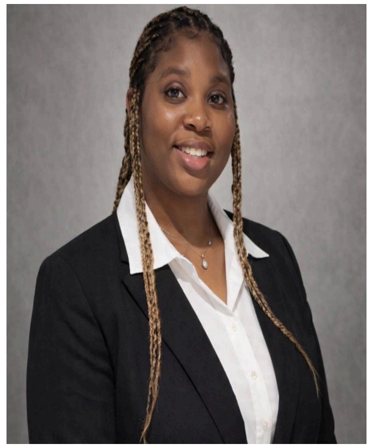
Is Your Company Letterhead Compliant? The CAC August 1 Deadline Every Business in Nigeria Must Know



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INTRODUCTION

If your company sends out invoices, quotations, letters or any official correspondence, there is something you need to check before the 1st of August 2026. On the 9th of July 2026, the Corporate Affairs Commission published a public notice announcing that it would begin full enforcement of the statutory disclosure requirements for company business letters under the Companies and Allied Matters Act 2020. Companies that fail to comply by August 1 will face sanctions.

This is not a new law. The requirements have been sitting in CAMA 2020 since the Act was enacted. What is new is that the CAC is now moving from passive expectation to active enforcement with penalties attached. For thousands of Nigerian companies that have not updated their letterheads, invoice templates, email footers and official documents since CAMA 2020 came into force, August 1 is a deadline that is arriving faster than many realise.

This article explains exactly what the law requires, which documents are affected, why this matters beyond just a letterhead update and what your company should do right now.

1. What Does the Law Actually Require?

Sections 304(1) and 304(2) of the Companies and Allied Matters Act 2020 set out the information that every registered company must display on its business letters. The requirements are specific and they are not optional.

Every company must state the following in clear and legible characters on all business letters. The company's registered name exactly as it appears on the CAC register. The company's registration number as issued by the CAC. The present forename or initials and surname of every director of the company. Any former forename or surname that a director has previously used. The nationality of every director who is not a Nigerian citizen.

Section 729(1)(c) of CAMA 2020 extends these same requirements to business letters issued by foreign companies registered to operate in Nigeria.

The CAC has been clear that the requirement applies not only to formal letters but also to invoices, quotations, official correspondence and other business documents. This means a company cannot satisfy the requirement by updating its formal letterhead alone and leaving its invoice template, email signature or digital quotation format unchanged. Every document that qualifies as a business letter under the Act must carry the required information.

2. Why Has the CAC Moved to Enforce This Now?

The CAC's notice acknowledged that although these provisions have been part of the law since CAMA 2020 was enacted, many companies have yet to fully comply with them. The commission's decision to set a hard enforcement date is consistent with a broader pattern of regulatory tightening that has been building across Nigerian corporate law in the past two years.

From the 1st of January 2024, the CAC commenced full application of penalties under the Companies Regulations 2021 against both companies and their directors personally for failure to file annual returns. Banks have been formally notified to treat inactive companies on the CAC portal as ineligible for loans and certain transactions. The Nigeria Revenue Service has tightened TIN verification requirements. The overall direction of corporate regulation in Nigeria is toward a tighter, more actively enforced compliance environment, and the August 1 letterhead directive sits squarely within that trend.

The CAC stated in its notice that the enforcement exercise is aimed at improving corporate accountability and making it easier for customers, investors and regulators to identify businesses and the individuals responsible for managing them. This transparency objective is not merely procedural. It feeds directly into the broader anti-corruption and beneficial ownership agenda that Nigerian regulators have been pursuing since the introduction of the Persons with Significant Control register under CAMA 2020.

3. Which Documents Does This Cover?

This is the question where many businesses will underestimate their exposure. The compliance obligation is not limited to the printed letterhead sitting in your office stationery cupboard. It covers every document that constitutes a business letter under CAMA 2020.

In practical terms, that means the following documents must all carry the required disclosures. Formal letters sent on company paper. Commercial invoices issued to clients. Quotations and proposals sent to prospective clients. Purchase orders issued to suppliers. Email correspondence sent on behalf of the company, particularly where the email serves as a formal business communication. Digital documents including PDF invoices and electronic quotations. Any other official document issued by the company in the course of its business.

Companies that send thousands of invoices electronically each month and have never placed directors' names and registration numbers on their invoice templates are therefore not simply dealing with a stationery problem. They are dealing with a compliance gap that extends across their entire commercial documentation system.

4. What Are the Consequences of Non-Compliance?

The CAC's notice did not specify the exact penalty that will be applied to defaulting companies, but the legal framework under CAMA 2020 makes clear that the consequences of persistent non-compliance with the Act's provisions are serious.

In the immediate term, companies found issuing business letters without the required information after August 1 will face regulatory sanctions from the CAC. The nature of those sanctions will depend on the commission's enforcement approach, but they are likely to include fines and formal notices of default.

Beyond the direct penalty, non-compliance with CAC requirements creates secondary risks that are often more damaging in practice. A company that is sanctioned by the CAC for non-compliance will have that record reflected in its regulatory status, which is visible to banks, investors and contracting parties. Many Nigerian banks and financial institutions conduct CAC status checks before approving transactions, processing loans or onboarding corporate customers. A compliance flag with the CAC at the wrong moment can disrupt a transaction, delay a loan approval or raise questions in a due diligence process that a company would rather avoid.

For companies with non-Nigerian directors, the stakes are particularly high. Failure to disclose the nationality of a foreign director on business letters is a specific breach of the statutory requirement, and in an environment where regulators are paying close attention to beneficial ownership and the disclosure of foreign participation in Nigerian businesses, this is not an oversight that companies can afford to treat lightly.

5. What Should Your Company Do Before August 1?

The steps required to achieve compliance are straightforward, but they need to be taken now. Waiting until the last week of July creates unnecessary risk and may not leave enough time to update all affected documents before the enforcement date.

The first step is to conduct an audit of all your company's commercial documentation. Pull together every template your business uses to communicate with clients, suppliers, regulators and other third parties. This includes letterheads, invoice templates, quotation formats, email signature blocks and any standardised document your company issues in the course of business. Check each one against the CAMA 2020 requirements and identify which ones are missing the required disclosures.

The second step is to gather accurate information for each director. You need the current full name, any previously used names and the nationality of every director. For companies with directors who have changed their names through marriage or other legal processes, the former name must also be included on business letters where it was previously used. This information must be accurate and consistent with what is on the CAC register.

The third step is to update every non-compliant template and document format. This is not a task that can be done in isolation by one person in the company. It typically requires coordination between the company secretary or legal team, the accounts department that manages invoices, the operations team that handles quotations and the IT or communications team that manages email systems and digital document templates.

The fourth step is to implement an internal governance measure that prevents the compliance gap from reopening. When directors change, when names change or when the company's registration details are updated with the CAC, the disclosure information on all business letters must be updated to reflect the change. Building that update obligation into your company's onboarding and offboarding procedures for directors will prevent the issue from recurring.

CONCLUSION

The CAC's August 1 enforcement notice is short on detail about the specific sanctions it will impose, but it is unambiguous in its intent. The commission is moving toward active enforcement of CAMA 2020 compliance obligations, and the business letter disclosure requirement is the latest area where companies will find that passive awareness of the law is no longer enough.

For Nigerian businesses, the practical lesson is this. Compliance with CAMA 2020 is not a one-time exercise that ends with incorporation. It is an ongoing obligation that extends to how your company presents itself in every commercial document it issues. The letterhead update is the visible part of that obligation. The deeper work is building a compliance culture that keeps your company current with its legal obligations without waiting for a regulator's enforcement notice to prompt action.

If your company has not yet reviewed its business letters for compliance with Sections 304(1) and 304(2) of CAMA 2020, the time to do so is now. August 1 is closer than it looks.

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