



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

₦36,000,000,000 4th FGN Bond 2010 Series 7 (3-Year Tenor)

₦20,000,000,000 4th FGN Bond 2017 Series 8 (10-Year Tenor)*

Auction Date: July 25, 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 7th and 8th in the series of programmed issues for **2007 (3rd quarter)** as set out below**:

Month	Tranches	Date
July 2007	₦36,000,000,000 4 th FGN Bond 2010 Series 7 (3-year tenor) ₦20,000,000,000 4 th FGN Bond 2017 Series 8 (10-year tenor)	25 th July 2007
August 2007	₦35,000,000,000 4 th FGN Bond 2012 Series 9 (5-year tenor) ₦20,000,000,000 4 th FGN Bond 2017 Series 10 (10-year tenor)	29 th August 2007
Sept 2007	₦30,000,000,000 4 th FGN Bond 2014 Series 11 (7-year tenor) ₦20,000,000,000 4 th FGN Bond 2017 Series 12 (10-year tenor)	26 th September 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.

SUMMARY OF THE OFFER

ISSUER: Federal Government of Nigeria ("FGN")

THE ISSUE: ₦36,000,000,000 4th FGN Bond 2014 Series 7 (3-year tenor)
₦36,000,000,000 4th FGN Bond 2017 Series 4 (10-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:

₦36 billion 4th FGN Bond 2010 **Series 7** 25th July, 2010
 ₦20 billion 4th FGN Bond 2017 **Series 8** 25th July, 2017
 ₦35 billion 4th FGN Bond 2012 **Series 9** 29th August, 2012
 ₦20 billion 4th FGN Bond 2017 **Series 10** 29th August, 2017
 ₦30 billion 4th FGN Bond 2014 **Series 11** 26th Sept, 2014
 ₦20 billion 4th FGN Bond 2017 **Series 12** 26th Sept, 2017

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

REGISTRAR: Central Bank of Nigeria

* 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.

