

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

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.**

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. Expatiate 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.