



NOTICE TO THE PUBLIC

REVOCATION OF BANKING BUSINESS LICENSES AND COMPULSORY LIQUIDATION OF COVENANT BANK FOR WOMEN (TANZANIA) LIMITED, EFATHA BANK LIMITED, NJOMBE COMMUNITY BANK LIMITED, KAGERA FARMERS COOPERATIVE BANK LIMITED AND MERU COMMUNITY BANK LIMITED

Pursuant to the provisions of Section 56(1)(g), 56(2) (a), (b) and (d), 58(2)(i), 11(3)(c) and (j), 61(1) and 41(a) of the *Banking and Financial Institutions Act, 2006*, the Bank of Tanzania has decided to take possession of; discontinue operations; revoke banking business licenses; and place under compulsory liquidation the following banks:

1. Covenant Bank For Women (Tanzania) Limited;
2. Efatha Bank Limited;
3. Njombe Community Bank Limited;
4. Kagera Farmers' Cooperative Bank Limited; and
5. Meru Community Bank Limited.

Further, in line with its mandate under Section 41(a) of the *Banking and Financial Institutions Act, 2006*; the Bank of Tanzania has appointed the Deposit Insurance Board (DIB) as the Liquidator of the aforesaid banks effective from 4th January 2018.

This measure has been taken upon determination by the Bank of Tanzania, that the aforesaid banks are critically undercapitalized, hence, violating the requirements of the *Banking and Financial Institutions Act, 2006* and its regulations. Continuation of their operations in their current capital position is detrimental to the interest of depositors and poses a risk to the stability of the financial system.

The Bank of Tanzania would like to assure the public that it will continue to protect interests of depositors and maintain the stability of the banking sector.

BANK OF TANZANIA

4th January 2018