

# **CASE DIGEST**

**BANKING: POSTAL SERVICE;  
ARTICLES BY POST; WHEN WILL  
IT BE DEEMED DELIVERED TO  
THE ADDRESSEE?**

---

**CITI BANK NIG. LTD. v. MR. MARTINS  
IKEDIASHI**

## **BANKING: POSTAL SERVICE; ARTICLES BY POST; WHEN WILL IT BE DEEMED DELIVERED TO THE ADDRESSEE?**

**CITI BANK NIG. LTD. v. MR. MARTINS IKEDIASHI**

SUPREME COURT OF NIGERIA

*(RHODES-VIVOUR; ARIWOOLA; KEKERE-EKUN; SANUSI; EKO, JJ.SC)*

### **Background Facts**

Mr. Martins Ikediashi (Respondent) who instituted this action as Claimant in the High Court of Lagos State (trial court) operated a current account with the Citi Bank (Appellant) who was the defendant in the trial court. On 14th November, 2003 while the said account was still in credit, he issued a cheque in the sum of Thirty Thousand Naira (₦30,000.00) in favour of one Dr. T.A. Bashorun. The said cheque was subsequently presented for payment by Dr. Bashorun to his bank - United Bank for Africa Plc (UBA) for payment but the cheque was returned unpaid with the word "ACCOUNT CLOSED" endorsed on it. The Respondent on this note instituted an action against the Appellant, and contended that the said endorsement on the cheque is not only a breach of contract but also libelous having been published to Dr. T.A. Bashorun and the staff of the UBA Plc when in fact he was not given notice of any such closure of his account with the Appellant. The Appellant's case at the trial court was that the endorsement on the cheque which the Respondent was complaining about was premised on the fact that the Respondent's account with it had earlier been closed and the notice of the said closure given to the Respondent via a letter sent through a Registered post as contained in the agreement. Upon conclusion of trial, the trial court in its considered decision, gave judgment in favour of the Respondent, and held the Appellant for libel, having found not to have given the required notice.





Aggrieved by the decision of the trial court, the Appellant appealed to the Court of Appeal (lower Court), which affirmed the decision of the trial court. Further aggrieved, the Appellant appealed to the Supreme Court. One of the issues raised for determination was: *Whether the required notice of account closure was duly given to the respondent by the appellant under and by virtue of the provisions of Section 64(3) of the Nigerian Postal Service Act.*

## Arguments

On this issue, it was the contention of counsel to the Appellant that the Respondent did not deny the dispatch of notice of account closure in his pleadings. Learned counsel stated that the notice of closure was dispatched to the Respondent on October 15, 2003 vide a letter dated September 22, 2003 and that same was received by one Stanley U.K. on the Respondents behalf. But that nowhere in the Respondent's pleadings is there a categorical denial that the notice of closure of his account was dispatched to him in accordance with the relevant terms of the contract between the parties. Learned Counsel further stated that all that the Appellant was required to show to justify the closure of the account under the contract and in law was that the letter of notice was dispatched to the Respondent address at the Nigerian Postal Service (NIPOST) within the 7-day period before the account was closed. Learned Counsel further argued that the placing or delivering of an article to an officer of the Postal Service in the course of his duties shall be deemed to be delivery to the addressee, and submitted that having delivered the notice of closure of the Respondents account to the post office on October 15, 2003, the Respondent cannot be heard to complain that he was not served with the notice or letter contrary to the clear forms of the contract between the parties.

Learned Counsel for the Respondent in contention referred to 7 and 8 of the Account Opening Form constituting the contract of parties, and contended that, while clause 7 requires 7 days' notice to be given (after delivery) before the closure of the account, clause 8 provides that any notice or letter will be considered delivered and received by the Respondent at the time it would be delivered in the ordinary course of post. He submitted that from the two clauses of the contract, it is the time at which the notice or letter is delivered that is material to a determination of whether requisite notice was given and not the manner of delivery. Premised on this counsel further stated that a determination of whether closure of the account can only be made upon ascertaining when delivery according to the contract was made, and that it is not the date it was delivered to the post office or received by the Respondent that matters but the time it is deemed to have been delivered in the ordinary course of post to the respondent. He submitted that Section 64(3) of the NIPOST Act is inapplicable because the provision deals with the manner of delivery of postal articles and not the time delivery is deemed to have been made. He contended that the provisions in the Act is different from the intendment of the provision of Clauses 7 and 8 of the Contract and therefore irrelevant to a determination of the appeal.

## Decision of the Court

In resolving this issue, the Supreme Court held that:

The law is indeed settled, that the placing or delivery of an article to an officer of the Postal Service in the course of his/her duties shall be deemed to be delivered to the addressee. Since the law guiding transmission of articles by post is the Nigerian Postal Service Act, clause 8 of the contract duly entered into by parties in this case must be read in conjunction with the provisions of the Nigerian Postal Service Act. By clause 8 of the contract, the Respondent agreed that notice sent to him through post shall be considered as delivered and received by him at the time it would be delivered in this ordinary course of post. This means that by the provisions of Section 64(3) of the NIPOST Act, delivery of an article to an officer of the NIPOST in the course of his duties shall be deemed to be delivery to the addressee. In the result, the Appellant is not in breach of the contract between the parties, as the letter of the Appellant notifying the Respondent of the plan to close his account was duly dispatched in the ordinary course of post, to NIPOST and this was not specifically controverted or disputed by the Respondent.

Issue resolved in favour of the Appellant.

Folabi Kuti, Esq., H. H. Basse, Esq., Pius Owuavwodu Esq., and Temidayo Adeoye, Esq., for the Appellant.  
Osayabo Giwa-Osagie, Esq., Michael Dedon Esq., Ikechukwu Odozor, Esq., and Bisola Bamigbola, Esq., for the Respondent.

This summary is fully reported at (2023) 3 CLRN.

[www.clrndirect.com](http://www.clrndirect.com)

[info@clrndirect.com](mailto:info@clrndirect.com)