(ix) providing credit scoring services by Credit Bureaux;

(x) complying with any court order to provide Credit Information or where a person is required by applicable law to provide Credit Information in respect of any other person;

(xi) complying with the directive of a regulatory authority or a public body to provide Credit Information;

(xii) carrying out know-your-customer checks on any person for any Permissible Purpose or as may be required by law; and

(xiii) such other purposes as the Bank may from time to time specify or direct.

Committee's Recommendation:
That the provision in Clause 7 be retained (*Senator Rafiu I.Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 7 do stand part of the Bill, put and agreed to.

PART IV - POWERS OF THE CENTRAL BANK OF NIGERIA.

Clause 8: **Powers of the Central Bank of Nigeria.**

(1) The Bank shall have powers to: —

(a) license and regulate Credit Bureaux;

(b) make regulations and issue guidelines on the licensing, management, ownership and operations of Credit Bureaux and for the general operations of the credit reporting system in Nigeria

(c) review, monitor and supervise the operations of Credit Bureaux;

(d) vary or impose fresh or additional conditions on a Licence;

(e) revoke or suspend Licences in accordance with the provisions of this Bill;

(f) periodically publish information and statistics on the activities of Credit Bureaux;

(g) carry out routine or special examination or investigation of the books and affairs of Credit Bureaux and take appropriate actions as the circumstances may require following such examinations to ensure that Credit Bureaux continue to operate optimally and in accordance with this Bill;

(h) take measures to protect the interests of Data Subjects and to generally protect the integrity of the credit reporting system against abuses;

(i) impose pecuniary and other penalties for the contravention of this Bill,

(j) undertake other activities necessary or expedient to give full effect to the provisions of this Bill; and

(k) perform other functions specified under this Bill.

Exercise of the powers of the Bank

(2) The Bank may authorise or instruct any officer or employee of the Bank to perform any of the functions, exercise any powers, or discharge any of its duties under this Bill, and may either generally or in any particular case, appoint any person who is not an officer or employee of the Bank, to render such assistance as the Bank may specify in the exercise of its powers, the performance of its functions, or the discharge of its duties under this Bill, or to exercise, perform or discharge the functions and duties on behalf and in the name of the Bank.

Committee's Recommendation:
That the provision in Clause 8 be retained (*Senator Rafiu I.Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 8 *do stand part of the Bill, put and agreed to.*

PART V- RIGHTS, OBLIGATIONS AND RESPONSIBILITIES OF VARIOUS PERSONS

Clause 9: Confidentiality Rights of Data Subjects.

(1) save as otherwise provided under this act, data subjects shall have the right to the privacy, confidentiality and protection of theircredit information.

(2) Notwithstanding any other provision of this Bill:—

(a) Credit Information relating to a Data Subject may be disclosed by a Credit Information Provider to a Credit Bureau without the prior consent of the Data Subject to which such information relates;

(b) a Credit Bureau shall not disclose information relating to a Data Subject to a Credit Information User except:—

(i) it has a Data Exchange Agreement with the Credit Information User and the disclosure is for a Permissible Purpose, provided that a Credit Bureau shall be entitled to assume that Consent has been obtained by the Credit Information User, unless the Credit Bureau knows, believes or has reasons to believe that such Consent has not been obtained ; or

(ii) written consent of the Data Subject has been obtained by the Credit Information User in accordance with section 17(e) of this Bill, and provided to the Credit Bureau (such consent to be in a form and substance satisfactory to the Credit Bureau);

(c) a Credit Information User shall not disclose any Credit Information received from a Credit Bureau to any person or use such information for any purpose other than a Permissible Purpose, except with the written consent of the Data Subject.

(3) Notwithstanding subsections (1) and (2) of this section or any other provision of this Bill:—

(a) a Credit Bureau, a Credit Information Provider or a Credit Information User shall upon written request, discloseany information relating to a Data Subject to: —

(i) the Bank;

(ii) any other person pursuant to a court order; or

(iii) where such disclosure is otherwise required under applicable law, in each case, whether or not Consent has been obtained; and

(b) the consent of a Data Subject shall not be required to disclose Credit Information on such Data Subject where the Data Subject is involved in the issuance of dishonoured cheques owning to lack of funds or involved in any other financial or credit-related malpractice, and such disclosure is required for the purpose of investigating or prosecuting such malpractice.

(4) Where Consent is obtained under this section, such Consent shall be valid only for the specific transaction or purpose in respect of which it was obtained and shall lapse immediately after that transaction is consummated or purpose is satisfied, such that Consent shall be obtained for each subsequent transaction or purpose.

(5) For the purpose of this Bill, any confidentiality obligations owed to a Data Subject by a Credit Information Provider or a Credit Information User (whether under law or contract) are hereby waived or modified to the extent required to bring such obligations in conformity with the provisions of this Bill.

(6) Data Subjects shall have the following additional rights:—

(a) a right to request and obtain, once a year, one free Credit Report from a Credit Bureau, provided that a Data Subject shall be entitled to, at any time, request additional Credit Reports on him or her upon payment of any applicable fee;

(b) the right to contest the accuracy of information in his or her Credit Report and have same resolved in line with the provisions of this Bill, provided that a Data Subject that seeks to contest the accuracy of the information on the Credit Report must do so within fifteen (15) working days of receiving the relevant Credit Report; and

(c) if an application or a transaction involving the Data Subject is declined based on information in his or her Credit Report, the Data Subject shall be entitled to be informed by the Credit Information User of the reason for the denial, and to receive a copy of the report from the Credit Information User at no extra cost (*Senator Rafiu I. Adebayo — Kwara South*).

Amendment Proposed:
Immediately after the word "User" in line 4, *insert* the words "within fifteen (15) working days" (*Senator Chukwuka G. Utazi — Enugu North*).

Question that the amendment be made, put and agreed to.

Question that Clause 9 *as amended do stand part of the Bill, put and agreed to.*

Clause 10: Obligation of Data Subjects to Update Information.
It shall be the obligation of the Data Subject to notify the relevant Credit Information Provider of any change in such Data Subject's demographic data from time to time.

Committee's Recommendation:
That the provision in Clause 10 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 10 *do stand part of the Bill, put and agreed to.*

Clause 11: Rights of Credit Information Providers.
A Credit Information Provider shall be entitled:—

(a) to receive services from a Credit Bureau subject to the execution of a Data Exchange Agreement with the Credit Bureau; and

(b) subject to the provisions of this Bill, to the integrity and protection of data submitted by it to a Credit Bureau.

Committee's Recommendation:
That the provision in Clause 11 be retained (*Senator Rafiu I.Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 11 *do stand part of the Bill, put and agreed to.*

Clause 12: Responsibilities of Credit Information Users.
The obligations of Credit Information Users include to:—

Amendment Proposed:
Immediately after the word "Users" *insert* the word "shall" instead thereof . Thereafter *leave out* the word "to" (*Senator Bala Ibn Na'Allah — Kebbi South*).

Question that the amendment be made, put and agreed to.

(a) protecting the integrity and confidentiality of information obtained on a Data Subject;

(b) using Credit Reports obtained from a Credit Bureau only for Permissible Purposes;

(c) furnishing the Data Subject with the contact details of a Credit Bureau that issues a Credit Report on the basis of which the decision to deny an application or credit transaction was denied;

(d) obtaining Consent before requesting for the Credit Report of a Data Subject from a Credit Bureaux, except in instances where Consent can be dispensed with under section 12 of this Bill;

(e) entering into a valid Data Exchange Agreement with a Credit Bureaux to enable it access or receive Credit Information or other data from such Credit Bureau. Provided that where a Credit Information User does not have a Data Exchange Agreement with the relevant Credit Bureau, it may access such information upon presenting to the Credit Bureau the written consent of the Data Subject (such consent to be in a form and substance satisfactory to the Credit Bureau);

(f) obtaining Credit Report from at least one Credit Bureau before granting any form of credit. Provided that the persons mentioned in paragraphs (viii) and (ix) of the definition of Credit Information Providers, shall not, in their capacity as Credit Information Users, be obligated to obtain at least a Credit Report before extending credit or entering into credit based transactions (except where such persons are otherwise regulated under any applicable law); and

(g) fulfilling any other obligations in accordance with any other law including regulations and guidelines issued by the Bank (*Senator Rafiu I. Adebayo — Kwara South*).

Question that Clause 12 *as amended do stand part of the Bill, put and agreed to.*

Clause 13: Contract Governing Relationship Between the Credit Bureau and Users of Information.

The relationship between the Credit Bureaus and users shall be governed by a separate agreement which shall contain the following amongst others: —

(a) Non disclosure clause or confidentiality of information for parties involved;

(b) Time frame for issuance of information to facilitate credit report;

(c) Time frame for issuance of credit report;

(d) Accuracy of information supplied;

(e) Other provisions as may be necessary for smooth operation of the Scheme.

Committee's Recommendation:

Leave out the provision in Clause 13 (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Clause 14: Changes in Status of Customer.

Once a Credit is consummated changes in the customer's status shall not be a ground for variation of the provisions of the offer letter, if such variation shall adversely affect the customer:—

Provided that in certain cases the terms of offer shall be varied by consent of both parties.

Committee's Recommendation:

Leave out the provision in Clause 14 (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Clause 15: Duration of Validity of Negative Information.

Any negative report on persons shall lapse on expiration of seven years except in the circumstances listed below:—

(a) Report on criminal convictions shall run without limitation;

(b) Report on job application for senior positions requiring a minimum qualification of first degree or its equivalent shall have no time limit;

(c) Report on Bankruptcy information shall run for 10 years;

(d) Report on lawsuit or outstanding judgment against the judgment debtor shall last for 10 years.

Committee's Recommendation:
Leave out the provision in Clause 15 (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Clause 16: Minimum Amount Subject to Credit Bureau Report.
Credit Report shall only be obtained In respect of loans of N100,000 and above.

Committee's Recommendation:
Leave out the provision in Clause 16 (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Clause 17: Abolition of Unfair Debt Collection Practices.

(a) From the commencement of this Act, all unfair debt collection practices such as issuance of threat, intimidation, harassment through law enforcement agents which include but not limited to usage of Police, Army, Navy, Air Force and other related security agents to collect debt is hereby prohibited;

(b) All debt collection exercise shall upon failure by the customer to fulfill his obligation after necessary notices have been issued be referred to court for adjudication provided however that the chief judge of each state of the federation and the FCT Chief Judge shall issue special practice directions from time to time to speed up recovery of the loans;

(c) All credit fraudulently obtained shall be treated as criminal offences.

Committee's Recommendation:
Leave out the provision in Clause 17 (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Clause 18: Power to make regulations.
The Minister may make regulations as may be necessary or expedient for giving effects to the provision of this Act.

Committee's Recommendation:
Leave out the provision in Clause 18 (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

PART VI- COMPLAINT AND DISPUTE RESOLUTION

Clause 19: Dispute Resolution Process.

(1) Where a Data Subject has any complaint regarding the accuracy, validity, completeness or otherwise of any Credit Information or the contents of a Credit Report, the Data Subject shall submit a complaint in writing (whether by electronic mail or other written means) to the Credit Information Provider or Credit Bureau.

(2) A Credit Information Provider or Credit Bureau shall upon receipt of a complaint investigate, determine and communicate the outcome of the determination of such complaint to the Data Subject within ten (10) working days following the receipt of the complaint.

(3) If the complaint is not resolved within ten (10) working days of receiving same, the Credit Provider shall immediately (but in any case no more than three (3) working days) refer the complaint to the Bank which shall resolve the complaint within ten (10) working days of the complaint being escalated to it.

(4) If the Bank does not resolve the complaint within ten (10) working days or a party to the complaint is otherwise dissatisfied with the determination of the Bank, the dissatisfied party shall have a right to proceed to a court of competent jurisdiction for resolution of the dispute.

(5) A dispute shall be deemed resolved where the Credit Information Provider which provided the contested information admits that the information is inaccurate, invalid, incomplete or out-of-date and forwards the rectified Credit Report to the Credit Information Provider and the Data Subject.

(6) For the duration of the investigation or resolution of any complaint pursuant to this section, section 16(3) or any other section of this Bill, the Credit Information in the Credit Bureau must indicate that the Data Subject's Credit Information is under dispute.

(7) Where there are legal liabilities or costs arising from the inaccurate data as a result of illegal activity, gross negligence, misconduct or reckless behaviour, the Credit Information Provider or the Credit Bureau shall be liable, depending upon their degree of culpability.

(8) A Credit Bureau may claim against the Credit Information Provider whenever it is held liable for any incorrect, incomplete or out of date information; and Credit Information Users shall be held liable in the event of wrongful or fraudulent use of the Credit Information.

Committee's Recommendation:
That the provision in Clause 19 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 19 *do stand part of the Bill, put and agreed to.*

PART VII- REVOCATION AND SUSPENSION OF LICENCES

Clause 20: **Revocation of a Licence.**
A Licence may be revoked by the Bank if the Credit Bureau:—

(a) ceases to carry on business in line with the terms in the Licence granted for a continuous period of six (6) months or any period aggregating six (6) months during a continuous period of twelve (12) months;

(b) a winding-up or analogous order has been made against it or a resolution for voluntary winding up has been passed or it is otherwise dissolved;

(c) fails to comply with minimum capital requirements prescribed by the Bank from time to time or to fulfil or comply with any condition subject to which the Licence was granted;

(d) fails to commence business within six (6) months immediately after the date of issue of a Licence, unless it notifies the Bank of, and the Bank confirms in writing that it is satisfied with, the reason for not commencing business within that period;

(e) breaches the provisions of a law which deals with data protection, computer misuse, or electronic transactions;

(f) obtained the Licence on the premise of wrong, false, misleading information or concealment of material information which, if known at the time of evaluation of the application for the Licence, the Bank would not have been granted a Licence;

(g) applies to the Bank for the revocation of the Licence; or

(h) fails to comply with the provisions of this Act or the regulations, guidelines or other directives made or issued by the Bank pursuant to this Bill, and the Bank is of the opinion that such failure justifies the revocation of the Licence.

Committee's Recommendation:
That the provision in Clause 20 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 20 *do stand part of the Bill, put and agreed to.*

Clause 21: **Suspension of a Licence.**
The Bank may suspend a Licence for a specified period if the licensee has engaged in any of the activities justifying a revocation of a Licence under section 19 of this Bill, but the Bank is of the opinion that a suspension of the Licence is a more appropriate action to take in the circumstance.

Committee's Recommendation:
That the provision in Clause 21 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 21 *do stand part of the Bill, put and agreed to.*

Clause 22: **Notice of revocation or suspension of a Licence**
Where the Bank proposes to revoke or suspend a Licence, it shall before exercising such power, give notice of its intention to the Credit Bureau concerned, and give the Credit Bureau an opportunity to make representations in respect thereof. If following such representations, the Bank determines that the Licence should be revoked or suspended, the Bank shall give notice in writing of that decision to the Credit Bureau and shall specify in the notice, the defect, omission or breach which occasioned the revocation or suspension (as the case may be), and make such consequential directives in the notice as the Bank may deem fit to make in the circumstance.

Committee's Recommendation:
That the provision in Clause 22 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 22 *do stand part of the Bill, put and agreed to.*

Clause 23: **Actions in lieu of revocation or suspension.**
The Bank may, in lieu of revoking or suspending a Licence, require the Credit Bureau to take such measures to regularise the breach or violation within such time as the Bank may specify and may in addition impose such monetary penalty or other sanctions as it may consider necessary.

Committee's Recommendation:
That the provision in Clause 23 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 23 *do stand part of the Bill, put and agreed to.*

Clause 24: **Power to make regulations on consequences of revocation of a Licence**
The Bank may by regulations stipulate the manner in which the business or affairs of a Credit Bureau which Licence has been revoked may be wound up or continued by another Person including on matters such as safeguarding information or data on such Credit Bureau's database, handing over the Credit Bureau's entire database to another person and such other matters as the Bank may deem appropriate to regulate as the consequences of the revocation of a Licence.

Committee's Recommendation:
That the provision in Clause 24 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 24 *do stand part of the Bill, put and agreed to.*

Clause 25: **Jurisdiction**
A person who is dissatisfied with the decision of the Bank to revoke or suspend a Licence may apply to the Federal High Court for a review of the decision.

Committee's Recommendation:
That the provision in Clause 25 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 25 *do stand part of the Bill, put and agreed to.*

PART VIII- OFFENCES, PENALTIES AND RELATED MATTERS

Clause 26: **Offences under the Bill.**
(1) The following shall constitute offences under the Bill:—

Amendment Proposed:
Leave out the provision in Clause 26(1) and *insert* the following instead thereof:
"(1) Whosoever" (*Senator Bala Ibn Na'Allah — Kebbi South*).

Question that the amendment be made, put and agreed to.

(a) contravention of section 2 of this Bill or providing credit bureau services after a Licence has been revoked or suspended;

Amendment Proposed:
Leave out the provision in Clause 26(a) and *insert* the following instead thereof:
"(a) in contravention of section 2 of this Bill provides credit bureau services after a Licence has been revoked or suspended; is said to have committed an offence under the law" (*Senator Bala Ibn Na'Allah — Kebbi South*).

Question that the amendment be made, put and agreed to.

(b) knowingly, maliciously or negligently providing inaccurate, incomplete, misleading or false information to Credit Bureaux, Credit Information Provider, Credit Information User or Data Subjects;

Amendment Proposed:
Leave out the provision in Clause 26(b) and *insert* the following instead thereof:
"(b) intentionally or negligently providing inaccurate, incomplete, misleading or false information to Credit Bureaux, Credit Information Provider, Credit Information User or Data Subjects; is said to have committed an offence under the law" *(Senator Bala Ibn Na'Allah — Kebbi South).*

Question that the amendment be made, put and agreed to.

(c) knowingly, maliciously or negligently disclosing Credit Information in contravention of the provisions of this Bill;

Amendment Proposed:
Leave out the provision in Clause 26(c) and *insert* the following instead thereof:
"(c) intentionally or negligently disclosing Credit Information in contravention of the provisions of this Bill; is said to have committed an offence under the law" *(Senator Bala Ibn Na'Allah — Kebbi South).*

Question that the amendment be made, put and agreed to.

(d) tampering or altering Credit Information received in such a manner as incorrectly represent the information received;

Amendment Proposed:
Leave out the provision Clause 26(d) and *insert* the following instead thereof:
"(d) tamper or alter Credit Information received in such a manner as incorrectly represent the information received; is said to have committed an offence under the law" *(Senator Bala Ibn Na'Allah — Kebbi South).*

Question that the amendment be made, put and agreed to.

(e) knowingly or wilfully obtaining information from a Credit Bureau under false pretence or for a purpose other than a Permissible Purpose;

Amendment Proposed:
Leave out the provision Clause 26(e) and *insert* the following instead thereof:
"(e) intentionally obtaining information from a Credit Bureau under false pretence or for a purpose other than a Permissible Purpose; is said to have committed an offence under the law" *(Senator Bala Ibn Na'Allah — Kebbi South).*

Question that the amendment be made, put and agreed to.

(f) using Credit Information for a purpose other than a Permissible Purpose;

Amendment Proposed:

Leave out the provision Clause 26(f) and *insert* the following instead thereof:

"(f) use Credit Information for a purpose other than a Permissible Purpose; is said to have committed an offence under the law" (*Senator Bala Ibn Na'Allah — Kebbi South*).

Question that the amendment be made, put and agreed to.

(g) wrongful alteration, modification or deletion of records by a Credit Bureau from its database;

Amendment Proposed:

Leave out the provision Clause 26(g) and *insert* the following instead thereof:

"(g) wrongfully alter, modify or delete records of a Credit Bureau from its database; is said to have committed an offence under the law" (*Senator Bala Ibn Na'Allah — Kebbi South*).

Question that the amendment be made, put and agreed to.

(h) unauthorised disclosure or use of Credit Information, or the provision of Credit Information to any person carrying on the business, or performing the functions, of a credit bureau without a Licence; and

Amendment Proposed:

Leave out the provision Clause 26(h) and *insert* the following instead thereof:

"(h) unauthorise disclosure or use of Credit Information, or the provision of Credit Information to any person carrying on the business, or performing the functions, of a credit bureau without a Licence; and is said to have committed an offence under the law; and" (*Senator Bala Ibn Na'Allah — Kebbi South*).

Question that the amendment be made, put and agreed to.

(i) failure by a Credit Information Provider or a Credit Bureau to submit or update data within the time frame stipulated under this Bill or within such other time frame that may be specified by the Bank from time to time.

(2) Any person being a director, manager, secretary or other similar officer of a Credit Bureau who fails to take all reasonable steps to (i) secure compliance by the Credit Bureau with the requirements of this Bill; or (ii) correctly represent information received in any statement submitted under the provisions of this Bill, shall be guilty of an offence (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 26 as amended do stand part of the Bill, put and agreed to.

Clause 27: **Fines and Penalties.**

(1) A person who commits an offence under subsection (1)(a) of section 26 of this Bill shall on conviction be liable to a term of imprisonment not exceeding ten years or to a prescribed monetary penalty or to both such imprisonment and prescribed monetary penalty.

Amendment Proposed:
Immediately after words "or to a" in line 3, *leave out* all the words and *insert* the words "a fine not less than ₦10 Million" instead thereof (*Senator Bala Ibn Na'Allah — Kebbi South).*

Question that the amendment be made, put and agreed to.

(2) Any person who commits an offence under subsection 1 (b) - (i) of section 26 of this Bill shall on conviction be liable to a prescribed monetary penalty or a term of imprisonment of not less than ten (10) years or to both such imprisonment and prescribed monetary penalty.

Amendment Proposed:
Immediately after words "liable to" in line 2, *leave out* all the words and *insert* the words "a fine not less than ₦10 Million" instead thereof (*Senator Bala Ibn Na'Allah — Kebbi South).*

Question that the amendment be made, put and agreed to.

(3) Any person who commits an offence under subsection 2 of section 26 of this Bill shall on conviction be liable to a prescribed monetary penalty or imprisonment for a term of 3 years or to both such imprisonment and prescribed monetary penalty.

Amendment Proposed:
Immediately after words "3 years or" in line 3, *leave out* all the words and *insert* the words "a fine not less than ₦3 Million"instead thereof (*Senator Bala Ibn Na'Allah — Kebbi South).*

Question that the amendment be made, put and agreed to.

(4) Notwithstanding any of the provisions of this Bill, the Bank may impose a prescribed monetary penalty or suspend a Licence for failure to comply with any rules, regulations, guidelines or administrative directives made, given or issued to the Credit Bureaux under this Bill (*Senator Rafiu I. Adebayo — Kwara South*).

Question that Clause 27 as amended do stand part of the Bill, put and agreed to.

Clause 28: Liability of Directors and other officers
Where any offence against any provisions of this Bill or any regulations made hereunder have been committed by a body corporate or a firm or any person who was a director, manager, secretary or other similar officer of the body corporate or firm purporting to act in such a capacity shall in addition to the body corporate or firm be deemed to be guilty of that offence unless he proves that the offence was committed without his consent or connivance and that he had exercised all such diligence to prevent the commission of the offence as he ought to have exercised having regard to the nature of his function in that capacity and all the circumstances.

Committee's Recommendation:
That the provision in Clause 28 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 28 *do stand part of the Bill, put and agreed to.*

Clause 29: Penalties not otherwise provided for

Any person who contravenes or fails to comply with any of the provisions of this Bill or any regulations made thereunder for which no penalty is expressly provided shall, on conviction, be liable to a prescribed monetary penalty or imprisonment for a term of six (6) months or to both such imprisonment and prescribed monetary penalty (*Senator Rafiu I. Adebayo — Kwara South*).

Amendment Proposed:

Leave out the provision in clause 29 and *insert* the following instead thereof:

"Any person who contravenes or fails to comply with any of the provisions of this Bill or any regulations made thereunder for which no penalty is expressly provided shall, on conviction, be liable to a prescribed monetary penalty of a fine not less than ₦10 Million or imprisonment for a term of ten (10) years or to both such imprisonment and prescribed monetary penalty" *(Senator Bala Ibn Na'Allah — Kebbi South).*

Question that the amendment be made, put and agreed to.

Question that Clause 29 *as amended do stand part of the Bill, put and agreed to.*

Clause 30: Payment of fines

(1) Where a prescribed monetary penalty is to be paid, such penalty shall be paid to the Bank within ten (10) days of the penalty being imposed, unless otherwise stated, and where the penalty is imposed by a court, it shall be paid to the court for the account of the Bank, provided that a court imposing such penalty may direct that the whole or any part thereof shall be applied in or towards payment of the costs of the proceedings, or for such other purposes as may be directed by the court.

(2) Failure to pay the prescribed monetary penalty within the time frame stipulated under subsection (1) of this section shall attract interest at a rate which is 2% above the prevailing monetary policy rate of the Bank or such other default rate as the Bank may prescribe (*Senator Rafiu I. Adebayo — Kwara South*).

Amendment Proposed:

Leave out the provision in clause 30 *(Senator Bala Ibn Na'Allah — Kebbi South).*

Question that the amendment be made, put and agreed to.

Question that Clause 30 *as amended do stand part of the Bill, put and agreed to.*

PART IX- MISCELLANEOUS AND SUPPLEMENTARY

Clause 31: Restrictions on amalgamation, transfers, etc.

A Credit Bureau shall not merge or amalgamate with any other entity, sell or otherwise transfer its Licence or business to any person, and no person (whether acting directly, through a proxy, nominee, trustee or other indirect means) shall acquire more than 5% shareholding in a Credit Bureau, in each case without the approval of the Bank (*Senator Rafiu I. Adebayo — Kwara South*).

Amendment Proposed:
Leave out the figure (5%) and *insert* the figure "25%" instead thereof (*Senator Ibrahim A. Gobir — Sokoto East).*

Question that the amendment be made, put and agreed to.

Question that Clause 31 *as amended do stand part of the Bill, put and agreed to.*

Clause 32: Guidelines to conform with the Bill
Until replaced or reissued by the Bank, the Guidelines for the Licensing, Operations and Regulation of Credit Bureaux and Credit Bureau Related Transactions in Nigeria 2013 issued by the Bank, shall from the commencement date of this Bill, be read in such manner as to bring its provisions in conformity with the provisions of this Bill.

Committee's Recommendation:
That the provision in Clause 32 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 32 *do stand part of the Bill, put and agreed to.*

Clause 33: Handover of Database to the Bank.
Without prejudice to Section 23 of this A Billct, when:—
(a) a Licence is revoked in accordance with the provisions of this Bill; or

(b) a Credit Bureau is liquidated, wound up, dissolved, or otherwise ceases to carry on business, such Credit Bureau shall immediately, or within such time frame as the Bank may by regulations prescribe, hand over its entire database to the Bank

Committee's Recommendation:
That the provision in Clause 33 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 33 *do stand part of the Bill, put and agreed to.*

Clause 34: Interpretation
In this Bill: —
"Bank" means the Central Bank of Nigeria established under section 1 subsection (1) of the Central Bank of Nigeria Act, 2007.

Question: That the word "Bank" in the Interpretation to this Act, put and agreed to.

"Consent" means the authorization by the Data Subject or the Data Subject's authorized agent indicating an approval to inquire about the Data Subject's Credit Information from the Credit Bureaux. Such authorization could be in writing (including by electronic email, fax or letter), verified and secured telephonic messages or conversations, and other secured and verified electronic means of consenting, but shall not include oral consent.

Question: That the word "Consent" in the Interpretation to this Act, put and agreed to.

"Credit Bureau" means an entity duly licensed under this Act.

Question: That the words "Credit Bureau" in the Interpretation to this Act, put and agreed to.

"Credit Information" means information bearing on a person's credit worthiness, credit standing or capacity, and to the history and profile of such person with regard to credit, assets and any financial obligations, including such person's demographic data and such other information that may aid credit decision making.

Question: That the words "Credit Information" in the Interpretation to this Act, put and agreed to.

"Credit Information Providers" means entities that provide or furnish Credit Information to a Credit Bureau and includes: —

(i) banks, specialized banks and other financial institutions (as such terms are used or defined under the Banks and Other Financial Institutions Act, or by the Bank);

(ii) leasing companies;

(iii) insurance companies;

(iv) cooperative societies and institutions that offer credit to medium, small and micro enterprises;

(v) utility companies including but not limited to electricity companies, telecommunications companies, and water corporations;

(vi) asset management companies;

(vii) Credit Report Management System (CRMS);

(viii) suppliers of goods and providers of services on a post-paid, deferred or instalment payment basis (except otherwise specifically mentioned in (ii) to (vii) above); and

(ix) other entities that in their ordinary course of business have relevant information that complies with Permissible Purposes and serves the purposes of the Credit Bureau, provided that the Bank may issue directives or guidelines adding or removing any person from the aforementioned.

Question: That the words "Credit Information Providers" in the Interpretation to this Act, put and agreed to.

"Credit Information Users" includes Credit Information Providers and other persons that are allowed under this Bill or any regulations or guidelines made hereunder to seek Credit Information from a Credit Bureau for Permissible Purposes;

Question: That the words "Credit Information Users" in the Interpretation to this Act, put and agreed to.

"Credit Report" means an electronic or other written report, credit score, or statement issued by a Credit Bureau and which is used or collected to serve as a factor in establishing that Data Subject's eligibility for credit or other service or product provided by a person on credit basis or for other Permissible Purposes, and which shall, among other things, contain: (i) all or part of a Data Subject's Credit Information which is available on such Credit

Question: That the word "Credit Report" in the Interpretation to this Act, put and agreed to.

Amendment Proposed:
Insert the words and meaning in the interpretation as follows:
""CRMS" means Credit Reporting Management System" (*Senator Joshua M. Lidani — Gombe South).*

Question that the amendment be made, put and agreed to.

"Licence" means a credit bureau licence issued by the Bank purusant to the provisions of this Bill.

Question: That the word "Licence" in the Interpretation to this Act, put and agreed to.

"Other Public Registries" includes the Corporate Affairs Commission; registrar(s) of business entities; land registries; collateral registries; tax authorities; courts; birth registries; and other public bodies and registries.

Question: That the word "Other Public Registries" in the Interpretation to this Act, put and agreed to.

"Permissible Purpose" means any of the purposes outlined in section 9 of this Bill.

Question: That the word "Permissible Purpose" in the Interpretation to this Act, put and agreed to.

"person" includes any individual, company, corporation, unincorporated association or body (including a partnership, trust, joint venture or consortium), government, state, agency, organisation or other entity whether or not having separate legal personality.

Question: That the word "Person" in the Interpretation to this Act, put and agreed to.

"prescribed monetary penalty" means such monetary penalty that the Bank, or a court, may prescribe or impose in respect of any offence committed under this Bill.

Question: That the word "Prescribed Monetary Penalty" in the Interpretation to this Act, put and agreed to.

"working days" means any day other than a Saturday or Sunday, national public holiday in Nigeria.

Question: That the words "Working days" in the Interpretation to this Act, put and agreed to.

Question that Clause 34 *as amended do stand part of the Bill, put and agreed to.*

Clause 35: **Citation.**
This Bill may be cited as the Credit Reporting Bill, 2017.

Committee's Recommendation:
That the provision in Clause 35 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 35 *do stand part of the Bill, put and agreed to.*

Chairman to report Bill.

(SENATE IN PLENARY)

The Senate President reported that the Senate in the Committee of the Whole considered the Report of the Committee on Banking, Insurance and Other Financial Institutions on the Credit Bureau Services Bill, 2017 and approved as follows:

Clauses 1- 9	—	As Recommended
Clause 10	—	As Amended
Clause 11	—	As Recommended
Clause 12	—	As Amended
Clauses 13- 25	—	As Recommended
Clauses 26-29	—	As Amended
Clause 30	—	Deleted
Clause 31	—	As Amended
Clauses 32-33	—	As Recommended
Clause 34	—	As Amended
Clause 35	—	As Recommended

Question: That the Senate do approve the Report of the Committee of the Whole — *Resolved in the Affirmative.*

Motion made: That the Bill be now Read the Third Time *(Senate Leader).*

Question put and agreed to.

Bill accordingly Read the Third Time and Passed.

9. **Committee on Banking, Insurance and Other Financial Institutions:**
Report on the Secured Transactions in Movable Assets Bill, 2017 (SB. 261):
Motion made: That the Senate do consider the Report of the Committee on Banking, Insurance and Other Financial Institutions on the Secured Transactions in Movable Assets Bill, 2017 (*Senator Rafiu I. Adebayo — Kwara South*).

Question put and agreed to.

Report presented.

Motion made: That the Senate do resolve into the Committee of the Whole to consider the Report *(Senate Leader)*.

Question put and agreed to.

(SENATE IN THE COMMITTEE OF THE WHOLE)

CONSIDERATION OF A BILL FOR AN ACT TO PROVIDE FOR SECURED TRANSACTIONS, REGISTRATION AND REGULATION OF SECURITY INTEREST IN MOVABLE ASSETS AND FOR RELATED MATTERS, 2017

PART I — OBJECTIVES AND SCOPE

Clause 1: **Objectives**

The objectives of this Bill are to —

(a) enhance financial inclusion in Nigeria;

(b) stimulate responsible lending to micro, small and medium enterprises;

(c) facilitate access to credit secured with movable assets;

(d) facilitate perfection of Security Interests in movable assets;

(e) facilitate realization of Security Interests in movable assets; and

(f) establish a Collateral Registry and provide for its operations.

Committee's Recommendation:
That the provision in Clause 1 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 1 do stand part of the Bill, put and agreed to.

Clause 2: **Scope**

(1) This Bill shall apply to —

(a) all Security Interests in movable assets created by an agreement that secures payment or the performance of an obligation,

(b) a person who is a Creditor, Borrower or Grantor under this Bill; and

(c) Every Public Registry established by any Act of the National Assembly to coordinate or ware house or oversee transactions in movable assets in Nigeria shall be operated in a manner that creates automated interface between such a registry and the National Collateral Registry, with a purpose to ensuring and guaranteeing that the registry is made accessible through, by, and from the National Collateral Registry.

(2) This Bill shall not apply to —

(a) any right of set-off;

(b) the creation or transfer of an Interest in land other than account receivables; and

(c) any interest created by a transfer, assignment or mortgage in movable property governed by a law for which a registry has been established with regards to ships and aircrafts.

(3) Nothing in this Act shall prevent the creation of security interest in the form of charges by companies registered under the CAMA.

Committee's Recommendation:
That the provision in Clause 2 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 2 do stand part of the Bill, put and agreed to.

PART II — SECURITY INTERESTS

Clause 3: Creation of Security Interest

(1) A Security Interest is created by a Security Agreement between a Grantor and Creditor.

(2) The Security Interest in any asset acquired by a Grantor after the coming into force of the Security Agreement shall take effect without further consent or any other act of the Grantor at the moment the Grantor acquires such asset where —

(a) the asset falls under the Collateral description in the Security Agreement; and

(b) the Security Agreement provides that the Security Interest extends to the Grantor's present and future assets.

Committee's Recommendation:
That the provision in Clause 3 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 3 do stand part of the Bill, put and agreed to.

Clause 4: Grantor's rights in the Collateral

(1) A Security Interest shall be created to the extent of the rights that the Grantor has in the Collateral.

(2) A transfer of Account Receivable or Security Interest in an Account Receivable by a Grantor is effective —

(a) between the Grantor and the Creditor; and

(b) against the account debtor of the Account Receivable notwithstanding any agreement limiting the account debtor's right to create a Security Interest in or assign its Account Receivable.

(3) Creation of a security interest in any movable asset is effective notwithstanding any agreement limiting the grantor's right to create such security interest.

Committee's Recommendation:
That the provision in Clause 4 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 4 do stand part of the Bill, put and agreed to.

Clause 5: Content of a Security Agreement

A Security Agreement shall —

(a) reflect the intention of the Grantor and Creditor to create a Security Interest;

(b) identify the Grantor and Creditor;

(c) describe the secured obligation including the maximum amount for which the Security Interest is enforceable;

(d) describe the Collateral adequately; and

(e) indicate the tenor of the obligation secured.

(f) Confirm the agreement by parties to submit to Arbitration, as first recourse in a situation that any civil dispute arises

Committee's Recommendation:
That the provision in Clause 5 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 5 do stand part of the Bill, put and agreed to.

Clause 6: Description of Collateral in a Security Agreement

(1) A description of Collateral is adequate if it is accompanied with —

(a) item, kind, type or category, year of manufacture or any other description that can identify the Collateral; or

(b) a statement that a Security Interest is taken in all the present and future assets of the Grantor.

(2) A Security Interest shall extend to the identifiable or traceable proceeds of a Collateral, whether or not the Security Agreement contains a description of the proceeds.

Committee's Recommendation:
That the provision in Clause 6 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 6 do stand part of the Bill, put and agreed to.

Clause 7: Continuation of a Security Interest

(1) A security interest shall automatically continue in the identifiable or traceable proceeds of the collateral, whether or not the security agreement contains a description of the proceeds.

(2) A security interest created in tangible property before they were commingled in a mass or product continues in the mass or product.

Committee's Recommendation:
That the provision in Clause 7 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 7 do stand part of the Bill, put and agreed to.

Clause 8: Perfection of Security Interest

(1) A Security Interest is perfected when a Financing Statement in respect of that Security Interest has been registered in the Collateral Registry established under this Bill.

(2) For the purposes of this Bill, a Secured Creditor may take possession of the Collateral but mere possession does not perfect the security interest

Committee's Recommendation:
That the provision in Clause 8 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 8 *do stand part of the Bill, put and agreed to.*

Clause 9: Perfection of Security Interest in Proceeds

(1) A security interest in any proceeds of the collateral is perfected automatically without any further action by the grantor or the creditor when the proceeds arise or are acquired if —

(a) The proceeds are described in the Financing Statement; or

(b) The proceeds are in the form of money, accounts receivables, negotiable instruments or bank accounts.

(2) If the proceeds are not of the kind covered in the preceding sub section, the security interest will remain perfected if the Creditor registers an amendment adding a description of the asset that is proceeds within 15 days after they arose.

Committee's Recommendation:
That the provision in Clause 9 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 9 *do stand part of the Bill, put and agreed to.*

PART III — NATIONAL COLLATERAL REGISTRY

Clause 10: Establishment of the National Collateral Registry

(1) There is established in the Central Bank, a registry to be known as the National Collateral Registry (in this Bill referred to as "the Collateral Registry").

(2) The Governor of the Central Bank of Nigeria shall appoint the Registrar and such other staff as may be required for the attainment of the objectives of this Bill.

Committee's Recommendation:
That the provision in Clause 10 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 10 *do stand part of the Bill, put and agreed to.*

Clause 11: Functions of the Collateral Registry

The Collateral Registry shall —

(a) receive, register and store information about Security Interests in movable assets;

(b) provide access to persons who may seek information on Security Interests from the Collateral Registry; and

(c) perform such other functions as may be prescribed by Regulations made under this Bill.

Committee's Recommendation:
That the provision in Clause 11 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 11 *do stand part of the Bill, put and agreed to.*

PART IV — REGISTRATION OF FINANCING STATEMENTS

Clause 12: Procedure for registration of a Financing Statement

(1) A Financing Statement may be registered by or on behalf of a creditor at any time with the consent of the grantor as required under this Bill.

(2) A Financing Statement is registered when a unique registration number, date and time are assigned to it by the Collateral Registry.

(3) The Collateral Registry shall, after a Financing Statement has been registered, issue a Confirmation Statement to the Creditor who files the Financing Statement for registration.

Committee's Recommendation:
That the provision in Clause 12 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 12 *do stand part of the Bill, put and agreed to.*

Clause 13: Consent to Register a Financing Statement

(1) Registration of an initial financing statement is ineffective unless the Grantor consented to it in writing.

(2) A security agreement in accordance with Section 4 is sufficient to constitute consent by the Grantor for the registration of an initial or amendment financing statement covering the collateral described therein.

(3) The Grantor may give consent in writing to register a financing statement prior to the conclusion of a security agreement.

(4) Registration of an Amendment Financing Statement is ineffective unless consented to by the Grantor in writing if the Amendment Financing Statement —

(a) Adds a description of new collateral; or

(b) Adds a new Grantor unless the new Grantor is a transferee of the collateral already described in the registration.

Committee's Recommendation:
That the provision in Clause 13 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 13 *do stand part of the Bill, put and agreed to.*

Clause 14: Contents of a Financing Statement.

(1) A creditor shall provide in a Financing Statement the following information:

(a) Grantor type description: individual, micro, small or large business;

(b) In the case of a Company, Co-operative or registered Business Name, the unique identification number which shall be the Corporate Affairs Commission registration number or other registration number issued by the appropriate authority for registering these types of debtors;

(c) In the case of an individual, the unique identification number derived from approved biometric based identification, gender, name, address including telephone and date of birth;

(d) the name and address of the creditor or its representative;

(e) a description of the collateral;

(f) the maximum amount for which the secured obligation may be enforced;

(g) the period of time for which the registration is to be effective, and

(h) such other information as the Registrar may consider necessary.

(2) A financing statement may in addition also identify a Borrower according to the preceding sub section even if that person has not created a security interest.

(3) If there is more than one grantor or creditor, the required information must be entered in the designated field separately for each grantor or creditor.

(4) If the grantor is an individual who is neither a citizen nor a resident of Nigeria, the secured creditor shall enter the debtor's name and unique identification number that appear on the Grantor's passport issued by a Foreign Government or any other document as the Central Bank of Nigeria may prescribe from time to time.

(5) A confirmation that parties have agreed to submit themselves to the mediation and Arbitration mechanism empowered under this Bill, as first recourse, in a situation that any civil dispute arises.

Committee's Recommendation:
That the provision in Clause 14 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 14 *do stand part of the Bill, put and agreed to.*

Clause 15: Description of Collateral

(1) The Financing Statement must include a description of the collateral that reasonably allows its identification.

(2) A description of collateral is sufficient if the collateral is described by —

(a) item, kind, type or category; or

(b) a statement that a security interest is taken in all of the Grantor's present and after-acquired property; or

(c) any other description that reasonably identifies the collateral.

(3) If a financing statement covers serial-numbered goods it must contain information of the serial number, in addition to the information as defined in sub section 2 above.

(4) Serial-numbered goods that are held as inventory need not be described by a serial number. A description of serial-numbered goods held as inventory is sufficient if it satisfies the requirements of sub section 2.

Committee's Recommendation:
That the provision in Clause 15 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 15 *do stand part of the Bill, put and agreed to.*

Clause 16: Error in a Financing Statement

(1) Subject to Section 10 of this Act, a registered Financing Statement shall be ineffective if there is an error in:

(a) the unique identification number of the Grantor; or

(b) the serial number of the Collateral that causes the registration not to be retrieved in a search.

(2) Where a registered Financing Statement contains information on multiple Grantors or Collaterals, an error in —

(a) the unique identification number of the Grantor shall render the registration ineffective only with respect to that Grantor; or

(b) the serial number of a Collateral shall render the registered Financing Statement ineffective only with respect to the Collateral identified by such serial number.

Committee's Recommendation:
That the provision in Clause 16 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 16 *do stand part of the Bill, put and agreed to.*

Clause 17: Consequences of Other Errors in the Registration

(1) An error in —

(a) the name or address of the Grantor; or

(b) the maximum amount for which the security interest may be enforced; or

(c) the name or address of the creditor does not render the registered Financing Statement ineffective.

(2) An error in the collateral description other than in the serial number may render the registered Financing Statement ineffective with respect to that collateral if the error seriously misleads the searcher.

(3) An incorrect description of some collateral shall not render the registered Financing Statement ineffective with respect to other collateral sufficiently described.

(4) An error in other information does not render the registered Financing Statement ineffective.

Committee's Recommendation:
That the provision in Clause 17 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 17 *do stand part of the Bill, put and agreed to.*

Clause 18: Duration of a Registered Financing Statement

(1) The registered Financing Statement shall be valid until —

(a) the expiration of the term specified in the Financing Statement; or

(b) its cancellation, whichever comes first.

(2) Duration of a registered Financing Statement may be renewed or extended by an amendment of the Financing Statement before its expiration.

(3) No information shall be deleted from the Registry, whether or not an Amendment Financing Statement cancelling the registered Financing Statement has been registered.

(4) An expired registered Financing Statement shall be maintained in the Registry and searchable by the public for 6 months following its expiration after which it shall be kept in the archive.

(5) A cancelled or expired registered Financing Statement shall be identified as such in a search.

Committee's Recommendation:
That the provision in Clause 18 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 18 *do stand part of the Bill, put and agreed to.*

Clause 19: Amendment of a registered Financing Statement

(1) A registered Financing Statement may be amended by a Creditor upon the registration of an Amendment Financing Statement.

(2) An amendment to a registered Financing Statement that adds a Collateral or a new Grantor is effective as to the added Collateral or the added Grantor only from the date and time when the Amendment Financing Statement is registered.

(3) An amendment to a registered Financing Statement shall be in accordance with Regulations made under this Bill.

Committee's Recommendation:
That the provision in Clause 19 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 19 *do stand part of the Bill, put and agreed to.*

Clause 20: Unauthorised Transfer of a Collateral

Where a collateral described in a registered Financing Statement is transferred and the secured creditor registers an Amendment Financing Statement adding the transferee as a new grantor within 15 days after the Secured Creditor becomes aware of the transfer, the security interest shall retain its perfection and priority.

Committee's Recommendation:
That the provision in Clause 20 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 20 *do stand part of the Bill, put and agreed to.*

Clause 21: Cancellation of a registered Financing Statement

(1) A registered Financing Statement may be cancelled upon the filing of a Cancellation Statement by a Creditor.

(2) A Creditor shall file a Cancellation Statement within 15 working days of receiving a request for cancellation from the Grantor or the Borrower only where —

(a) all obligations under the Security Agreement have been performed; and

(b) there is no commitment to make future advances.

(3) The Cancellation Statement shall include —

(a) the registration number of the initial Financing Statement to which the Cancellation Statement relates;

(b) identification of the Creditor authorising the cancellation; and

(c) such other information as may be prescribed by Regulations made under this Bill

(4) Where a Creditor fails to comply with the request of the Borrower or the Grantor, either the Borrower or the Grantor may appeal to the Registrar showing cause as to why the registered Financing Statement should be cancelled.

(5) The Registrar shall give notice of the appeal referred to in sub section (4) of this section to the Creditor before taking a decision on the appeal.

(6) The Creditor shall have a right to respond within 7 days of the receipt of the notice of appeal.

(7) The decision of the Registrar on the request shall be final and he shall give effect to his decision.

Committee's Recommendation:
That the provision in Clause 21 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 21 *do stand part of the Bill, put and agreed to.*

Clause 22: Search of Information in the Registry

(1) A person may conduct a search in the Registry for information provided in registered Financing Statements according to criteria set in (3).

(2) A person who conducts a search pursuant to sub-section (1) of this Section shall be entitled to a search result upon payment of such fees as may be prescribed by Regulations made under this Bill.

(3) The criteria for search under this Section shall be —

(a) the unique biometric-based identifier of the Grantor,

(b) the serial number of the collateral, or;

(c) such other criterion as may be prescribed by Regulations.

Committee's Recommendation:
That the provision in Clause 20 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 20 *do stand part of the Bill, put and agreed to.*

PART V — PRIORITY OF A SECURITY INTEREST

Clause 23: Priority of Security Interests

The priority between perfected Security Interests in the same Collateral shall be determined by the order of registration.

Committee's Recommendation:
That the provision in Clause 23 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 23 *do stand part of the Bill, put and agreed to.*

Clause 24: Same priority for original Collateral, proceeds and advances

(1) Subject to Section 9, the priority of a Security Interest in a Collateral and the proceeds derived from the Collateral shall be the same.

(2) A security interest shall have the same priority in respect of all secured obligations and advances, whether existing or future

Committee's Recommendation:
That the provision in Clause 24 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 24 *do stand part of the Bill, put and agreed to.*

Clause 25: Transfer does not affect priority

(1) A Secured Creditor may transfer a secured obligation notwithstanding any agreement with the Grantor or the Borrower limiting the right to transfer the secured obligation and without having to obtain consent of the Grantor or the Borrower.

(2) A Security Interest that is transferred shall have the same priority as it had at the time of the transfer.

(3) Transfer of a Security Interest perfected by registration is valid without registering an Amendment Financing Statement in the Registry.

Committee's Recommendation:
That the provision in Clause 25 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 25 *do stand part of the Bill, put and agreed to.*

Clause 26: Voluntary subordination of priority

(1) A Creditor may enter into an agreement to subordinate its priority in favour of any other claimant.

(2) Subordination is effective without registering an Amendment Financing Statement in the Registry.

(3) An agreement to subordinate shall not adversely affect the rights of a person that is not a party to the agreement.

Committee's Recommendation:
That the provision in Clause 26 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 26 *do stand part of the Bill, put and agreed to.*

Clause 27: Priority of Purchase Money Security Interest and its proceeds

A Purchase Money Security Interest in a Collateral or its proceeds shall have priority over a non-Purchase Money Security Interest in the same Collateral created by the same Grantor if the Purchase Money Security Interest in the Collateral or its proceeds is perfected when the Grantor obtained possession of the Collateral.

Committee's Recommendation:
That the provision in Clause 27 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 27 *do stand part of the Bill, put and agreed to.*

Clause 28: Priority of Security Interests in processed or co-mingled goods

(1) A perfected Security Interest in goods that subsequently become part of a product or mass shall continue as a perfected Security Interest in the product or mass if the goods are so manufactured, processed, assembled or co-mingled that their identity is lost in the product or mass.

(2) If more than one Security Interest is perfected in the goods before they become part of a product or mass, the Security Interests rank equally in proportion to the value of the goods at the time they became part of the product or mass.

Committee's Recommendation:
That the provision in Clause 28 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 28 *do stand part of the Bill, put and agreed to.*

Clause 29: **Priority with Respect to Receipt of Funds or Cash**

(1) A Financial Institution's right of set-off shall have priority over a perfected Security Interest that extends to a deposit account.

(2) A transferee of funds from a deposit account or cash other than from a deposit account takes the funds or cash free of a Security Interest unless the transferee acts in collusion with the Grantor or the Borrower in violating the rights of the Creditor.

(3) A Transferee of cash for the purpose of this section does not include a more bailee.

Committee's Recommendation:
That the provision in Clause 29 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 29 *do stand part of the Bill, put and agreed to.*

Clause 30: **Priority of holders of liens**
A lien arising out of materials or services provided in the ordinary course of business in respect of goods that are subject to a Security Interest shall have priority over that Security Interest.

Committee's Recommendation:
That the provision in Clause 30 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 30 *do stand part of the Bill, put and agreed to.*

Clause 31: **Priority of holders of negotiable instruments and title documents**
A holder of a negotiable instrument or title document shall have priority over a perfected Security Interest in the negotiable instrument or the title document where the holder —

(a) gave value;

(b) acquired the negotiable instrument or the title document without knowledge that the transaction is in breach of the Security Agreement to which the Security Interest relates; and

(c) took possession of the negotiable instrument or the title document.

Committee's Recommendation:
That the provision in Clause 31 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 31 *do stand part of the Bill, put and agreed to.*

Clause 32: **Rights of a buyer or lessee of goods**

(1) A buyer or lessee who acquires goods for value and receives possession of the goods shall take the goods free of an unperfected Security Interest.

(2) A buyer of goods sold in the ordinary course of business of the seller and a lessee of goods leased in the ordinary course of business of the lessor shall take the goods free of a Security Interest created by the seller or lessor unless the buyer or lessee knows that the sale or the lease constitutes a breach of the Security Agreement under which the Security Interest was created.

Committee's Recommendation:
That the provision in Clause 32 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 32 *do stand part of the Bill, put and agreed to.*

Clause 33: Rights and Priority of Assignee

(1) The rights of an assignee of an Account Receivable shall be subject to —

(a) the terms of the contract between the account debtor and the assignor and any defense or claim arising from the contract; and

(b) any other defense or claim of the account debtor against the assignor, including a defense by way of a right of set-off that accrues before the account debtor receives notification of the assignment.

(2) Sub section (1) of this section shall not apply if the account debtor has made an enforceable agreement not to assert any right to claims arising out of the contract.

(3) Priority between competing assignees is determined according to the time of registration in the Registry irrespective of the time when the account debtor receives a notification of the assignment.

Committee's Recommendation:
That the provision in Clause 33 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 33 *do stand part of the Bill, put and agreed to.*

Clause 34: Priority of Judgement Creditor.

(1) Notwithstanding the provisions of the Sherriff and Civil Process Act, Cap LFN 2004, a perfected security interest has priority over the rights of an unsecured creditor that has obtained a judgement or an order of attachment, unless the judgement creditor, before the security interest is perfected —

(a) registers a financing statement

(b) seizes the collateral; or

(c) serves a notice of its claim on the third party holding property for the debtor.

(2) The priority of the security interest extends to credit disbursed by the creditor —

(a) Before the expiry of (30) thirty days after the judgement creditor notified the creditor that it had taken the steps referred to in subsection (1); or

(b) Pursuant to an irrevocable commitment in a fixed amount without any limitation if the commitment was made before the judgment creditor notified the creditor.

Committee's Recommendation:
That the provision in Clause 34 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 34 *do stand part of the Bill, put and agreed to.*

PART VI — RIGHTS AND DUTIES OF A GRANTOR, BORROWER AND CREDITOR

Clause 35: Good faith and Commercial Reasonableness

(1) All rights and duties that arise under this Bill shall be exercised and discharged in good faith and in accordance with reasonable commercial standards.

(2) A person does not act in bad faith merely because he acts with knowledge of the security interest of some other person, unless he knows that his actions would violate rights of the other person.

(3) A person in possession of an encumbered asset shall preserve the asset from damage, impairment and loss, excluding fair wear and tear having regard to the nature of the asset.

Committee's Recommendation:
That the provision in Clause 35 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 35 *do stand part of the Bill, put and agreed to.*

Clause 36: Entitlement to damages

Where a person fails to discharge a duty or obligation imposed by this Bill, the person to whom the duty or obligation is owed shall have a right to recover damages for any loss or damage.

Committee's Recommendation:
That the provision in Clause 36 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 36 *do stand part of the Bill, put and agreed to.*

Clause 37: Creditor to provide Confirmation Statement to the Grantor and the Borrower.

(1) A Creditor shall, not later than 15 working days after the day on which the Confirmation Statement of the registration was received, provide the Grantor and the Borrower a copy of the Confirmation Statement.

(2) The Confirmation Statement may be sent in the same manner prescribed for giving notices under Section 42(2) of this Bill.

Committee's Recommendation:
That the provision in Clause 37 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 37 *do stand part of the Bill, put and agreed to.*

Clause 38: Provision of Certain Information by a Creditor

(1) A Grantor or Borrower may request the Creditor to make available to any person, at an address specified by the Grantor or the Borrower, any or all of the following —

(a) a summary of the Security Agreement;

(b) a statement in writing, of the amount of the indebtedness and the terms of payment of the indebtedness;

(c) an itemised list of the Collateral, unless the Security Interest covers all the movable assets of the Grantor; or

(d) a statement of account indicating the amount needed to fully satisfy the secured obligation.

(2) Where a Creditor no longer has an Interest in the obligation secured or Collateral covered by the registration, the Creditor shall disclose, the name and address of the immediate successor in Interest or transferee and the latest successor in Interest or transferee, if known.

(3) A Creditor shall comply with the request in sub-section (1) of this section within 10 working days of its receipt.

(4) A Creditor may only charge the Grantor or the Borrower the reasonable costs for providing the information and the Grantor or the Borrower shall be entitled to one response free of charge every 6 months.

Committee's Recommendation:
That the provision in Clause 38 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 38 *do stand part of the Bill, put and agreed to.*

PART VII — REALISATION OF SECURITY INTERESTS

Clause 39: Scope of the application of this part

(1) In case of default, a Creditor may —

(a) exercise his rights under this Bill and in the Security Agreement; or

(b) resort to any appropriate judicial remedy.

(2) An operating lessor may enforce its rights under the Agreement or any other law governing the operating lease.

(3) A holder of Purchase Money Security Interest may enforce its rights under this Act or any other law governing its rights.

(4) An outright transferee of Account Receivable may enforce its rights under an agreement or any other law governing the transaction.

(5) The remedies available under this Part are in addition to those available under the Companies and Allied Matters Act, including the right to appoint a receiver.

Committee's Recommendation:
That the provision in Clause 39 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 39 *do stand part of the Bill, put and agreed to.*

Clause 40: **Repossession of Collateral**

(1) In case of default by a Borrower, a Creditor shall give the Borrower and the Grantor a notice of the default and intention to repossess the Collateral.

(2) The notice referred to in sub section (1) of this section may be delivered by —

(a) hand;

(b) courier service;

(c) electronic mail;

(d) registered mail; or

(e) any other means agreed to under the Security Agreement.

(3) The Creditor may, 10 days after sending the notice of default —

(a) take possession of the Collateral; or

(b) without taking possession, render the Collateral inoperative.

(4) A Creditor may repossess a Collateral under this Bill —

(a) pursuant to judicial process; or

(b) without judicial process, if the Grantor consented to relinquishing possession without a court order in the Security Agreement.

(5) In the case of repossession without judicial process, a Creditor may request for assistance from the Nigeria Police having authority within the location of the collateral.

(6) The Nigeria Police shall provide assistance for the peaceable repossession of the collateral, upon presentation by the creditor of a copy of the relevant Security Agreement and duly certified Confirmation Statement.

(7) A Creditor may require a Grantor to assemble the Collateral and make it available at a designated place.

Committee's Recommendation:
That the provision in Clause 41 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 41 *do stand part of the Bill, put and agreed to.*

Clause 41: **Mediation and Dispute Resolution**

Establishment of the Mediation and Dispute Resolution Panel.

(1) There is established under this Bill the Mediation and Dispute Resolution Panel.

(2) The Panel shall serve as the first Resource for mediation and settlement over any civil dispute which may arise between the Creditor and the Grantor in the course implementing this Bill.

(3) Provided, that in exercising the power granted in (3) of this Section, the Governor shall ensure that three (3) persons shall constitute the membership of any Panel set up to arbitrate on any civil dispute under this Bill.

Committee's Recommendation:
That the provision in Clause 41 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 41 *do stand part of the Bill, put and agreed to.*

Clause 42: Creditor may render Collateral Inoperative
A Creditor may render a Collateral inoperative if the Collateral is of a kind that cannot be easily moved from the Grantor's premises or is of a kind for which adequate storage facilities are not easily available.

Committee's Recommendation:
That the provision in Clause 42 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 42 *do stand part of the Bill, put and agreed to.*

Clause 43: Creditor may collect Account Receivable

(1) A Creditor may collect and apply an Account Receivable, money or a negotiable instrument taken as Collateral to the satisfaction of the obligation secured by the Security Interest if the Grantor or the Borrower is in default.

(2) The secured creditor may notify the account debtor and collect payment even prior to default.

Committee's Recommendation:
That the provision in Clause 43 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 43 *do stand part of the Bill, put and agreed to.*

Clause 44: Creditor may dispose of a Collateral

(1) A Creditor may dispose of a Collateral by sale, lease, license or other form of disposal in its present condition or following any commercially reasonable preparation or processing.

(2) A Creditor may sell a Collateral in an auction, public tender, private sale or any other method provided for in the Security Agreement.

(3) In exercising the power of sale, a Creditor shall obtain a reasonable price available at the time of the sale or disposal.

(4) A Creditor may dispose of a Collateral on the Grantor's premises provided that it shall not cause any person in possession of the premises, other than the Grantor, any serious inconvenience.

Committee's Recommendation:
That the provision in Clause 44 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 44 *do stand part of the Bill, put and agreed to.*

Clause 45: Notice of Sale of Collateral.

(1) A Creditor who intends to sell a Collateral shall not less than 10 working days before selling the Collateral, send notice in the manner stipulated in section 41 (2) of this Bill to the following-

(a) the Borrower;

(b) the Grantor; and

(c) any other Creditor who has registered a Financing Statement in respect of the Collateral before the Creditor repossessed the Collateral.

(2) Subsection (1) of this section shall not apply where—

(a) the Collateral may perish within 10 working days of the repossession;

(b) the Creditor believes on reasonable grounds that the Collateral will decline substantially in value if it is not disposed of immediately;

(c) the cost of care and storage of the Collateral is disproportionately large in relation to its value; or

(d) the Collateral consists of Inventory or Farm Products.

Committee's Recommendation:
That the provision in Clause 45 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 45 *do stand part of the Bill, put and agreed to.*

Clause 46: Discharge of subordinate Security Interests

If the Collateral has been sold under this Part, all Security Interests in the Collateral that are subordinate to the Security Interest of the Creditor who sold the Collateral shall be discharged.

Committee's Recommendation:
That the provision in Clause 46 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 46 *do stand part of the Bill, put and agreed to.*

Clause 47: Creditor to give statement of account

A Creditor shall, within 15 working days after the sale of a Collateral, give to the persons entitled to receive a notice of sale, a statement of account in writing, stating the:—

(a) amount realized from the sale;

(b) amount of the costs of the sale; and

(c) balance due to the Grantor or to the Creditor, as the case may be.

Committee's Recommendation:
That the provision in Clause 47 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 47 *do stand part of the Bill, put and agreed to.*

Clause 48: Distribution of proceeds of sale

(1) A Creditor who has sold a Collateral, shall, before applying the amount realized from the sale towards the satisfaction of the debt or other obligation secured by the Security Interest, apply the proceeds of the sale towards the reasonable costs and expenses of the sale, and to the extent provided for in an agreement other reasonable expenses.

(2) The Creditor shall pay the following persons any surplus accrued from the sale in the following order—

(a) Creditors who have a subordinate Security Interest perfected by registration, in the order of their priority; and

(b) the Grantor.

(3) A Creditor may pay the surplus into the Court if there is a dispute as to who is entitled to receive payment pending a resolution of the matter.

(4) A Borrower remains liable for any outstanding financial liabilities.

Committee's Recommendation:
That the provision in Clause 48 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 48 *do stand part of the Bill, put and agreed to.*

Clause 49: Right to redeem the Collateral

(1) At any time before a Creditor sells the Collateral, the Borrower, Grantor, or other Creditor may redeem the Collateral by —

(a) fulfillment of all the obligations secured by the Collateral; and

(b) payment of any other reasonable expenses incurred by the Creditor.

(2) A Grantor's right to redeem the Collateral shall have priority over any other person's right of redemption.

Committee's Recommendation:
That the provision in Clause 49 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 49 *do stand part of the Bill, put and agreed to.*

Clause 50: Reinstatement of Security Agreement

(1) At any time before a Creditor sells the Collateral, a Borrower may reinstate the Security Agreement by—

(a) paying the sums owed;

(b) remedying any other default; and

(c) paying a sum equal to the reasonable expenses incurred by the Creditor.

(2) Unless otherwise agreed, a Borrower shall not be entitled to reinstate a Security Agreement more than twice in each year.

Committee's Recommendation:
That the provision in Clause 50 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 50 *do stand part of the Bill, put and agreed to.*

PART VIII — APPLICABLE LAW & CONFLICT OF LAW

Clause 51: Applicable Law.

(1) The law applicable to the creation, perfection and priority of a security interest in tangible property when the tangible asset is located in Nigeria is this Bill.

(2) If the tangible asset is of a type ordinarily used in more than one country, this Bill applies if the Grantor is located in Nigeria.

(3) The law applicable to the creation, perfection and priority of a security interest in an intangible asset when the Grantor is located in Nigeria is this Bill.

(4) The law applicable to the creation, perfection and priority of security interest in proceeds is the law applicable to the creation, perfection and priority of the security interest in the original collateral from which the proceeds arose.

(5) The law applicable to issues relating to the enforcement of a security interest in tangible goods is the law of the state where enforcement takes place.

(6) The law applicable to issues relating to the enforcement of a security interest in intangible assets is the law of the state where the Grantor is located.

Committee's Recommendation:
That the provision in Clause 51 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 51 *do stand part of the Bill, put and agreed to.*

Clause 52: Law Governing the Security Agreement

The law applicable to the mutual rights and obligations of the grantor, the borrower and the secured party arising from their security agreement is the law chosen by the parties and, in the absence of a choice of law, the law governing the security agreement.

Committee's Recommendation:
That the provision in Clause 52 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 52 do stand part of the Bill, put and agreed to.

Clause 53: Insolvency Proceedings.
The commencement of insolvency proceedings under the relevant insolvency laws does not displace the conflict of laws provisions that determine the law applicable to the creation, perfection, priority and enforcement of a security interest.

Committee's Recommendation:
That the provision in Clause 53 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 53 do stand part of the Bill, put and agreed to.

Clause 54: Stamp Duties Act
The provisions of the Stamp Duties Act shall not apply to any secured transactions subject under this Bill.

Committee's Recommendation:
That the provision in Clause 54 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 54 do stand part of the Bill, put and agreed to.

Clause 55: General.

(1) For the purposes of this Bill, (a) the grantor is located in Nigeria if it has a place of business in Nigeria.

(2) If the grantor does not have a place of business, reference is to be made to the habitual residence of the grantor.

(3) The location of the property or of the grantor shall be determined, for creation purposes, at the time of the creation of the security interest and, for perfection and priority purposes, at the time the issue arises.

Committee's Recommendation:
That the provision in Clause 55 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 55 do stand part of the Bill, put and agreed to.

Clause 56: Jurisdiction.
Any action or proceeding as between parties arising out of a transaction governed by this Bill shall be actionable in a court within any State of the Federation vested with jurisdiction to entertain commercial I borrower and lender claims provided that nothing in this section shall derogate from the exclusive jurisdiction vested in the Federal High Court under the Constitution of The Federal Republic of Nigeria.

Committee's Recommendation:
That the provision in Clause 56 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 56 do stand part of the Bill, put and agreed to.

PART IX MISCELLANEOUS

Clause 57: **Fees and Charges**
The Registrar shall fix, impose and review such fees and other charges for services of the Registry as may be specified by Regulations made under this Bill.

Committee's Recommendation:
That the provision in Clause 57 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 57 do stand part of the Bill, put and agreed to.

Clause 58: **Offences and Penalties**

(1) A person who, being required to supply information for the registration, amendment or cancellation of a Financing Statement under this Bill, knowingly provides a false or misleading information to the Registry, commits an offence and is liable on conviction to —

Amendment Proposed:
Leave out the word "knowingly" in line 3, and *insert* the word "intentionally" instead thereof (*Senator Chukwuka G. Utazi — Enugu North*).

Question that the amendment be made, put and agreed to.

(a) a term of imprisonment for 1 year or a fine of ₦1, 000,000.00, or both; and in addition, where he has by his conduct benefitted financially, shall fully indemnify the Registry and the person affected by his conduct;

(b) in the case of a corporation, partnership or other entity:—

(i) the Court may impose the penalty referred to in paragraph (a) of this sub-section on every officer of the corporation, partnership or entity found to have facilitated or to have been personally responsible for the offence; and

(ii) the corporation, partnership or entity shall be liable to a fine of ₦1,000,000.00.

(2) If a grantor against whom a financing statement has been registered sells or otherwise disposes the asset to a third party without disclosing the fact of encumbrance commits an offence and is liable on conviction—

(a) to a term of imprisonment of 1 year or a fine of N1,000,000.00, or both;

(b) where the offender has by his conduct benefitted financially, he shall, in addition to the fine and term of imprisonment specified in paragraph (a) of this sub-section, fully indemnify the Registry and the person affected by his conduct.

(3) In this section, "False or misleading information" means the entry of information of facts required to assure the public of the truth and accuracy of the information by a person who knew that the entry is false in any material particular or is recklessly neglectful of the duty to ensure the truth or accuracy of the information supplied by that person (*Senator Rafiu I. Adebayo — Kwara South*).

Question that Clause 58 *amended do stand part of the Bill, put and agreed to.*

Clause 59: **Criminal Jurisdiction.**
All offences under this Bill may be tried by a court of competent jurisdiction in the place where the offence is alleged to have been committed (*Senator Rafiu I. Adebayo — Kwara South*).

Amendment Proposed:
Leave out the word "may" in line 1, and *insert* the word "shall" instead thereof (*Senator Chukwuka G. Utazi — Enugu North).*

Question that the amendment be made, put and agreed to.

Question that Clause 59 *as amended do stand part of the Bill, put and agreed to.*

Clause 60: **Grievance Procedure.**
A person aggrieved by any decision or action of the Registry may, within 60 working days of the decision, give notice to the Registry addressed to the Registrar, to address the grievance and if no response or satisfactory response is obtained within 30 working days, the aggrieved person may appeal to the Court for judicial determination.

Committee's Recommendation:
That the provision in Clause 60 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 60 *do stand part of the Bill, put and agreed to.*

Clause 61: **Rules and Guidelines.**
The Registrar may from time to time make Rules and issue guidelines for the proper administration of the Registry.

Committee's Recommendation:
That the provision in Clause 61 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 61 *do stand part of the Bill, put and agreed to.*

Clause 62: **Transitional provisions.**

(1) Security interests in movable assets created before the coming into effect of this Bill shall continue to remain valid and effective on the terms and conditions agreed to by the Grantor and Creditor.

(2) Security interests in movable assets created by a Grantor under the Regulations, No.1, 2015 shall continue to remain valid and effective and be deemed to have been entered into under this Bill if the transaction is still current and subsisting upon the coming into effect of this Bill.

(3) Transactions creating security interests referred to in subsections (2) of this section, shall be valid only for a period of 180 days after the commencement of this Bill, unless financing statements in respect of those transactions are registered and brought into compliance with the provisions of this Bill before the expiration of the period.

Committee's Recommendation:
That the provision in Clause 62 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 62 do stand part of the Bill, put and agreed to.

Clause 63: Regulations.
The Governor may make Regulations generally to give full effect to the provisions of this Act.

Committee's Recommendation:
Leave out the provision in Clause 63 (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Clause 64: Interpretation.
In this Bill:—
"Account Receivable" means a right to receive value arising from an obligation owed by an account debtor to the financing statement;

Question: That the words "Account Receivable" be as defined in the Interpretation to this Act, put and agreed to.

"Borrower" means a person to whom credit is extended with a financial obligation to repay under a Security Agreement; grantor including book debts but excluding a negotiable instrument;

Question: That the word "Borrower" be as defined in the Interpretation to this Act, put and agreed to.

"Amendment Financing Statement" means a form in which information is entered to update the initial

Question: That the words "Amendment Financing Statement" be as defined in the Interpretation to this Act, put and agreed to.

"Central Bank" means Central Bank of Nigeria;

Question: That the words "Central Bank" be as defined in the Interpretation to this Act, put and agreed to.

"Registrar" means the Registrar of the Collateral Registry;

Question: That the word "Registrar" be as defined in the Interpretation to this Act, put and agreed to.

"Collateral" means movable property, whether tangible or intangible, that is subject to a Security Interest;

Question: That the word "Collateral" be as defined in the Interpretation to this Act, put and agreed to.

"Confirmation Statement" means a certificate issued by the Collateral Registry confirming the Registration Number, date and time of a registration;

Question: That the words "Confirmation Statement" be as defined in the Interpretation to this Act, put and agreed to.

"Consumer Goods" means goods that the debtor uses or intends to use primarily for personal, family or household purpose;

Question: That the words "Consumer Goods" be as defined in the Interpretation to this Act, put and agreed to.

"Creditor" refers to the person granting a facility on the back of a security interest created under this Bill;

Question: That the word "Creditor" be as defined in the Interpretation to this Act, put and agreed to.

"Equipment" means machinery or other capital goods used in the operation of the grantor's business;

Question: That the word "Equipment" be as defined in the Interpretation to this Act, put and agreed to.

"Farm Products" include—

(a) crops grown, growing, or to be grown;

(b) fish stocks;

(c) livestock, poultry and their unborn offspring;

(d) seeds, fertilizers, manure and supplies used or produced in a farming operation; and

(e) products of crops and livestock in their unprocessed states;

Question: That the word "Farm Products" be as defined in the Interpretation to this Act, put and agreed to.

"Financial Institution" means banks, body association or group of persons, whether corporate or incorporate which carries on the business of investment and securities, a discount house, insurance institutions, debt factorization and convention firms, bureau de change, finance company, primary mortgage institutions, money brokerage firm whose principal business includes factoring, project financing, equipment leasing, debt administration, fund management, private ledger service, investment management, local purchase order, financing export finance, project consultancy, financial consultancy, pension funds management and such other business as the Central Bank, or other appropriate regulatory authorities may from time to time designate;

Question: That the word "Financial Institution" be as defined in the Interpretation to this Act, put and agreed to.

"Finance Lease" means a lease which transfers ownership of the asset to the lessee at the end of the lease term;

Question: That the word "Finance Lease" be as defined in the Interpretation to this Act, put and agreed to.

"Financing Statement" means the prescribed forms on which information is provided to effect a registration under this Bill or any regulation made hereunder;

Question: That the words "Financing Statement" be as defined in the Interpretation to this Act, put and agreed to.

"Goods" means tangible movable property and include farm products, Inventory, equipment, consumer goods, trees that have been severed and oil, gas or minerals that have been extracted;

Question: That the word "Goods" be as defined in the Interpretation to this Act, put and agreed to.

"Governor" means Governor of Central Bank of Nigeria;

Question: That the word "Governor" be as defined in the Interpretation to this Act, put and agreed to.

"Grantor" means a person that has rights in the collateral, and includes a grantor of any type of security interest in the form of a charge, chattel mortgage, pledge or lien in movable property;

Question: That the word "Grantor" be as defined in the Interpretation to this Act, put and agreed to.

"Initial Financing Statement" means Financing Statement in the prescribed form that a person originally submits to the Collateral Registry for registration;

Question: That the words "Initial Financing Statement" be as defined in the Interpretation to this Act, put and agreed to.

"Initial Financing Statement Registration Number" means the number assigned to the initial financing statement by the Collateral Registry on its registration that is permanently associated with such financing statement;

Question: That the word "Initial Financing Statement" be as defined in the Interpretation to this Act, put and agreed to.

"Inventory" means goods that are —

(a) held for sale or lease in the ordinary course of business; and

(b) raw materials or work in progress;

Question: That the word "Inventory" be as defined in the Interpretation to this Act, put and agreed to.

"Movable Assets" means tangible or intangible property other than real property;

Question: That the words "Movable Assets" be as defined in the Interpretation to this Act, put and agreed to.

"Operating Lease" means an agreement between two parties whereby the lessor allows the lessee to use its asset for a specific period of time in exchange for periodic fees;

Question: That the words "Operating Lease" be as defined in the Interpretation to this Act, put and agreed to.

"Proceeds" means identifiable or traceable movable asset received as a result of sale, other disposition, collection, lease or license of the collateral, including natural fruits, distributions, insurance payments and claims arising from defects in, damage to or loss of collateral;

Question: That the word "Proceeds" be as defined in the Interpretation to this Act, put and agreed to.

"Purchase Money Security Interest" means —

(a) a right in collateral taken or retained by the seller to secure all or part of its purchase price;

(b) a right taken by a person who provides credit to enable the grantor to acquire the grantor to acquire the collateral if such credit is in fact so used; and

(c) a right of a financial lessor;

Question: That the words "Purchase Money Security Interest" be as defined in the Interpretation to this Act, put and agreed to.

"Registration" means the processing of a Financing Statement to bring it in compliance with the requirements of this Bill;

Question: That the word "Registration" be as defined in the Interpretation to this Act, put and agreed to.

"Registry" means the Collateral Registry established under this Bill;

Question: That the word "Registry" be as defined in the Interpretation to this Act, put and agreed to.

"Security Agreement" means an agreement in any form and howsoever entitled entered into between the grantor and creditor that creates a security interest under this Bill;

Question: That the word "Security Agreement" be as defined in the Interpretation to this Act, put and agreed to.

"Security Interest" means a property right in collateral that is created by agreement and secures payment or other performance of an obligation, regardless of whether the parties have denominated it as a security interest but it does not include a personal right against a guarantor or other person liable for the performance of the secured obligation;

Question: That the word "Security Interest" be as defined in the Interpretation to this Act, put and agreed to.

"Serial-numbered Goods" means movable property that have a serial or identification number permanently marked on or attached to its body frame by the manufacturer limited to motor vehicles, planes, and boats that are not held as inventory.

Question: That the word "Serial-Numbered Goods" be as defined in the Interpretation to this Act, put and agreed to.

"Serial Number" means an identification number marked or attached to the body frame of a movable property by the manufacturer.

(2) For the purposes of this Bill, the determination of whether goods are consumer goods, equipment, farm products or Inventory is to be made at the time when the Security Agreement is concluded and the Creditor may rely on the representations of the Grantor as to the intended use.

Question: That the word "Serial Numbers" be as defined in the Interpretation to this Act, put and agreed to.

Committee's Recommendation:
That the provision in Clause 64 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 64 *do stand part of the Bill, put and agreed to.*

Clause 65: Short Title
This Bill may be cited as the Secured Transactions in Movable Assets Bill, 2017

Committee's Recommendation:
That the provision in Clause 65 be retained (*Senator Rafiu I. Adebayo — Kwara South*) — *Agreed to.*

Question that Clause 65 *do stand part of the Bill, put and agreed to.*

Chairman to report Bill.

(SENATE IN PLENARY)

The Senate President reported that the Senate in the Committee of the Whole considered the Report of the Committee on Banking, Insurance and Other Financial Institutions on the Secured Transactions in Movable Assets Bill, 2017 and approved as follows:

Clauses 1- 57 — As Recommended

Clauses 58-59 — As Amended

Clauses 60-65 — As Recommended

Question: That the Senate do approve the Report of the Committee of the Whole — *Resolved in the Affirmative.*

Motion made: That the Bill be now Read the Third Time *(Senate Leader).*

Question put and agreed to.

Bill accordingly Read the Third Time and Passed.

10. **Committee on Ethics, Privileges and Public Petitions:**

a. *Motion made:* That the Senate do consider the Report of the Committee on Ethics, Privileges and Public Petitions in respect of Petition from Dr. George Uboh of Panic Alert Security System (PASS) against Chevron Nigeria Limited for fraud of over Four Billion, Nine Hundred and Twenty-Six Million, Four Hundred and Sixty-Four Thousand, One Hundred U. S Dollars ($4,926,464,100.00)(*Senator Samuel N. Anyanwu — Imo East*).
Report on the Petition from Dr. George Uboh of Panic Alert Security System (PASS) against Chevron Nigeria Limited for fraud of over Four Billion, Nine Hundred and Twenty-Six Million, Four Hundred and Sixty-Four Thousand, One Hundred U. S Dollars ($4,926,464,100.00):

Question put and agreed to.

Report presented.

Debate:

Proposed Resolution:
Question: That based on the Petitioner's decision to withdraw the case, the Committee recommends that the case be stepped down — *Negatived.*

Resolved:
The Senate do constitute an *Ad hoc* Committee to investigate the allegation contained in the petition ***(S/Res/158/02/17).***

***Ad hoc* Committee on Petition from Dr. George Uboh of Panic Alert Security System (PASS) against Chevron Nigeria Limited:**

(*i*)	Senator Magnus N. Abe	—	Chairman
(*ii*)	Senator Ahmed R. Sani	—	Member
(*iii*)	Senator Albert B. Akpan	—	Member
(*iv*)	Senator David Umaru	—	Member
(*v*)	Senator Biodun C. Olujimi	—	Member
(*vi*)	Senator Enyinnaya H. Abaribe	—	Member
(*vii*)	Senator Yahaya A. Abdullahi	—	Member
(*viii*)	Senator Yusuf A. Yusuf	—	Member

b. *Motion made:* That the Senate do consider the Report of the Committee on Ethics, Privileges and Public Petitions in respect of:
Petition from Sule Mode against the Nigerian Army for wrongful discharge from the Army (*Senator Samuel N. Anyanwu — Imo East*).

Question put and agreed to.

Report presented.

Debate:

Proposed Resolution (i):
Question: That the Senate upheld the decision of the Chief of Army Staff (COAS) that Private Sule Mode be reinstated and discharged from the Nigerian Army due to his long absence from the Service and also for not showing up for the review of his case while others did — *Agreed to.*

Proposed Resolution (ii):
Question: That the Nigerian Army is advised to pay Private Sule Mode whatever entitlements due to him having served for three (3) years — *Agreed to.*

Resolved:

(*i*) That the Senate upheld the decision of the Chief of Army Staff (COAS) that Private Sule Mode be reinstated and discharged from the Nigerian Army due to his long absence from the Service and also for not showing up for the review of his case while others did; and

(*ii*) That the Nigerian Army is advised to pay Private Sule Mode whatever entitlements due to him having served for three (3) years ***(S/Res/159/02/17)***.

c. *Motion made:* That the Senate do consider the Report of the Committee on Ethics, Privileges and Public Petitions in respect of Petition from Ibrahim Ali against the Nigerian Army for wrongful dismissal from the Army (*Senator Samuel N. Anyanwu — Imo East*).
Report on Petition from Ibrahim Ali against the Nigerian Army for wrongful dismissal from the Army:

Question put and agreed to.

Report presented.

Debate:

Proposed Resolution:
Question: That since the Petitioner's dismissal was based on desertion for two (2) months and was actually tried and found guilty, the Nigerian Army's decision should be sustained — *Agreed to.*

Resolved:
That since the Petitioner's dismissal was based on desertion for two (2) months and was actually tried and found guilty, the Nigerian Army's decision should be sustained ***(S/Res/160/02/17)***.

d. *Motion made:* That the Senate do consider the Report of the Committee on Ethics, Privileges and Public Petitions in respect of Petition from Kingdom Human Rights Foundation International against the Police Service Commission for alleged suppression of its petition (*Senator Samuel N. Anyanwu — Imo East*).
***Report on Petition from Kingdom Human Rights Foundation International against the Police Service Commission for alleged suppression of its petition*:**

Question put and agreed to.

Report presented.

Debate:

Proposed Resolution (i):
Question: That Kingdom Human Rights Foundation International be asked to patiently wait for the outcome of the Inspector-General of Police investigation — *Agreed to.*

Proposed Resolution (ii):
Question: That if the Petitioner is not satisfied with the outcome of the investigation at the end, he may return to the Committee or the law court in search for justice — *Agreed to.*

Resolved:

(*i*) That Kingdom Human Rights Foundation International be asked to patiently wait for the outcome of the Inspector-General of Police investigation;

(*ii*) That if the Petitioner is not satisfied with the outcome of the investigation at the end, he may return to the Committee or the law court in search for justice ***(S/Res/161/02/17)***.

Extension of Time:
Motion made: That the Senate do sit this day beyond the time appointed for the termination of the Sitting of the Senate (Rule 13) (*Senate Leader*).

Question put and agreed to.

e. *Motion made:* That the Senate do consider the Report of the Committee on Ethics, Privileges and Public Petitions in respect of Petition from the Attorney-General and Commissioner of Justice, Rivers State on behalf of the Government and people of Rivers State against Shell Petroleum Development Company (SPDC) for alleged planned relocation of its operational Base from Port-Harcourt, Rivers State to Lagos (*Senator Samuel N. Anyanwu — Imo East*).
***Petition from the Attorney-General and Commissioner of Justice, Rivers State on behalf of the Government and people of Rivers State against Shell Petroleum Development Company (SPDC) for alleged planned relocation of its operational Base from Port-Harcourt, Rivers State to Lagos*:**

Question put and agreed to.

Report presented.

Debate:

Proposed Resolution (i):
Question: That the Rivers State Government should provide a peaceful, threat-free environment for Shell Petroleum Development Company (SPDC) to continue its operations in Rivers State — *Agreed to.*

Proposed Resolution (ii):
Question: That Shell Petroleum Development Company (SPDC) should always maintain constant dialogue with the Rivers State Government to douse the visible apprehension that gripped the state over the company's purported relocation from the State — *Agreed to.*

Proposed Resolution (iii):
Question: That Shell should not relent in discharging its corporate social responsibilities to its host communities in the Niger Delta region — *Agreed to.*

Resolved.

(*i*) That the Rivers State Government should provide a peaceful, threat-free environment for Shell Petroleum Development Company (SPDC) to continue its operations in Rivers State;

(*ii*) That Shell Petroleum Development Company (SPDC) should always maintain constant dialogue with the Rivers State Government to douse the visible apprehension that gripped the state over the company's purported relocation from the State; and

(*iii*) That Shell should not relent in discharging its corporate social responsibilities to its host communities in the Niger Delta region ***(S/Res/162/02/17)***.

f. *Motion made:* That the Senate do consider the Report of the Committee on Ethics, Privileges and Public Petitions in respect of Petition from Aremiyau Y. Abubakar, Esq. on behalf of Late Hajiya Fatima Ladi Mohammed against the Bureau of Public Enterprises (BPE) for Non-payment of retirement benefits (*Senator Samuel N. Anyanwu — Imo East*).
Report on Petition from Aremiyau Y. Abubakar, Esq. on behalf of Late Hajiya Fatima Ladi Mohammed against the Bureau of Public Enterprises (BPE) for Non-payment of retirement benefits

Question put and agreed to.

Report presented.

Debate:

Proposed Resolution:
Question: That the Senate do advise Aremiyau Y. Abubakar, Esq. and relations of late Hajiya Fatima Ladi Mohammed to forget the matter as her dismissal was based on verifiable financial misconduct which cannot attract terminal benefits, especially when her name was not included in the list of staff handed over to Bureau of Public Enterprises (BPE) for terminal benefits — *Agreed to.*

Resolved:
That the Senate do advise Aremiyau Y. Abubakar, Esq. and relations of late Hajiya Fatima Ladi Mohammed to forget the matter as her dismissal was based on verifiable financial misconduct which cannot attract terminal benefits, especially when her name was not included in the list of staff handed over to Bureau of Public Enterprises (BPE) for terminal benefits ***(S/Res/163/02/17).***

g. *Motion made:* That the Senate do consider the Report of the Committee on Ethics, Privileges and Public Petitions in respect of Petition from Sgt. Godwin Obanga against the Nigeria Police for his Wrongful Dismissal from the Service (*Senator Samuel N. Anyanwu — Imo East*).
Report on Petition from Sgt. Godwin Obanga against the Nigeria Police for his Wrongful Dismissal from the Service:

Question put and agreed to.

Report presented.

Debate:

Proposed Resolution (i):
Question: That the Senate do direct the Nigeria Police to reinstate Sgt. Godwin Obanga into the Service with all his entitlements paid — *Agreed to.*

Proposed Resolution (ii):
Question: That the Senate do urge Sgt. Godwin Obanga to accept his retirement from the service of the Nigeria Police after reinstatement, in accordance with the Nigeria Police policy — *Agreed to.*

Resolved:
(*i*) That the Senate do direct the Nigeria Police to reinstate Sgt. Godwin Obanga into the Service with all his entitlements paid; and

(*ii*) That the Senate do urge Sgt. Godwin Obanga to accept his retirement from the service of the Nigeria Police after reinstatement, in accordance with the Nigeria Police policy ***(S/Res/164/02/17).***

h. *Motion made:* That the Senate do consider the Report of the Committee on Ethics, Privileges and Public Petitions in respect of Petition from Dr. Edet A. Ukpong against the National Pension Commission over Alleged Non-Payment of his Federal Pension since 2009 (*Senator Samuel N. Anyanwu — Imo East*).
Report on Petition from Dr. Edet A. Ukpong against the National Pension Commission over Alleged Non-Payment of his Federal Pension since 2009:

Question put and agreed to.

Report presented.

Debate:

Proposed Resolution (i):
Question: That the Senate do appreciate the National Pension Commission for quickly responding to the Senate for efficient service delivery; and for the patience of the petitioner to await Senate decision — *Agreed to.*

Proposed Resolution (ii):
Question: That Dr. Edet A. Ukpong be paid all his pension entitlements — *Agreed to.*

Resolved:

(*i*) That the Senate do appreciate the National Pension Commission for quickly responding to the Senate for efficient service delivery; and for the patience of the petitioner to await Senate decision; and

(*ii*) That Dr. Edet A. Ukpong be paid all his pension entitlements ***(S/Res/165/02/17)***.

i. *Motion made:* That the Senate do consider the Report of the Committee on Ethics, Privileges and Public Petitions in respect of Petition from Inspector. Solomon Ojo Dalley against the Nigeria Police for Unlawful Dismissal from the Service (*Senator Samuel N. Anyanwu — Imo East*).
Report on Petition from Inspector. Solomon Ojo Dalley against the Nigeria Police for Unlawful Dismissal from the Service:

Question put and agreed to.

Report presented.

Debate:

Proposed Resolution (i):
Question: That the Senate do advise Inspector Solomon Ojo Dalley to apply for his terminal benefits as approved by the Nigeria Police — *Agreed to.*

Proposed Resolution (ii):
Question: That the Senate do commend the Nigeria Police for its decision to reinstate and retire Inspector Solomon Ojo Dalley to enable him collect his benefits — *Agreed to.*

Resolved:

(*i*) That the Senate do advise Inspector Solomon Ojo Dalley to apply for his terminal benefits as approved by the Nigeria Police; and

(*ii*) That the Senate do commend the Nigeria Police for its decision to reinstate and retire Inspector Solomon Ojo Dalley to enable him collect his benefits ***(S/Res/166/02/17)***.

11. Animal Health and Husbandry Technologies (Registration, etc) Bill, 2017 (HB. 320) - Concurrence:

Consideration of Bill deferred to another Legislative Day.

13. **Witness Protection Programme Bill, 2017 (HB. 132) - Concurrence:**

Consideration of Bill deferred to another Legislative Day.

12. **Nigerian Oil and Gas Industry Content Development Act 2010 (Amendment) Bill, 2017 (HB.99 & 118) - Concurrence:**

Consideration of Bill deferred to another Legislative Day.

13. **Compulsory Treatment and Care of Victims of Gunshots Bill, 2017 (HB. 119) - Concurrence:**

Consideration of Bill deferred to another Legislative Day.

14. **Corporate Manslaughter Bill, 2017 (HB. 273) - Concurrence:**

Consideration of Bill deferred to another Legislative Day.

15. **National Child Protection and Enforcement Agency Bill, 2017 (HB. 127) - Concurrence:**

Consideration of Bill deferred to another Legislative Day.

16. **Adjournment:**
And it being 2:03 p.m the Senate President adjourned the Senate till Wednesday, 10th May, 2017 at 10:00 a.m.

Adjourned accordingly at 2:03 *p.m.*

Abubakar Olubukola Saraki, CON
President,
Senate of the Federal Republic of Nigeria.