



NATIONAL OPEN UNIVERSITY OF NIGERIA
Plot 91, Cadastral Zone, Nnamdi Azikiwe Express Way, Jabi-Abuja
Faculty of Management Sciences, Department of Financial Studies
October/November Examination 2016

COURSE CODE: BFN405
COURSE TITLE: BANK LENDING AND ADMINISTRATION
CREDIT UNIT: 2
TIME ALLOWED: 2 HOURS
INSTRUCTIONS:

- 1. Attempt question number one (1) and any other two (2) questions.**
- 2. Questions number 1 carries 30marks, while the other two (2) questions carry 20 marks each.**
- 3. Present all your points in coherent and orderly manner.**

Question 1

- (a) List and explain 2 types of short term loan for the purpose of enhancing working capital (20marks)
- (b) Enumerate the areas of operations at which banks are formulated. (10marks)

Questions 2

- (a) Enumerate 5 events involved in lending procedure. (10marks)
- (b) Mention and discuss 2 modalities that can be used for loan monitoring and supervision. (10marks)

Question 3

- (a) Mention and explain the two basic types of working capital loan. (10marks)
- (b) Critically analyse 5 factors influencing agricultural lending. (10marks)

Question 4

- (a) Mention 4 advantages of visit by bank officials to the premises of a loan applicant. (10marks)
- (b) What are the 4 essential considerations for evaluation of loan request? (10marks)

Question 5

List and explain 4 objectives of lending and credit administration. (20marks)