



Tel: 09 616 37 804

Fax: 09 616 37 802

## Central Bank of Nigeria

Central Business District

P.M.B. 0187

Garki, Abuja

E-mail address: [ted@cenbank.org](mailto:ted@cenbank.org)

REF: TED/FEM/FPC/GEN/01/060

May 22, 2007

**TO: ALL AUTHORISED DEALERS**

**RE: UNUTILIZED BALANCES OF LETTERS OF CREDIT AND INTEREST EARNED ON NOSTRO ACCOUNTS**

This is to inform all Authorized Dealers that following the introduction of the Wholesale Dutch Auction System (WDAS) coupled with the on-going liberalization of the Foreign Exchange Market, unutilized letters of credit balances shall now be purchased by the dealing bank instead of returning to the Central Bank of Nigeria. The naira proceeds of such purchases should be credited to the accounts of the affected customer(s).

Furthermore, interest earned on all funds which are collateralized against customers' letters of credit shall henceforth be purchased by Authorized Dealers. The Naira proceeds should be distributed to the affected customers on a quarterly basis and appropriate returns rendered using eFASS.

This circular supersedes the provisions of the circulars reference No. BED/FEID/CIR/VOL.1 of March 23 and TED/AD/13/2000 of May 25, 2000.

A handwritten signature in blue ink, reading "O.O. Akanji (Mrs.)", is placed over a dotted grid background.

**O.O. AKANJI (MRS.)**

**DIRECTOR**

**TRADE & EXCHANGE DEPARTMENT**