

A BILL FOR AN ACT TO REPEAL THE NATIONAL INSURANCE COMMISSION ACT 1997 AND TO RE-ENACT THE INSURANCE REGULATORY COMMISSION BILL 2025

ENACTED by the National Assembly of the Federal Republic of Nigeria as follows:

() Commencement

Part I

1. Establishment, etc., of the Insurance Regulatory Commission

- (1) There is hereby established, a body to be known as **Insurance Regulatory Commission** (in this Bill referred to as "the Commission").
- (2) The Commission shall be a body corporate, with perpetual succession and a common seal and may sue and be sued in its corporate name.
- (3) Subject to the Land Use Bill and this Bill, the Commission may acquire, hold or dispose of any movable or immovable property for the purpose of its functions under this Bill.
- (4) The Commission shall be independent in the performance of its functions.
- (5) The Commission shall, subject to subsection (4), develop, adopt and, as appropriate, amend, revoke or supplement appropriate regulations, codes, guidelines, circulars, directives and procedures to regulate its operations in the performance of its functions.

2. Governing Board of the Commission

(1) There is hereby established for the Commission, a Governing Board which shall be responsible for managing and superintending the affairs of the Commission and consist of -

- a) a part-time Chairman;
- b) a representative each of -
 - i) the Federal Ministry of Finance not below the rank of a Director,
 - ii) the Central Bank of Nigeria not below the rank of a Director,
 - iii) the Chartered Insurance Institute of Nigeria,
 - iv) the Federal Ministry of Trade and Investment;
- c) three part-time members to represent the interest of the public;
- d) the Commissioner for Insurance; and
- e) the two Deputy Commissioners.

(2) The Chairman and members of the Commission other than ex-officio members, shall be appointed by the President.

(3) No member of the Board shall have the right to appoint any proxy to represent him at a meeting of the Board.

(4) The Chairman and members of the Board shall be a fit and proper person with adequate cognate experience in administration, risk management or financial services.

(5) The Board shall be responsible for —

(a) the overall policy and general supervision of the affairs of the Commission toward the efficient and effective performance of the functions of the Commission; and

(b) such other matters as may be prescribed by any other provision of this Bill.

(6) Without prejudice to the generality of subsection (5), and in addition to such other powers vested in the Board by other provisions of this Bill, the Board shall have power to —

(a) superintend over the affairs of the Commission;

(b) formulate overall policy and general administration of the Commission and act in the name of the Commission;

(c) determine, from time to time, the rates of contributions to be made by insurance institutions to the funds of the Commission; and

(d) acquire and approve the acquisition of offices and other premises for the use of the Commission;

(e) make, alter and revoke rules, guidelines, circulars, and regulations for attaining the objectives and functions and performing the functions, carrying on the operations, activities, and business of the Commission under this Bill;

(f) appoint directors and officers who in the opinion of the Board are required for performing the functions of the Commission and determine the organization structure for the Commission, and

(g) do such other things and enter into such other transactions which in the opinion of the Board are reasonably incidental, supplementary or conducive to the exercise of powers of the Commission and the performance of the functions of the Commission.

(7) A member of the Board owes fiduciary duties to the Commission and shall ensure that his personal interest does not conflict with his duties under this Bill.

(8) The supplementary provisions set out in the Schedule to this Bill, shall have effect with respect to the proceedings of the Board and the other matters mentioned therein.

3. Tenure of office

(1) A member of the Board appointed, otherwise than by office, shall hold office for a period of four years, and subject to the provisions of subsection (3) of this section, may be re-appointed for one further period of four years and no more.

(2) Whenever the tenure of the Board expires or is otherwise terminated, and pending the appointment of a new Board, the responsibilities of the Board shall be discharged by an Interim Management Committee which shall comprise of the-

- a. Permanent Secretary, Federal Ministry of Finance, who shall be the Chairman;
- b. The Commissioner for Insurance;
- c. two Commissioners for insurance;
- d. a representative of the Central Bank of Nigeria; and
- e. a representative of the Federal Ministry of Finance.

- (3) Notwithstanding the provisions of this Bill, a person shall cease to hold office as a member of the Board if he —
- (a) becomes bankrupt, suspends payment or compounds with his creditors;
 - (b) is convicted of a felony or any offence involving dishonesty or fraud;
 - (c) becomes of unsound mind, or incapable of carrying out his duties;
 - (d) is guilty of a serious misconduct in relation to his duties;
 - (e) in the case of a person possessing professional qualifications, if disqualified or suspended other than at his own request from practicing his profession in any part of the world by an order of a competent authority made in that respect;
 - (f) resigns his appointment by a letter addressed to the President, through the Minister;
 - (g) he is removed from office under section 4 of this Bill

4. Removal from office of member of the Board

(1) If it appears to the Minister that the Chairman or any other member of the Board, other than an ex-officio member, should be removed from office on the grounds of misconduct or inability to perform the functions of his office, the Minister shall make a recommendation to the President.

(2) If the President approves the recommendation, the Minister shall, in writing, declare the office of the member vacant.

5. Allowances of members of the Board

The Chairman and other members of the Board shall be paid such allowances and incidental expenses as may be approved by the Minister on the recommendation of the Board.

Part II

Objectives, functions and Powers

6. Object of the Commission

The principal objective of the Commission shall be to ensure the effective administration, supervision, regulation, control, integrity and development of insurance business in Nigeria.

7. Objectives and functions of the Commission

(1) The objectives and functions of the Commission shall be to—

- a) ensure the effective administration, supervision, regulation, control and development of insurance, reinsurance as well as other related insurance services such as takaful, microinsurance, Insurtech, etc in Nigeria;
- b) promote the maintenance of a fair, safe and stable insurance sector;

- c) Promoting financial stability
- d) protect the interest of the insurance policyholders and beneficiaries;
- e) promote the development of the insurance sector.
- f) formulate, establish and enforce standards and regulations for the conduct of insurance and reinsurance business as well as conduct and practice of actuarial services in Nigeria;
- g) license all persons involved in or connected with insurance business;
- h) act as adviser to the Federal Government on all insurance related matters and advise the Government on a national policy to ensure natural catastrophe management, adequate insurance protection and security for national assets;
- i) issue supervisory guidelines, circulars, directives and prudential standards from time to time, for the administration of insurance business of persons licensed under this Bill;
- j) set and approve the minimum standards and requirements on Information and Communication Technology for the insurance sector;
- k) conduct inquiries and share information with other regulatory authorities and to carry out any other related activities in furtherance of its supervisory role;
- l) approve rates of insurance premiums to be paid in respect of all classes of insurance business;
- m) approve rates of commissions to be paid in respect of all classes of insurance business;
- n) set rates of insurance premiums to be paid in respect of all classes of insurance made compulsory by law;
- o) ensure adequate protection of strategic Government assets and other properties;
- p) regulate transactions between insurers and re-insurers in Nigeria and those outside Nigeria;
- q) approve standards, conditions and warranties applicable to all classes of insurance business;
- r) publish, for sale and distribution to the public, annual reports and statistics on the insurance industry;
- s) liaise with and advise Federal Ministries, Extra Ministerial Departments, statutory bodies and other Government agencies on all matters relating to insurance contained in any technical agreements to which Nigeria is a signatory;
- t) contribute to the educational programmes of the Chartered Insurance Institute of Nigeria and the West African Insurance Institute; and
- u) carry out such other activities connected or incidental to its other functions under this Bill.

(3) Notwithstanding the provisions of this Bill and any other enactment, the Commission shall publish the guidelines, circulars, directives, standards or regulations formulated under subsection (1) (f) & (i) and may provide for the punishment of a person who contravenes any of the standards and regulations as may be prescribed by regulation by the Commission from time to time.

8. Powers of the Commission

1. The Commission shall have power to -

- (a) establish a bureau to which complaints, against any insurer, reinsurer, insurance broker or loss adjuster (in this Bill referred to as "insurance institution") may be submitted by members of the public;
- (b) request or call for information from Federal Ministries, Extra-Ministerial Departments, statutory bodies and other Government agencies on matters relating to insurance;
- (c) exchange information with other regulatory bodies both in the financial services and other sectors;
- (d) issue regulation, guideline or circular to Federal Ministries, Extra-Ministerial Departments, statutory bodies and other Government agencies on matters relating to insurance
- (e) borrow such sums of money as the Commission may, from time to time, require for performing its functions under this Bill;
- (f) acquire offices and other premises for the use of the Commission;
- (g) establish such zonal and other offices of the Commission as it may deem necessary for the proper performance of its functions under this Bill; and
- (h) do such other things as are necessary for the successful performance of its functions under this Bill.

Part III

Staff of the commission

9. Appointment of the Commissioner for Insurance

- (1) There shall be for the Commission, a Commissioner for Insurance (in this Bill referred to as "the Commissioner") who shall be appointed by the President.
- (2) A person shall not be qualified for appointment as the Commissioner for Insurance unless he has -
 - (a) a recognized professional qualification in insurance or related course;
 - (b) not less than 15 years post-qualification experience in the insurance industry.
- (3) The Commissioner for Insurance shall -
 - (a) be the chief executive of the Commission; and
 - (b) be responsible for -
 - (i) the execution of the policies of the Commission as formulated by the Board;
 - (ii) the day-to-day administration of the Commission; and
 - (c) hold office for a period of four years in the first instance and may be reappointed for a further period of four years and no more, and on such other terms and conditions, including emoluments and allowances, as may be approved by the Board.

10. Appointment, etc., of Deputy Commissioners

- (1) There shall be for the Commission -
- (a) a Deputy Commissioner for Technical Operations; and
 - (b) a Deputy Commissioner for Finance and Administration, each of whom shall be appointed by the President, on the recommendation of the Minister.
- (2) A person shall not be qualified for appointment -
- (a) as a Deputy Commissioner for Technical Operations unless he has -
 - (i) a recognized professional qualification in insurance;
 - (ii) not less than 12 years post-qualification experience in the insurance industry; and
 - (iii) spent the last 7 years of the 12 years referred to in sub-paragraph (ii) of this paragraph at senior management level; or
 - (b) as a Deputy Commissioner for Finance and Administration unless he has -
 - (i) a recognized professional qualification in finance, accounting or administration;
 - (ii) not less than 12 years post-qualification experience in finance management and administration;
 - (iii) spent the last 7 years of the 12 years referred to sub-paragraph (ii) of this paragraph at a senior management level.
- (3) The Deputy Commissioner for Technical Operations shall -
- (a) be responsible to the Commissioner for Insurance for the day-to-day administration and coordination of all the technical operations of the Commission; and
 - (b) perform such other duties as the Commissioner for Insurance or the Board may, from time to time, assign to him.
- (4) The Deputy Commissioner for Finance and Administration shall -
- (a) be responsible to the Commissioner for Insurance for the day-to-day control of the financial affairs and administration of the Commission; and
 - (b) perform such other functions as the Commissioner for Insurance or the Board may, from time to time, assign to him.
- (5) A Deputy Commissioner appointed under subsection (1) (a) or (b) of this section shall hold office for a period of five years in the first instance, and may be re-appointed for a further period of five years and no more and on such terms and conditions, including emolument and allowances, as may be approved by the Board.
- (6) When the office of the Commissioner for Insurance is vacant or the Commissioner for Insurance is for any reason absent or otherwise unable to perform his functions as Commissioner for Insurance, the Minister shall appoint any of the two Commissioners to act as the Commissioner for Insurance.
- (7) A Deputy Commissioner acting on behalf of the Commissioner for Insurance under subsection (6) of this section shall perform all the functions and have all the rights and privileges of the Commissioner for Insurance.

11. Disqualification for appointment as Commissioner for Insurance or Deputy Commissioner

The Commissioner for Insurance or a Deputy Commissioner shall cease to hold office in the Commission if he-

- (a) becomes bankrupt;
- (b) is convicted of a felony or any offence involving dishonesty or fraud;
- (c) becomes of unsound mind, or incapable of carrying out his duties;
- (d) is guilty of a serious misconduct in relation to his duties;
- (e) in the case of a person possessing professional qualifications, is disqualified or suspended other than at his own request from practicing his profession in any part of the world by an order of a competent authority made in that respect; or
- (g) resigns his appointment by a letter addressed to the President, through the Minister;

12. Commissioner for Insurance and Commissioners to be full -time members

The Commissioner for Insurance and Commissioners shall be full-time members and shall, while holding office in the Commission, not occupy or hold any other office or engage in any employment whether remunerated or not, but the Commissioner for Insurance or Commissioners may, by virtue of their office, be appointed, with the approval of the Board to -

- (a) act as member of any body established by the Federal Government to inquire into any matter affecting insurance or other related matters in Nigeria; or
- (b) become a member of a body (whether corporate or unincorporated), by whatever name called, of any international insurance organization or institution in which the Federal Government has interest or has given support or approval;
- (c) become a Director of any corporation in Nigeria in which the Commission may participate.

13. Directors and other employees of the Commission

(1) Subject to sections 9 and 10 of this Bill, the Board shall, from time to time, appoint for the Commission such number of Directors and other employees as may appear to it expedient and necessary for the proper and efficient performance of the functions conferred on the Commission under this Bill.

(2) The Commission shall to the exclusion of any other authority, body or person, fix the terms and conditions of service of the employees of the Commission, including remuneration, allowances gratuities, other benefits, and pension benefits in accordance with the Pension Reform Bill;

14. Power to make rules

(1) The Commission may make rules relating generally to the conditions of service of employees of the Commission, and without prejudice to the generality of the foregoing, the rules may provide for -

- (a) the appointment and disciplinary control of all employees of the Commission;
- (b) appeals by the employees against dismissal or other disciplinary measures.

(2) Rules made under subsection (1) of this section need not be published in the Gazette, but the Commission shall cause them to be brought to the notice of all affected persons in such manner as it may, from time to time, determine.

Part IV
Financial Provisions

15. Resources of the Commission

- (1) The resources of the Commission shall comprise -
- (a) such sums of money as the Federal Government may, from time to time, assign to it;
 - (b) one per cent levy on every insurance institution;
 - (c) income from investments of the Commission;
 - (d) money borrowed from such sources as may be approved by the Board;
 - (e) fees and penalties payable by insurance institutions and other persons; and
 - (f) all sums of money accruing to the Commission by way of gifts, testamentary dispositions and endowments and contributions from any other source whatsoever.
- (2) The levy imposed under subsection (1) (b) of this section shall be based -
- (a) in the case of an insurer or a reinsurer, on its gross premium income;
 - (b) in case of Takaful, insurtech or web aggregator, on its gross contribution or income;
 - (b) in the case of an insurance broker, on its gross commission;
 - (c) in the case of a loss adjuster, on its gross fees.
- (3) Every sum payable by any insurer, reinsurer, insurance broker or loss adjuster under this Bill, shall be payable on or before the 30th September of each year.

16. Funds of the Commission

- (1) The Commission shall establish and maintain the following funds, that is-
- (a) an operating fund;
 - (b) an education fund;
 - (c) a security and insurance development fund; and
 - (d) a general reserve fund.
- (2) The sums of money derived from the resources of the Commission under section 15 of this Bill, shall be paid into the funds established in pursuance of subsection (1) of this section as follows, that is -
- (a) in the case of the operating fund, 50 per cent;
 - (b) in the case of the education fund, 30 per cent;
 - (c) in the case of the security and insurance development fund, 20 per cent;
 - (d) in the case of the general reserve fund, the net operation surplus in the operating fund at the end of each year.

17. Operating fund

The Commission shall, from time to time, apply the proceeds of the operating fund established in pursuance of subsection (1) (a) of [section 16 of this Bill](#)-

- (a) to the cost of administration of the Commission;

- (b) for reimbursing members of the Board or of any committees set up by the Board, for such expenses as may be expressly authorized by the Board, in accordance with the rates approved by the Minister;
- (c) to the payment of salaries, fees or other remuneration, allowances, pensions and gratuities payable to the employees of the Commission; and
- (d) for the maintenance of any property vested in the Commission.

18. Education fund

The Commission shall apply the proceeds of the education fund established in pursuance of subsection (1) (b) of section 16 of this Bill, as contribution to-

- (a) the Chartered Insurance Institute of Nigeria;
- (b) the West African Insurance Institute;
- (c) such other insurance educational institutions and educational activities as the Board may, from time to time, determine.

19. Security and development fund

The Commission shall apply the proceeds of the security and development fund established in pursuance of subsection (1) (c) of section 16 of this Bill to assist in the development of the insurance industry in Nigeria and the protection of insurance policyholders and beneficiaries to insurance contracts.

20. General reserve fund

(1) The general reserve fund which contains the net operational surplus in the operating fund at the end of every year shall be applied to such purposes and invested in such manner as the Board may, from time to time, determine.

(2) The net operational surplus in the operating fund at the end of each year shall be determined after meeting all the current expenditure for that year and after making such provisions as the Board may deem fit for the depreciation and superannuating funds and all other contingencies.

21. Special Reserve fund

(1) The special reserve fund which contains the net surpluses in the education and security and insurance funds at the end of every year shall be invested in such manner as the Board may, from time to time, determine and be applied for purposes specified in sections 18 and 19 in the succeeding year.

(2) The net surpluses in the education fund and security and insurance fund shall solely be applied for the purposes specified in the Bill.

21. Power to accept gifts

(1) The Commission may, within and outside Nigeria, accept gifts of land, money or other property or things upon such terms and conditions, if any, as may be specified by the person or organization making the gift.

(2) The Commission shall not accept any gift if the conditions attached by the person or organization making the gift to the acceptance thereof are inconsistent with the aims and objectives of the Commission under this Bill.

22. Annual estimates, accounts and audits

(1) The Commission shall cause to be prepared and submitted to the Board, not later than three months to the end of the year or soon thereafter, an estimate of the expenditure and income of the Commission during the next succeeding year.

(2) The Board shall cause to be kept proper accounts and proper records in relation thereto and when certified by the Board, such accounts shall be audited by auditors appointed from the list and in accordance with the guidelines supplied by the Auditor-General for the Federation.

23. Annual reports

The Board shall, not later than 30th September in each year, submit to the Minister a report on the activities of the Commission and its administration during the immediately preceding year and shall include in such report the audited accounts of the Commission and the auditor's report thereon.

PART V

Collection of Levy from Insurers, etc.

24. Returns for collection of levy

Any insurance institution which is liable to pay a levy under this Bill, shall furnish to the Commission, not later than 31st March of each year returns in such form as may be approved by the Commission and containing such particulars as are specified therein.

25. Further returns, etc.

(1) In addition to any return which is required under section 24 of this Bill, the Commission may, by notice in writing, call upon any insurance institution to furnish to it within a time specified in the notice, such return or further returns as the Commission may require.

(2) For the purpose of inquiring into or ascertaining the liability of an insurance institution under this Bill, the Commission may, by notice in writing, require the insurance institution to -

(a) furnish it with such information as it may require; or

(b) attend and give evidence before it or before an officer authorized by it for that purpose; or

(c) produce any book of account, documents and other papers relating thereto in the custody or under the control of an insurance institution or any person under its supervision or control.

26. Assessment by the Commission

(1) The Commission shall at the beginning of each year assess and furnish to the insurance institution, the sum payable as contribution to the Commission for the year.

(2) An assessment made pursuant to subsection (1) of this section may be confirmed, varied or modified by the Commission, upon being shown a balance sheet duly audited, showing the financial position of the insurance institution for the close of the previous year.

27. Failure to pay sum due or any installment thereof and recovery

(1) Any sum payable under this Bill or any installment thereof unpaid, including any additional sum, may be sued for and recovered in a court by the Commission or by any officer authorized in that behalf by the Commission.

(2) Where an insurance institution is liable to pay any sum of money or installment under this Bill and fails to pay the sum payable on or before the date on which the sum is due and payable, the insurance institution shall, in addition to the inability to pay the sum or installment, be liable to pay an additional sum at the rate of 3 per cent above the Central Bank of Nigeria minimum discount rate.

- (3) The additional sum or installment payable under subsection (2) of this section shall be computed from the date on which the sum became due and payable.
- (4) Any sum or additional sum payable under this Bill, shall be deemed to become due and payable as a debt due to the Commission and may be recovered pursuant to this section.
- (5) Failure by an insurance institution to pay any sum or additional sum due under this Bill, shall constitute a ground for the cancellation of its certificate of registration under the Insurance Bill.
- (6) For the purposes of implementation of the provisions of subsection (5) of this section the Commission may exercise its powers thereof without recourse to the provisions of subsection (1) of this section.

28. Offences under this Part

- (1) Notwithstanding any other provisions of this Bill or any other enactment, an insurance institution which -
 - (a) for the purpose of avoiding payment of any sum due under this Bill, knowingly makes any false statement, declaration, representation, or produces, furnishes or causes to be produced or furnished any return document information which is false in any material particular; or
 - (b) fails to pay to the Commission within such period as may be prescribed any sum due under this Bill; or
 - (c) fails to make any returns, as the case may be, is guilty of an offence under this Bill and liable **on conviction** to a minimum penalty of **₦2,000,000** or as may be prescribed by the Commission from time to time.
- (2) The Commission may order the insurance institution to pay to the Commission any sum together with any interest or penalty thereon certified to be due from the insurance institution to the Commission at the date of the penalty.

Part VI

SUPERVISION

29. Inspection

- (1) The Commission may, at least once in every year or at any time it considers appropriate:
 - (a) authorize an inspection, examination or investigation into the activities of every insurance operator, including their premises, businesses, affairs, procedures, systems and operations whether in or outside Nigeria;
 - (b) inspect the assets, including cash, belonging to or in the possession or control of any operator; and
 - (c) examine and make copies of documents, including accounting records, belonging to or in the possession or control of an operator where in the opinion of the Commission, such documents and accounting records relate to the insurance business of the insurance operator.

- (2) When undertaking an inspection, the Commission may have regard to matters which, in the opinion of the Commission are relevant to the supervision of the insurance operator including:
 - (a) verifying the capital and, in the case of an insurer, the solvency margin and reserves;
 - (b) ascertaining that the insurer or insurance operator is complying with the provisions of this Bill, regulations issued in pursuance of this Bill, code of conduct, terms and conditions relating to the licence and any directives which the Commission may have issued to the operator;
 - (c) ensuring that the operator has adequate procedures in place to prevent the operator from being used for the purposes of money laundering or for terrorist funding.
- (3) In exercising the powers referred to in this section, the Commission shall:
 - (a) have a right of access, at all times, to the books, accounts, documents and vouchers of an insurance operator;
 - (b) intervene in the checking of the cash in hand, cash accounts;
 - (c) verify the liquid and other assets of the insurance operator wherever located;
 - (d) check all the main and auxiliary books of accounts, registers, computer records and other papers and correspondence connected with an operator's business;
 - (e) verify the investment of the capital and statutory reserves of the operator;
 - (f) verify the legality or otherwise of any insurance business transacted by the insurance operator; and
 - (g) require from any director, manager or officer of an insurance operator such information and explanation as it may deem necessary in each case.

30. Duty of insurance operator to produce books, etc., to Commission

- (1) Every insurance operator shall on demand produce and make available to the Commission such books, accounts, documents, vouchers, information and explanation as may be required by the Commission for the purposes of section 29 of this Bill.
- (2) An insurance operator who:
 - (a) fails to produce any book, account, document or voucher as may be required by the Commission; or
 - (b) fails to give any information or explanation required by the Commission; or
 - (c) negligently, willfully or with intent to defraud:
 - (i) produces any book, account, document or voucher, or

(ii) gives any information or explanation which is false in any material particular,

is liable **on conviction** to a penalty of not less than ~~₦~~**1,000,000** or a sum as may be prescribed by the Commission from time to time, **or to imprisonment for a term of 1 year or to both such fine and imprisonment** for every day the breach continues up to 30 days from the date of the first breach.

(3) A continued breach of sub-section (2) of this section, after the period of 30 days from the first breach, may constitute a ground for suspension of a licence granted to an operator and any other action that the Commission may deem fit to take against such an operator.

31. **Report of inspection**

(1) The Commission shall, on completing a routine inspection under section 29 of this Bill forward a copy of the extract of the report, together with any recommendation by the Commission to the insurance operator concerned, with instruction that it be placed before a meeting of the board of directors of the insurance operator or the partners specially convened for the purpose of considering the report and recommendation.

(2) The insurance operator shall within 14 days of receiving the report referred to in sub-section (1) of this section forward to the Commission, reactions of its board of directors or partners to the report and its proposals for implementing the recommendations of the Commission.

(3) An insurance operator who fails to comply with the provision of subsection (2) of this section is liable **on conviction** to a penalty of not less than **N1,000,000.00**, of a sum as may be prescribed by the Commission from time to time, **or to imprisonment for a term of 1 year or to both such fine and imprisonment** for every day the breach continues up to 30 days from the date of the first breach.

(4) A continued breach of the provisions of this section, after the period of 30 days from the first breach, may constitute a ground for suspension of a licence granted to an operator in addition to payment of the penalty for the days of breach and any other action that the Commission may deem fit to take on the matter.

32. **Special inspection**

(1) The Commission may, at any time, order a special inspection or investigation into the books and affairs of an insurance operator where the Commission suspects, or is satisfied that:

(a) it is in the public interest to do so; or

(b) the insurance operator has been carrying on business in a manner detrimental to the interest of its policy holders; or

(c) the insurance operator does not have sufficient assets to cover its liabilities to the insuring public; or

- (d) the insurance operator has contravened the provisions of this Bill, regulations, code of conduct, policy guidelines and any condition relating to its licence, and any directive that the Commission may have issued to the operator;
 - (2) A special inspection or investigation may also be made into the books of an insurance operator by the Commission pursuant to an application made by:
 - (i) a director, shareholder or partner of the insurance operator; or
 - (ii) a policy-holder of an insurance operator.
 - (3) An insurance operator who willfully refuses to:
 - (a) produce any book, account, document or voucher; or
 - (b) give any information or explanation required by the Commission; or
 - (c) who negligently, willfully or who with intent to defraud;
 - (i) produces any book, account, document or voucher, or
 - (ii) gives any information or explanation which is false in any material particular,
- is liable **on conviction** to a penalty of not less than **N1,000,000.00** or of a sum as may be prescribed by the Commission from time to time, **or to imprisonment for a term of 1 year or to both such fine and imprisonment**, for every day the breach continues up to thirty days from the date of the first breach.
- (4) A continued breach of this section, after the period of 30 days from the first breach, may constitute a ground for suspension of a licence granted to an operator in addition to any other action that the Commission may deem fit to take against such insurance operator.

33. Power to appoint other persons as inspectors

- (1) For the purpose of carrying out any inspection required to be carried out under this Bill, the Commission shall have power to appoint one or more persons, other than officers of the Commission to conduct the inspection, investigation or examination of the books and affairs of an insurance operator.
- (2) An inspector carrying out an inspection, investigation or examination under this section has the same powers as are conferred on an Inspector under section 68 of this Bill and such other powers as may be conferred on him by the Commission.

34. Actuarial Investigation

- (1) The Commission shall appoint actuaries or secure the services of actuarial consultants to advise and assist the Commission on all actuarial matters relating to the relevant insurance institutions under this Bill.
- (2) An actuary appointed or secured under subsection (1) of this section shall make an investigation into the financial condition of insurance institutions.
- (3) The value of any asset and the amount of any liability shall, for the purposes of an investigation under subsection

(4) of this section, be determined in accordance with the applicable valuation regulations.

(5) The report of every investigation made under this section shall be made to the Deputy Commissioner.

35. Intervention

The Commission may exercise the powers of intervention specified in sections 36, 37, 38 and 39 of this Bill if-

(a) it considers the exercise desirable for protecting policyholders or potential policyholders of an insurance institution, against the risk that the insurance institution may be unable to meet its liabilities or fulfill the reasonable expectations of policyholders or potential policyholders; or

(b) it appears to the Commission that the insurance institution has failed to satisfy an obligation to which it is subject by virtue of this Bill; or

(c) it appears to the Commission that the insurance institution has furnished misleading or inaccurate information to the Commission under this Bill or the Insurance Bill; or

(d) there exists such other condition or circumstance, as the Commission may determine, which makes it necessary for the Commission to exercise any of those powers.

36. Requirement about investment

(1) The Commission may require an insurance institution-

(a) not to make investments of a specified class or description;

(b) to realize, before the expiration of a specified period or such longer period as the Commission may allow, the whole or a specified proportion of investments of a specified class or description.

(2) A requirement under subsection (1) of this section shall not apply to the assets of an insurance institution, where their value exceeds the amount of the liabilities of the business carried on by the insurance institution.

37. Power to obtain information and production of documents

(1) Without prejudice to the power of inspection under this Bill, the Commission may at any time-

(a) require an insurance institution to furnish it with information about such matters as it may specify; or

(b) require an insurance institution to produce, at such time and place as it may specify, such books and papers as it may specify.

(2) The power conferred on the Commission under subsection (1) of this section to require an insurance institution to produce books and papers includes power -

(a) if the books and papers are produced -

(i) to take copies of or extracts from them;

(ii) to require a person who is or was at any time, a director, partner, controller, auditor or employee of the insurance institution, to provide an explanation of any of them;

(b) if the books or papers are not produced, to require the person who was required to produce them, to state to the best of his knowledge and belief where they are.

(3) In this section, "books or papers" include accounts, deeds, writings and other documents.

38. Residual power to impose requirements to protect policyholders

The Commission may take or require an insurance institution to take such action as appears to it to be appropriate for the purpose of protecting policyholders or potential policyholders of an insurance institution against the risk that the insurance institution may be unable to meet its liabilities or fulfill the reasonable expectation of policyholders or potential policyholders.

Part VII

Failing and Failed Insurers, etc.

39. Failing insurance institutions

(1) Where -

- (a) the Commission discovers or an insurance institution informs the Commission that -
 - (i) it is likely to become unable to meet its obligations under the Insurance Bill; or
 - (ii) it is about to suspend payment of claims to any extent; or
 - (iii) it is insolvent; or
- (b) after an examination, inspection, investigation or intervention under this Bill or otherwise howsoever, the Commission is satisfied that an insurance institution -
 - (i) is of an unsound condition so that its method of transacting its business is such as to render its continued operation hazardous to its policyholders and potential clients; or
 - (ii) has failed to maintain the statutory reserves; or
 - (iii) has failed to maintain adequate management control; or
 - (iv) has failed generally to comply with the provisions of this Bill or the Insurance Bill or of regulations made thereunder,

the Commission may, by order in writing, exercise anyone or more of the powers specified in subsection (2) of this section.

(2) The Commission may, by order in writing under subsection (1) of this section

- (a) prohibit the insurance institution from transacting any further business for such period as may be set out in the order, and make the prohibition subject to such exceptions, and impose such conditions in relation to the explanations as maybe set out in the order, and from time to time, by further order similarly made, extend that period;
- (b) require the insurance institution to take any step or any action or to do or not to do any act or thing whatsoever, in relation to the insurance institution or its business or its directors, partners or officers, which the Commission considers necessary and which is set out in the order, within such time as may be stipulated therein;
- (c) remove for reasons to be recorded in writing, with effect from such date as maybe set out in the order, any manager or officer of the insurance institution, notwithstanding anything in any written law, or any limitations contained in the Memorandum and Articles of Association or partnership agreement of the insurance institution;
- (d) in respect of an insurance institution, notwithstanding anything in any written law or any limitations contained in the Memorandum and Articles of Association or other agreement of the insurance institution and in particular, notwithstanding any limitation therein as to the minimum number of directors, for reasons to be recorded in writing -
 - (i) remove from office, with effect from such date as may be set out in the order, any director of the insurance institution; or

(ii) appoint any person or persons as a director or directors, of the insurance institution and provide in the order for the person or persons so appointed to be paid by the insurance institution such remuneration as may be set out in the order;

(e) appoint any person to advise the insurance institution in relation to the proper conduct of its business, and provide in the order for the person so appointed to be paid by the insurance institution such remuneration as may be set out in the order;

40. Control of failing insurance institutions

(1) If, after exercising any of the powers set out in section 39 of this Bill, as in the opinion of the Commission may be appropriate in the circumstance the state of affairs of the insurance institution concerned does not improve significantly, the Commission may-

(a) assume control of the whole property and affairs of the insurance institution, and carry on the whole of its business and affairs; or

(b) assume control of such part of its property, business and affairs as the Commission considers necessary; or

(c) appoint persons to do so on behalf of the Commission.

(2) Where the Commission or an appointed person has assumed control of the business of an insurance institution in pursuance of subsection (1) of this section, the insurance institution shall submit its business to the control of the Commission and shall provide the Commission or the appointed person with such facilities as the Commission or the appointed person may require to carry on the business of the insurance institution and notwithstanding the provisions of this section, all insurance institutions shall co-operate with the Commission at all times.

(3) An insurance institution which fails to comply with the provisions of subsection (2) of this section or with any requirement of the Commission or any appointed person under subsection (1) of this section, is liable **on conviction** to a penalty of not less than **N1,000,000** for each day during which the default continues or to such penalty as may be prescribed by the Commission from time to time.

(4) The insurance institution may however within 30 days from the date in which the Commission shall have taken over the operation of the insurance institution lodge an appeal to the Minister.

41. Management of failing insurance institutions

(1) Where the Commission or an appointed person has assumed control of the business of the insurance institution in pursuance of section 40 of this Bill, the Commission or the appointed person shall remain in control and continue to carry on the business of the insurance institution in the name and on behalf of the insurance institution until such time as -

(a) the Commission is satisfied that adequate provision has been made for the settlement of all outstanding liabilities

(b) in the opinion of the Commission, it is no longer necessary for the Commission to remain in control of the business of the insurance institution.

(2) The cost and expenses of the Commission or the remuneration of an appointed person, as the case may be, shall be payable from the funds and properties of the insurance institution as a first charge on the funds of the insurance institution.

42. Application for order for revocation of certificate of insurance institution

Notwithstanding, anything contained in any law or Memorandum and Articles of Association or other agreement of the insurance institution, where the Commission or an appointed person has, pursuant to an order under section 40 of this Bill, assumed control of an insurance institution whose minimum capital requirement is lost or unrepresented by available assets, the Commission may, with the

approval of the Board and by notice published in the print or electronic media, revoke the licence of the insurance institution concerned.

43. Duty to notify insurance institution or person to be affected

(1) No order under section 40 or 41 of this Bill shall be made unless -

(a) the insurance institution in respect of which the order is to be made; and

(b) in the case of an order under paragraph (c) or (d) of subsection (2) of section 40 of this Bill, the director, manager or officer who is to be removed from office, has been given a reasonable opportunity of making representations against or otherwise in respect of the proposed order.

(2) The Commission shall not make an order under subsection (1) of this section if in its opinion any delay would be detrimental to the interest of the insurance institution, policyholders, creditors or the public generally.

44. Application to the Federal High Court for winding up

(1) Where the Commission makes an order revoking the certificate of registration of an insurance institution and requiring the business of the insurance institution to be wound up, the insurance institution shall within 14 days of the date of the order, apply to the Court for an order winding up the affairs of the insurance institution and the Court shall hear the application in priority to all other matters.

(2) If the insurance institution fails to apply to the Court within the period specified in subsection (1) of this section, the Commission may apply to the court for the winding up of the insurance institution.

45. Merger of failing insurance institutions

The Commission shall have power, notwithstanding the provisions of sections 42, 43 or 44 of this Bill, to direct that -

(a) a failing insurance institution shall merge or consolidate with any other insurance institution, subject to such conditions as it may deem fit to impose;

(b) an insurance institution merged or consolidated with a failing insurance institution shall settle the financial liabilities of the failing insurance institution;

(c) any asset of the failing insurance institution shall be transferred to and be vested in the insurance institution concerned with the merger or consolidation.

(d) a failing insurance institution to sell or transfer stake or shares to another institution..

46. Prosecution of failing or failed insurer

Without prejudice to such actions as the Commission may undertake in order to deal with a failing or failed insurer as set out under the provisions of Part VII of this Bill, the Commission may in such circumstance as it deems appropriate, refer such failing or failed insurer and any persons connected therewith to be prosecuted under the applicable law.

PART VIII

Miscellaneous

47. Power to require certain information

(1) In addition to any of its powers under this Bill and the Insurance Bill 2003, the Commission may-

(a) require any person having access thereto, at all reasonable times, to supply, in such forms as the Commission may, from time to time, direct information relating to or touching or concerning matters affecting the insurance industry in Nigeria; and

(b) issue guidelines, circulars, directives, rules and regulations to insurance institutions

(2) The Commission shall take account of matters of confidential nature supplied to the Commission under this section, but where the Commission is satisfied that it is in the national interest and that the person supplying the information does not object to a proposal to publish it within a reasonable time of becoming aware of it, the Commission may, from any information in its possession, compile and publish statistical data, and anything relevant thereto, on the insurance industry.

(3) A person, lawfully required to supply information for the purpose of this section who -

(a) supplies information which he knows to be false or supplies the information recklessly as to its truth or falsify; or

(b) without reasonable excuse (the proof of the reasonableness to lie on him) fails to comply with any requirement of the Commission under paragraph (a) of subsection (1) of this section, is guilty of an offence.

(4) A person found guilty of an offence under subsection (3) of this section is liable on conviction to -

(a) a to a fine of not less than **N1,000,000** or imprisonment for term not exceeding 2 years for every false information supplied or to both both such fine and imprisonment; and

(b) a to a fine of not less than **N50,000** for every day during which the failure to comply with any requirement of the Commission continues.

(5) A person or insurance institution which fails to comply with any guideline, circulars, directives, rules and regulations issued under paragraph (b) of subsection (1) of this section, is guilty of an offence under this Bill and liable **on conviction** to a penalty of not less than **N2,000,000** or such penalty as may be prescribed by the Commission from time to time.

48. Power of entry and search

(1) For the purpose of this Bill, an inspector or such other person appointed in writing by the Commission to exercise powers under this Bill may, at all reasonable times and on production of that authority -

(a) enter and search any building, place or system in which he has reason to believe there are any books of account, documents or other papers relating to any insurance institution under this Bill; and

(b) inspect or take any such book of account, documents or other papers.

(2) Any person who obstructs or hinders a person in pursuance of an authority under subsection (1) of this section is guilty of an offence and liable on conviction to a fine of not less than **N1,000,000**, or to imprisonment for a term of 1 year or to both such fine and imprisonment.

49. Legal proceedings

(1) No suit shall be commenced against the Commission before the expiration or a period of 30 days after written notice of intention to commence the suit shall have been served on the Commission by the intending plaintiff or his agent, and the notice shall clearly and explicitly state -

(a) the cause of action;

(b) the particulars of the claim;

(c) the name and place of abode of the intending plaintiff; and

(d) the relief which it claims.

(2) The notice referred to in subsection (1) of this section and any summons, notice or other documents required or authorized to be served on the Commission under this Bill or any other enactment or law, may be served by-

- (a) delivering it to the Commissioner for Insurance or
- (b) sending it by registered post, addressed to the Commissioner for Insurance at the head office of the Commission.

(3) In an action or suit against the Commission, no execution or attachment or process in the nature thereof shall be issued against the Commission, but any sums of money which may, by the judgment of the Court, be awarded against the Commission shall, subject to any directives given by the Commission, be paid from the general reserve of the Commission.

50. Protection against Adverse Claims

(1) The Commission or any officer of the Commission shall not be subject to any action, claim or demand by or liability to any person in respect of anything done or omitted to be done in good faith in pursuance or in execution of, or in connection with the execution or intended execution of any power conferred upon the Commission or such officer, by this Bill.

(2) For the purpose of this section, the Commissioner for Insurance, and the Commissioners of the Commission or other employee shall be deemed to be an officer of the Commission.

51. Exemption of the Commission from Payment of Tax

(1) The Commission shall be exempted from the payment of income tax under the Companies Income Tax Bill or any subsequent amendment thereto.

(2) The Commission shall not be liable for the payment of tenement rate, ground rent, land use charge, or such other property tax under any legislation dealing with real property.

53. Offences by directors, etc., of insurance institution, etc.

(1) A person who, being a director, partner, an officer or employee of an insurance institution-

- (a) fails to take all reasonable care to secure -
 - (i) compliance with the provisions of this Bill and the Insurance Bill; guidelines, circulars or directives issued by the Commission or
 - (ii) the authenticity of any statement, information, book or any document whatsoever submitted, pursuant to the provisions of this Bill; or
- (b) knowingly, recklessly, negligently, willfully or otherwise, approves or pays or is in any way connected with the approval or payment of an insurance claim which is false; or
- (c) receives or participates in sharing, for personal gratification, any money, property or other benefits, towards or after the approval or payment of an insurance claim which is false,

is guilty of an offence and liable on conviction to a penalty to a sum of not less than **N3,000,000** or as may be prescribed by the Commission from time to time, or to imprisonment for a term of 1 year or to both such fine and imprisonment.

(2) An insurance institution which fails to make a report to the Commission of a claim which it knows to be false or has reason to suspect is false is guilty of an offence and liable **on conviction** to a penalty to a sum of not less than **N5,000,000** or as may be prescribed by the Commission from time to time.

(3) Any person who knowingly, recklessly, negligently, willfully or otherwise makes an insurance claim which is false is guilty of an offence and liable on conviction to a fine of not less than **N500,000** or to imprisonment for a term of 2 years or to both such fine and imprisonment.

54. Directors, etc., contributing to the failure, etc., of insurance institutions

Where an insurance institution is failing or has failed, any person who, being a director, partner, officer or employee of the insurance institution, is found to have contributed in any way whatsoever to the failing or failure of the insurance institution, is guilty of an offence and liable on **conviction** to a penalty of not less than **N5, 000,000, or to imprisonment for a term of 1 year or to both such fine and imprisonment**, and may be barred from holding any position in an insurance institution for such period as the Commission impose.

55. Inducement to acquire, etc., insurance business

Any person who offers, pays, gives, receives or participates in sharing, for personal gratification, any money, property or other benefits -

(a) towards or after the acquisition, transfer, merger or consolidation of an insurance business; or

(b) as an inducement for procuring any insurance business, is guilty of an offence and liable on conviction to a fine to sum of not less than **N1,000,000, or to imprisonment for a term of 1 year or to both such fine and imprisonment**, or as may be prescribed by the Commission from time to time.

56. Compounding of offences

Without prejudice to the power of the Attorney-General of the Federation, under section 174 of the 1999 Constitution to continue or discontinue criminal proceedings against any person in any Court of law, the Commission may compound any offence punishable under this Bill by accepting such sums of money as it thinks fit, not exceeding the amount of the maximum fine to which that person would have been liable if he had been convicted of that offence.

57. Recovering of sums involved in commission of offence

(1) Where an insurance institution or any other person is found guilty of an offence under this Bill, the Court shall, in addition to the imposition of the penalty specified for the offence, make an order for the payment to the Commission of the amount involved in the commission of the offence.

(2) Where the Court makes an order under subsection **(1)** of this section and the person fails to comply within the time specified in the order, the Court shall make an order to levy execution on all the property of the person.

(3) Any amount paid or recovered under this section, shall be used to compensate any person who, the Commission is satisfied, suffered in any way as a result of the insurance transaction connected with the offence.

(4) Where the amount referred to in subsection (3) of this section is not fully utilized for the purpose specified in that subsection, the balance shall be paid into the security and development fund established under section 16 (1) (c) of this Bill.

58. Offences by body corporate, etc.

(1) Where an offence under this Bill has been committed by a body corporate or firm or other association of individuals, a person who at the time of the commission of the offence -

(a) was an officer thereof; or

(b) was purporting to act in the capacity of an officer thereof, is guilty of the offence and liable to be prosecuted and punished for the offence, in like manner as if he had himself committed the offence, unless he proves that the act or omission constituting the offence took place without his knowledge, consent or connivance.

(2) In this section, "officer" includes -

- (a) in the case of a body corporate, a director, chief executive by whatever name called, manager and secretary of the body corporate;
- (b) in the case of a firm, a partner, manager and secretary of the firm; and
- (c) in the case of any other association of individuals, a person concerned in the management of the affairs of the association.

59. Jurisdiction and prosecution

(1) An offence under this Bill shall, subject to the Rules of Court, be tried in the Federal High Court and references in this Bill to "Court" or "the Court" shall be construed accordingly.

(2) without prejudice to the powers conferred on the Attorney-General of the Federation, Prosecution for offences under this Bill shall be instituted before the Court in the name of the Commission by its officers or persons appointed by it.

(3) A person accused of an offence under this Bill shall be entitled to defend himself in person or by a person of his own choice, who is a legal practitioner resident in Nigeria.

60. Obstruction of public officers

A person who willfully obstructs, interferes with, assaults or resists a public officer in the performance of his duties under this Bill or aids, invites, induces or abets any other person to obstruct, interfere with, assault or resist any such officer is guilty of an offence and liable on conviction to a fine of not less than **N2,000,000** or to imprisonment for a term of three years or to both such fine and imprisonment.

61. Application of the Insurance Bill

The provisions of this Bill are without prejudice to and shall be read in conformity with the Insurance Bill, so however, that where any of the provisions of the Insurance Bill are inconsistent with any provision of this Bill the provisions of this Bill shall prevail and the provisions of the Insurance Bill to the extent of that inconsistency, shall be void.

62. Repeal, savings, etc.,

(1) The National Insurance Commission Act 1997 is hereby repealed.

(2) Without prejudice to section 6 of the Interpretation Act, the repeal of the Bill referred to in subsection (1) shall not affect anything done under that Bill.

(3) The rights, interests, obligations and liabilities of the Commission existing before the commencement of this Bill under any contract or instrument, or in law or in equity, shall, by virtue of this Bill, be assigned to and continue to be vested in the Commission.

(4) Any contract or instrument mentioned in subsection (3) shall be of the same effect against or in favour of the Commission and shall be enforceable fully and effectively.

63. Regulations

(1) The Commission may make regulations, guidelines, rules, directives or orders to give full effect to the provisions of this Bill.

(2) The power to make regulations, rules, guidelines or orders conferred on the Commission by this Bill shall include —

(a) power to make provisions for such incidentals and supplementary matters as the authority making the instrument considers expedient for the purpose of the instrument; and

(b) power to make different provisions for different circumstances guiding the operations of the effective administration, supervision, regulation and control of insurance business in Nigeria.

(3) The Commission may impose such penalties it may prescribe from time to time on an insurance institution or its directors or officials if the insurance institution fails to comply with any provisions, guidelines, circulars, directives, rules and regulations under this Bill.

64. Interpretation

In this Bill, unless the context otherwise requires-

- i. "Actuarial Services" means services which are generally provided by a qualified actuary and entails the use of mathematical and statistical models and methods in determining, assessing, and planning the financial impact of risk by companies
- ii. "Board" means the Governing Board of the Commission;
- iii. "Commission" means the Insurance Regulatory Commission of Nigeria established under section 1 of this Bill;
- iv. "Court" means the Federal High Court;
- v. "Failing insurance institution" means an insurance institution which has failed in its business pursuant to this Bill and the Insurance Bill;
- vi. "Insurtech" is a combination of the words "insurance" and "technology". It refers to the use of technological innovations designed to find cost savings and efficiency from the current insurance industry model.
- vii. "insurance broker" has the meaning assigned to it under the Insurance Bill;
- viii. "insurance institution" means an insurer, a reinsurer, Takaful insurer, Micro-insurer, an insurtech, an insurance broker, reinsurance broker, a loss adjuster or web aggregator registered under the Insurance Bill;
- ix. "insurer" has the meaning assigned to it under the Insurance Bill;
- x. "loss adjuster" has the meaning assigned to it under the Insurance Bill;
- xi. "Minister" means the Minister charged with responsibility for matters relating to Finance, and "Ministry" shall be construed accordingly;
- xii. "Microinsurance" is insurance developed for low-income market, and designed to be appropriate for the low-income populations, micro and small-scale enterprises with low valued policies, in relation to cost, terms, coverage, and delivery mechanism.
- xiii. "President" means the President of the Federal Republic of Nigeria;
- xiv. "reinsurer" has the meaning assigned to it under the Insurance Bill.
- xv. "Takaful" is a form of insurance based on Islamic Muamalat (Islamic transaction principles) which incorporates elements of mutuality and ethical finance considerations that are compatible with the principles of the Shari'ah

65. Short title

This bill may be cited as the National Insurance Commission Act (Repeal) and the **Insurance Regulatory Commission** Bill, 2025.

SCHEDULE [Section 2 (9).]

Supplementary provisions relating to the Board and the Commission Proceedings of the Board

1. Subject to this Bill and section 27 of the Interpretation Bill, the Board shall have power to regulate its proceedings and may make standing orders with respect to the holding of its meetings, and those of its committees, the notice to be given, the keeping of minutes of its proceedings, the custody and production for inspection of such minutes and such other matters as the Board may, from time to time, determine.

2. (I) There shall be at least four ordinary meetings of the Board in one calendar year and subject thereto, the Board shall meet whenever it is summoned by the Chairman, and if the Chairman is requested to do so by notice given to him by not less than three other members, he shall summon a meeting of the Board to be held within fourteen days from the date on which the notice is given.

(2) Every meeting of the Board shall be presided over by the Chairman and if the Chairman is unable to attend a particular meeting, the members present at the meeting shall elect one of their number to preside at the meeting.

3. The quorum at the meeting of the Board shall consist of the Chairman (or in an appropriate case, the person presiding at the meeting pursuant to paragraph 2 of this Schedule) and four other members at least two of whom shall be members appointed pursuant to paragraph (b), (i), (ii) and (iii) of section 2 (I) of this Bill.

4. The Board shall meet for the conduct of its business at such places and on such days as the Chairman may appoint.

5. A question put before the Board at a meeting shall be decided by consensus, and where this is not possible, by a majority of the votes of the members present and voting.

6. The Chairman shall, in the case of an equality of votes, have a casting vote in addition to his deliberative vote.

7. Where the Board desires to seek the advice of any person on a particular matter, the Board may co-opt a person as a member for such period as it thinks fit, but a person who is a member by virtue of this paragraph shall not be entitled to vote at any meeting of the Board and shall not count towards the quorum.

Committees

8. The Board may appoint one or more committees to carry out on behalf of the Board such of its functions as the Board may determine and report on any matter with which the Board or the Commission is concerned.

9. A committee appointed under this Schedule shall be presided over by a member of the Board and consist of such number of persons (not necessarily all members of the Board) as may be determined by the Board, and a person other than a member of the Board shall hold office on the committee in accordance with the terms of his appointment.

10. A decision of a committee of the Board shall be of no effect until it is confirmed by the Board.

Miscellaneous

11. The fixing of the seal of the Commission shall be authenticated by the signature of the Commissioner for Insurance or of some other person authorized generally by the Board to act for that purpose.

12. A contract or an instrument which, if made or executed by any person not being a body corporate, would not be required to be under seal, may be made or executed on behalf of the Commission by the Commissioner or by any person generally or specially authorized to act for that purpose by the Board.

13. A document purporting to be a contract, an instrument or other document signed or sealed on behalf of the Commission shall be received in evidence and, unless the contrary is proved, be presumed without further proof, to have been signed or sealed.

14. The validity of any proceedings of the Board or its committees shall not be affected by-

- (a) any vacancy in the membership of the Board or its committees; or
- (b) reason that a person not entitled to do so took part in the proceedings; or
- (c) any defect in the appointment of a member.

15. Any member of the Board and any person holding office on a committee of the Board, who has a personal interest in any contract or arrangement entered into or proposed to be considered by the Board or a committee thereof -

(a) shall forthwith disclose his interest to the Board or committee, as the case may be; and

(b) shall not vote on any question relating to the contract or arrangement.

Fiduciary Duties of Chairman and Other Board Members

16. A member of the Board shall not make a secret profit in the course of discharging his duties as a member of the Board.

17. A member of the Board shall fully and promptly disclose to the Board any personal, commercial, financial, or other interest which he may directly or indirectly hold or be connected with, and which becomes the subject of consideration by the Board, and shall be ineligible to participate in any Board deliberations and voting related to it: Provided that such an interest, if so disclosed, shall not disqualify such member for the purpose of constituting a quorum.

18. A member of the Board shall not accept any gift or advantage for himself or on behalf of any person with whom he may have a family, business, or financial relationship if the acceptance would impair, or may reasonably be viewed as likely to impair, his impartiality in the discharge of his duties under this Bill.

EXPLANATORY MEMORANDUM

The Bill seeks to repeal the National Insurance Commission Act 1997 and re-enact the Insurance Regulatory Commission Bill to further empower the Insurance Regulatory Commission in carrying out statutory duties of ensuring the effective administration, supervision, regulation and control of insurance business in Nigeria.