

**NATIONAL OPEN UNIVERSITY OF NIGERIA  
UNIVERSITY VILLAGE, JABI-ABUJA  
FACULTY OF MANAGEMENT SCIENCES  
JANUARY 2018 EXAMINATION**

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**COURSE CODE: BFN 740**

**CREDIT UNIT: 2**

**COURSE TITLE: REGULATIONS OF FINANCIAL INSTITUTIONS**

**TIME ALLOWED: 2 HOURS**

**Instructions:** 1. Attempt question number One (1) and any other Two (3) questions.  
2. Question number 1 carries 25 marks, while the other questions carry 15 marks each.  
3. Present your work in coherent and orderly manner.

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**QUESTION ONE (COMPULSORY)**

- (a) The nature of financial systems is fraught with some problems. **DISCUSS.**
- (b) What are the sources of instability in the banking sector?

**QUESTION TWO**

- a) What measures has been adopted by the regulatory authorities at stabilizing the financial system.
- b) The Nigerian Banking industry has been inundated by regulations through appropriate authorities. Expatriate by identifying such regulatory measures.

**QUESTION THREE**

The International financial market is fraught with difficulties. What are these difficulties and their possible remedies?

**QUESTION FOUR**

- a) Discuss the functions of the World Bank.
- b) What are the conditionalities that are normally imposed on facilities being granted by World Bank?

**QUESTION FIVE**

- a) What objectives are meant to be achieved through the programme of economic
- b) Mention and explain the types of indirect instruments of monetary policy by the apex bank.