



Offer-Circular Pursuant to the Debt Management Office (Establishment) Act 2003 and the Local Loans (Registered Stock and Securities) Act (Cap 214) LFN 1990

THE CENTRAL BANK OF NIGERIA

on the authority of the

DEBT MANAGEMENT OFFICE

on behalf of the

FEDERAL GOVERNMENT OF NIGERIA

Offers for Subscription by Auction

and is authorized to receive applications for

₦45,000,000,000 4th FGN Bond 2014 Series 6 (7-year tenor)*

Auction Date: June 27, 2007

1. Interested investors and Primary Dealers (selected Banks and Discount Houses) are invited to collect application forms from any office of the Central Bank of Nigeria (CBN) nationwide.
2. Interested members of the public are to submit their bids through any Primary Dealer/Market Maker (PDMM) nationwide to reach the CBN, Lagos not later than the date specified. Application forms are also available on www.cenbank.org and www.dmo-gov.ng for download and completion.
3. PDMMs are allowed to submit multiple bids and quote multiple rates. A bid may be for own account or made on behalf of interested members of the public.
4. Completed application forms should be submitted by the PDMMs to **Issues Office, 5th Floor, Old Building, Central Bank of Nigeria, Tinubu Square, Lagos.**
5. This is the 6th in the series of programmed issues for **2007 (2nd quarter)** as set out below**:

Month	Tranches	Date
April 2007	₦65,000,000,000 4 th FGN Bond 2010 Series 4 (3-year tenor)	25 th April 2007
May 2007	₦50,000,000,000 4 th FGN Bond 2012 Series 5 (5-year tenor)	23 rd May 2007
June 2007	₦45,000,000,000 4 th FGN Bond 2014 Series 6 (7-year tenor)	27 th June 2007

6. **Payment in full for the amount of the accepted bids must be made to the Central Bank of Nigeria not later than 1.30 p.m. on the allotment day** (i.e. 2 days after closure of Application List). This will normally be effected by direct debit to the account of the PDMMs who should ensure that their accounts with the CBN are adequately funded for this purpose.

*The DMO reserves the right to vary the amount allotted in response to market dictates.

** The Issuance calendar may be revised in response to market realities.

Note: The issuance programme for the third quarter of the year will be published in due course.

SUMMARY OF THE OFFER

- ISSUER:** Federal Government of Nigeria ("FGN")
- THE ISSUE:** **₦45,000,000,000 4th FGN Bond 2014 Series 6 (7-year tenor)**
- UNITS OF SALE:** ₦1,000 per unit subject to a minimum subscription of ₦10, 000 and in multiples of ₦1,000 thereafter.
- PURPOSE:** To restructure part of the outstanding 91-day NTBs into longer-tenored bonds, provide benchmark instrument for the pricing of other securities in the capital market, facilitate the development of the bond market in general as well as fund the budget deficit.
- TENOR:** 7 years
- INTEREST RATE:** To be determined by auction. The Marginal Rate that clears the volume on auction or the highest accepted rate becomes the coupon for the issue.
- INTEREST PAYMENT:** Payable semi-annually.
- MATURITIES:** The series will mature as shown below:
- | | |
|---|------------------------------|
| ₦65 billion 4 th FGN Bond 2010 Series 4 | 25 th April, 2010 |
| ₦50 billion 4 th FGN Bond 2012 Series 5 | 23 rd May, 2012 |
| ₦45 billion 4 th FGN Bond 2014 Series 6 | 27 th June, 2014 |
- REDEMPTION:** Bullet repayment on the maturity date.
- STATUS:**
1. Qualifies as securities in which trustees can invest under the Trustee Investment Act
 2. Qualifies as Government securities within the meaning of Company Income Tax Act ("CITA") and Personal Income Tax Act ("PITA") for Tax Exemption for Pension Funds amongst other investors
 3. To be quoted on The Nigerian Stock Exchange
 4. Not subject to a single obligor limits for banks
 5. Zero weighting for capital adequacy purposes for banks
 6. Qualifies as liquid asset for liquidity ratio calculation for banks
- SECURITY:** Issue of Bonds is based on the full faith and credit of the Federal Government of Nigeria and is charged upon the general assets of Nigeria.
- PAYMENT TERMS:** Payable in full on application
- UNDERWRITING:** This offer will not be underwritten at the instance of the FGN

PARTIES TO THE OFFER

- ISSUER:** **Federal Government of Nigeria**
- ISSUER'S AGENT:** **Debt Management Office**
- AGENT BANK:** **Central Bank of Nigeria**
- STOCKBROKER:** **Royal Crest Finance Limited**
- REGISTRAR:** **Central Bank of Nigeria**

