



**NATIONAL OPEN UNIVERSITY OF NIGERIA  
14-16 AHMADU BELLO WAY, VICTORIA ISLAND LAGOS  
SCHOOL OF MANAGEMENT SCIENCES  
MARCH/APRIL 2015 EXAMINATION**

**COURSE CODE: BFN405**

**CREDIT UNIT: 2**

**COURSE TITLE: BANK LENDING AND LOAN ADMINISTRATION**

**TIME ALLOWED: 2 HRS**

**INSTRUCTIONS:**

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

Question 1 Identify and explain the critical areas relating to lending for which banks normally set policies.

Question 2 Mention and discuss the principles of bank lending.

Question 3 What are the main types of agricultural loans available from banks?

Question 4 a. What is the loan interview meant to achieve?

4b. What are the essential considerations for evaluation of loan request?

Question 5 Mention and explain the main objectives of lending and credit administration.