

CAREER
PATHS

Banking

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Express Publishing

**CAREER
PATHS**

Banking

Book

1

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Express Publishing

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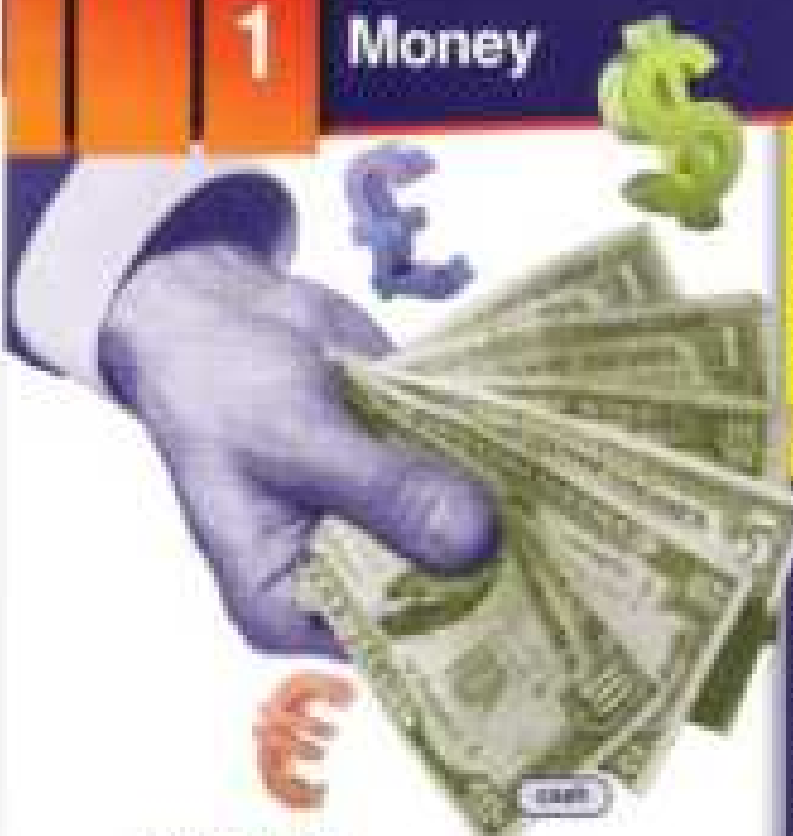
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1 Money



Get ready!

1 Before you read the passage, talk about these questions.

1. What do people use to make purchases in your country?
2. Are coins or bills more common in your country? Which do you prefer?

Reading

2 Read the bank advertisement. Then, mark the following statements as true (T) or false (F).

1. Customers need an account to cash checks.
2. One Yen is worth less than one USD.
3. The bank exchanges currency for free.

Vocabulary

3 Match the words (1-5) with the definitions (A-E).

- | | |
|-------------------------------------|---|
| 1. <input type="checkbox"/> fee | 4. <input type="checkbox"/> coins |
| 2. <input type="checkbox"/> cash | 5. <input type="checkbox"/> exchange rate |
| 3. <input type="checkbox"/> balance | |

- A. the value of a currency in terms of another
- B. money in the form of metal discs
- C. an additional cost
- D. to make accounts even
- E. money in the form of paper notes and coins

Welcome to

FIRST REGIONAL BANK



Do you need a safe place for your hard-earned cash? Open a checking account today!

Are you tired of coins and loose change? We will count and deposit them for free!

Do you have a paycheck? Cash your check here, or open an account and make a deposit.

Do you need to exchange foreign currency? Here are our exchange rates!

CURRENCY	RATE	USD
American Dollar	1 USD	1 USD
Bank Point	0.00452	0.0078
Euro	0.70457	0.0034
Hong Kong Dollar	7.7533	0.00086
Japanese Yen	114.078	0.000044
Mexican Peso	12.597	0.0000311
South Korean Won	183.1	0.000005
Taiwan Dollar	3.3637	0.00002

All exchanges are subject to a 0.7% service fee.

Balance your budget at First Regional



4 Fill in the blanks with the correct words from the word bank.

Word Bank

exchange change
check currency cash

1. He has no bills, just some _____.
2. _____ your notes before returning from your trip.
3. The vendor did not accept Jan's foreign _____.
4. The bank refused to _____ his paycheck.
5. Jan wrote a _____ for the gas bill.



STAMPER



COIN WRAPPER



FINGERPRINT PAD

Mr. Coleman,

I went through the supplies inventory as you asked. Here is a list of the things we need.

- 3 cases of ball stamps
- 8 cases of coin wrappers
- 1 cash drawer with sections for cash and coins (for the new teller station)
- 1 fingerprint pad
- 1 bottle of ink
- 4 cases of deposit bags
- 3 date stamps
- 1 void stamp
- 2 boxes of ballpoint pens
- 0 counterfeit pens

That is everything. We are almost out of coin wrappers and deposit bags. We need a shipment by Monday. I will tell you if we get low on anything else.

Thank you,
Eve

Get ready!

- 1 Before you read the passage, talk about these questions.
1. What supplies does a bank teller need?
 2. What does your bank do when supplies run low?

Reading

- 2 Read the email from a teller to a bank manager. Then, choose the correct answers.
1. What is the email mainly about?
 - A. Items the bank needs
 - B. Prices of bank supplies
 - C. Orders of shipments
 - D. New teller supplies
 2. Which of the following supplies does the bank NOT need?

A. coin wrappers	C. coins
B. deposit bags	D. stamps
 3. What supplies are nearly gone?

A. cash drawers	C. teller stations
B. deposit bags	D. ink pads

Vocabulary

- 3 Read the sentence and choose the correct word.
1. Make sure the list is real with a counterfeit pen / cash drawer.
 2. He wrapped \$500 of cash in a coin wrapper / tell stamp.
 3. Place your thumb on the fingerprint pad / pen.
 4. Update the inventory / stamps with the new numbers.



CASH DRAWER

- 3 Place the words and phrases from the word bank under the correct heading.

Word Bank

ink pen cash drawer
 pen coin wrapper deposit bag

Things to Mark Paper	Containers for Money

- 4 Listen and read the email again. What is ink contained in?

Listening

- 1 Listen to a conversation between a bank manager and a teller. Mark the following statements as true (T) or false (F).

- ... Old deposit bags are available.
- ... The bank has no counterfeit pens.
- ... The woman will purchase coin wrappers and bill straps at a store.

- 2 Listen again and complete the conversation.

Manager: Hi, Sue. I got your email about the 1 _____ inventory. Thanks for doing that.

Teller: Oh, no problem. We're pretty 2 _____, from deposit bags.

Manager: I see that. If we 3 _____ use the old ones.

Teller: Got it. We're also 4 _____ counterfeit pens.

Manager: Well, we can check the 5 _____ by hand until Monday.

Teller: Okay. 6 _____ the coin wrappers and bill straps?

Manager: I picked up a bit of each at the store. How you go?

Teller: Oh, good. Thanks.

Speaking

- 1 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

If we run out ...
 We are also out of ...
 I picked up ...

Student A: You are a bank manager. Talk to Student B about:

- supplies the bank is low on
- supplies the bank is out of
- what to do until supplies arrive

Student B: You are a teller. Talk to Student A about bank supplies.

Writing

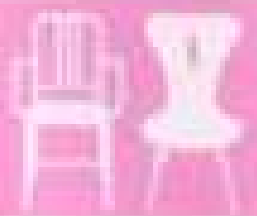
- 1 Use the email and the conversation from Task 8 to fill out the supplies inventory list.

Bank Supplies Inventory

Quantity	Supplies needed



Check out our selection of furniture for banks!



MODERN STYLE

FURNITURE FOR BANKS

Order online today,
or visit a MODERN STYLE
location near you!

Bank furniture



- We have filing cabinets available in seven different colors.
- All teller pedestals are currently 20% off.
- We sell the finest oak and mahogany desks. (Each comes with a free desk chair.)
- Our post and rope sets are classy and practical.
- Browse our hundreds of choices of couches and armchairs.
- Our laminate conference tables are now 30% off.
- Any order over \$800 comes with a free set of carpet floor mats.

Get ready!

1 Before you read the passage, talk about these questions.

- 1 What furniture items do you find in a bank?
- 2 If you were a bank manager, how would you furnish your bank?

Reading

2 Read the page from a furniture company's website. Then, mark the following statements as true (T) or false (F).

- 1 ... Conference tables are on sale.
- 2 ... Every desk comes with a free chair.
- 3 ... Free mats come with every order.

Vocabulary

3 Read the sentence pair. Choose where the words best fit the blanks.

- 1 armchair / teller pedestal
 - A Look the deposit in the _____.
 - B The customer sat in the _____.
- 2 mat / filing cabinet
 - A Please wipe your feet on the _____.
 - B Mr. Smith put the forms in the _____.
- 3 rope / conference table
 - A The _____ keeps the customer line organized.
 - B The _____ seats twelve people.

- 1 Fill in the blanks with the correct words and phrases from the word bank.

Word Bank

books posts bench desk chair

- 1 A couple is sitting together on the _____.
- 2 Connect the _____ with ropes.
- 3 The teacher sat down in her _____.
- 4 The new _____ have six drawers each.

- 5 Listen and read the web page again. What gift is given with large orders?

Listening

- 1 Listen to a conversation between a bank manager and an employee. Choose the correct answers.

- 1 What is the conversation mainly about?
 - A closing a new branch
 - B adding posts and ropes
 - C reorganising the lobby
 - D replacing old furniture
- 2 What new furniture will the manager buy?
 - A desks
 - B mats
 - C armchairs
 - D ropes

- 3 Listen again and complete the conversation.

Manager: We need to reorganise the lobby.

Employee: I know what you mean. Customers don't know where the line starts.

Manager: Let's see. I _____ move these armchairs away from the door.

Employee: Yeah. Then people could walk straight to the _____.

Manager: Right. And I _____ shift the post and rope setup forward?

Employee: That there won't be any confusion about the _____.

Manager: Exactly. I _____ get some floor mats.

Employee: I _____ . They ones to match the chairs.

Speaking

- 1 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

We could move these...
What if we...
Then there won't be...

Student A: You are a bank manager. Talk to Student B about:

- an office problem
- moving furniture
- purchasing furniture

Student B: You are a bank employee. Talk to Student A about rearranging the bank furniture.

Writing

- 1 Use the web page and the conversation from Task 8 to fill out the bank employee's after-hours to-do list.



To Do

Please rearrange the furniture in the following way:

Move the _____

Shift the _____

Place the new _____

near the _____

Get ready!

1 Before you read the passage, talk about these questions.

- 1 What documents are required to open a bank account in your country?
- 2 What documents does a teller use in transactions?

FIRST REGIONAL BANK

Teller's Manual

Every morning, be sure to stock the following documents:

- ✓ **account statement books** - These are for customers requesting proofs of their monthly statement.
- ✓ **account applications** - These are for customers looking to open an account.
- ✓ **change of address forms** - These are for customers moving to a new address.
- ✓ **deposit slips** - These are for customers making deposits.
- ✓ **withdrawal forms** - These are for customers making withdrawals.
- ✓ **envelopes** - These are for all withdrawals over \$500.
- ✓ **teller receipts** - These are printed after every transaction.
- ✓ **balance sheet books** - These are for customers requesting to see their balance.
- ✓ **cashier's checks** - These are recommended as an alternative to cash for large purchases.
- ✓ **customer registers** - These are for customers wanting to see a detailed account history.

Reading

2 Read the page from a bank teller's manual. Then, choose the correct answers.

- 1 What is the main purpose of this page?
 - A to list items customers need to cash checks
 - B to describe papers tellers read for each shift
 - C to explain how to open a new account
 - D to inform tellers of new transaction guidelines
- 2 Which of the following documents does NOT show a customer's balance?
 - A register
 - B deposit slip
 - C balance sheet
 - D account statement
- 3 Which document is for customers who want to receive mail at a different location?
 - A withdrawal form
 - B deposit slip
 - C envelope
 - D change of address

Vocabulary

3 Match the words (1-6) with the definitions (A-E).

- 1 ... envelope
- 2 ... deposit slip
- 3 ... register

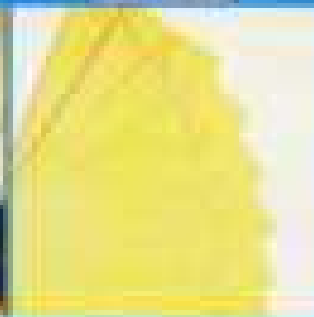
- A a form for opening an account
- B a document to use instead of cash
- C a detailed history of account transactions
- D a paper sleeve to hold a document
- E a form to fill out when putting money into an account

deposit slip

envelope

balance sheet

cashier's check



- 4 Fill in the blanks with the correct words and phrases from the word bank.

Word Bank

account statement change of address
 teller receipt withdrawal form balance sheet

- 1 Every month, account holders get an() _____.
 - 2 To remove money, fill out an() _____.
 - 3 Provide clients with an() _____ after every transaction.
 - 4 An() _____ shows a customer's balance.
 - 5 Complete an() _____ form before you move.
- 5 Listen and read the page again. What is a customer given every time they perform a transaction at a bank?

Listening

- 6 Listen to a conversation between a teller and a customer. Mark the following statements as true (T) or false (F).
- 1 ___ The customer asks for a cashier's check.
 - 2 ___ The teller gives the customer two documents.
 - 3 ___ The customer must have at least \$100.
- 7 Listen again and complete the conversation.

Teller: 1 _____ How can I help you today?
 Customer: Hi. I'd like to 2 _____ a checking account.
 Teller: Wonderful. Here's an 3 _____ and a pen.
 Customer: Okay. Thanks.
 Teller: While you are 4 _____ can I see your driver's license?
 Customer: Sure. Here you go.
 Teller: Great. Thank you. You'll also have to fill out the 5 _____

 Customer: Oh. There is there a minimum starting \$ _____?
 Teller: Yes, it's just one hundred dollars.



Speaking

- 8 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS

How can I help you...
 I'd like to...
 You'll also have to...

Student A: You are a bank teller. Talk to Student B about

- an account application
- documents required
- a minimum balance

Student B: You are a bank customer. Talk to Student A about opening a checking account.

Writing

- 9 Use the page and the conversation from Task 8 to fill out the account application. Make up some personal details for the applicant. Use today's date.

Income's Bank Account Application

Type of Account

Checking _____ Savings _____

Name _____

Date _____

Address _____

Phone _____

Starting Balance _____

Reason for opening account _____

Get ready!

1 Before you read the passage, talk about these questions.

- 1 What kinds of machines are used in banks?
- 2 What security measures do banks take in your country?

Security camera

Printer

Printer

The Right Place

Buy Banking Necessities
in the Right Place for the Right Price
760-555-7951

Fast coin counters: These machines will also wrap and sort your change.

Currency Counters: Our machines count paper money, coins, or both.

Swipe Card Readers: Our readers are high-quality and easy to use.

Counterfeit Detectors: These detectors are reliable and error-free. You'll never accept false bills again.

Computers: Our computers are programmed especially for bankers. Customers who buy in the next two weeks get a chance to win a FREE monitor.

Printers: Customers will receive 20% off printers with our new computer package.

Adding machines: These calculators have a print-out function that your customers will appreciate.

Paper Shredders: Keep your client personal information safe. Destroy sensitive documents with our powerful shredders.

Security Cameras: Our high-quality cameras will protect your business.

The Right Place

BANKING
NECESSITIES

760-555-7951

Monitor

Adding machine

Reading

1 Read the website. Then, mark the following statements as true (T) or false (F).

- 1 ... The currency counters wrap bills.
- 2 ... The website is going away free printers with some computers.
- 3 ... The adding machines can print answers.

Vocabulary

2 Match the words (1-5) with the definitions (A-E).

- | | |
|----------------------|-------------------------|
| 1 ... monitor | 4 ... currency counter |
| 2 ... computer | 5 ... swipe card reader |
| 3 ... adding machine | |
- A. a screen for viewing electronic information
 B. a device that reads credit or debit cards
 C. an electronic device that stores information
 D. a machine that counts paper money or coins
 E. an electronic device that does math

- 4 Fill in the blanks with the correct words and phrases from the word bank.

Word Bank

printer calculator shredder security camera
 vote machine counterfeit detector

- Destroy those documents in the _____.
 - The _____ found fake bills.
 - Police used a _____ to identify the thief.
 - The _____ is out of ink.
 - A _____ makes adding up charges much easier.
 - There were many numbers to add, so the worker used a _____.
- 5 Listen and read the website again. What kind of paperwork might a bank wish to dispose of carefully?

Listening

- 6 Listen to a conversation between a salesperson and a bank manager. Choose the correct answers.

- What is the conversation mainly about?
 - a new order
 - a broken machine
 - a lost statement
 - an order discount
- What is true of the currency counter?
 - It is slower than the coin counter.
 - It is more expensive than coin counters.
 - It will not work properly when overfilled.
 - It is only capable of counting paper money.

- 7 Listen again and complete the conversation.

Salesperson: Thanks for calling Light Place Supply. How can I help you?

Manager: Hi, this is Terry Money with M & P Bank.

Salesperson: Hello, Mr. Money. I _____ for you today?

Customer: I want to buy a \$ _____.

Salesperson: All right. Do you want a machine that counts \$ _____ or coins?

Customer: Both. I _____ about both.

Salesperson: Okay. It will be more \$ _____ than a coin counter. Is that all right?

Customer: That's fine. I'm sure it will save us \$ _____.

Speaking

- 8 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

What can I do for you...
 It has to...
 It will save...

Student A: You are a bank teller. Talk to Student B about:

- a machine you want
- what it must do
- how it will help

Student B: You are a shop employee. Talk to Student A about their purchase.

Writing

- 9 Use the website and the conversation from Task 8 to fill out the teller's customer inquiry form.

The Light Place

BANKING NECESSITIES

Name of Caller: _____

Bank where caller works: _____

Product of Interest: _____

Desired Product Functions: _____

Price: _____



Get ready!

1 Before you read the passage, talk about these questions.

1. What are the different parts of a bank?
2. What are some structures that increase security in banks?

Reading

2 Read the checklist. Then, fill in the list of rooms and duties.

Rooms	Duties
Teller Station	1. Turn on _____ 2. Recount and _____ money.
Prayer	3. _____
4. _____	Wipe down counters.
5. _____	Start coffee. Restock supplies.

AM Opening Tasks:

- ___ Sweep the foyer. Turn on the main lights.
- ___ Wipe down counters in the lobby.
- ___ Wipe down counters at the customer service desk.
- ___ Turn on the computers at each teller station.
- ___ Empty garbage cans in the waiting area.
- ___ Start coffee in the breakroom. Restock items such as plates, cups, and napkins.
- ___ Check security system of the safe deposit boxes and vault.
- ___ Turn on lights in the manager's office.
- ___ Get cash drawer from the safe in the manager's office.
- ___ Recount and deposit money in your teller station.

Vocabulary

3 Match the words (1-6) with the definitions (A-F).

- | | |
|---------------------|-------------------------|
| 1. ___ lobby | 4. ___ manager's office |
| 2. ___ counter | 5. ___ safe deposit box |
| 3. ___ waiting area | 6. ___ teller station |

- A. a secure metal container
 B. a space where people wait to be helped
 C. where bankers process transactions
 D. a narrow surface
 E. the place where a supervisor works
 F. an area at the entrance of a building

- 4 Fill in the blanks with the correct words and phrases from the word bank.

Word Bank

layer vault breakdown
customer service desk

1. Banks keep most valuables in a _____.
 2. The woman entered the bank and stood in the _____.
 3. The _____ has tables where employees can sit and eat.
 4. The young man asked to help at the _____.
- 5 Listen and read the checklist again. What items might you find in a breakroom?

Listening

- 6 Listen to a conversation between a manager and an employee. Mark the following statements as true (T) or false (F).
1. ... The employee had trouble with one of the opening tasks.
 2. ... The manager tells Mr. Turner to call tech services.
 3. ... The first table station will be closed in the morning.
- 7 Listen again and complete the conversation.

Manager: How did I _____ on the morning, Mr. Turner?

Employee: Everything went pretty well. I _____ starting one of the computers though.

Manager: Which computer?

Employee: The one at the desk 3 _____ An error screen came up.

Manager: I see. Will there be someone 4 _____ at 8 AM?

Employee: Do you want me to call 5 _____ about it?

Manager: No, 6 _____ about it. Let's just keep that station closed this morning.

Speaking

- 8 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS

How did ...
Do you want me to ...
Let's worry about ...

Student A: You are a bank manager. Talk to Student B about:

- the opening tasks
- the problems she encountered
- how the problem will be handled

Student B: You are a bank employee. Talk to your manager about opening the bank.

Writing

- 9 Use the checklist and the conversation from Task 8 to create an opening checklist.



CHECKLIST

Form: _____

Teller Stations: _____

Breakroom: _____

Manager's Office: _____



How do they say it?

Symbol	Interpretation	Example	
=	is, equals, comes to	$\frac{1}{2} = 0.5$	One-half equals point five.
+	and, plus, add	$a + b = c$	A and B comes to C.
-	minus, less, subtract	$a - b = c$	A less B is C.
x	times, multiplied by	$a \times b = c$	A times B equals C.
÷ or /	over, divided by	$a \div b = c$ or $a / b = c$	A over B equals C.
1,000	one thousand eight hundred or eighteen hundred	The client deposited eighteen hundred dollars.	

$a + b = c$

Get ready!

1 Before you read the passage, talk about these questions.

- 1 How do you say symbols like + and =?
- 2 What are some of the ways to say large numbers?

Reading

2 Read the chart. Then, mark the following statements as true (T) or false (F).

- 1 ___ Six less two means the same thing as six minus two.
- 2 ___ Nine times four equals nine plus four.
- 3 ___ Five over three equals five divided by three.

Vocabulary

3 Fill in the blanks with the correct words and phrases from the word bank.

word bank

add times less
plus comes to hundred

- 1 Five _____ two is thirteen.
- 2 Nine and five _____ fourteen.
- 3 Thirty _____ six equals twenty-four.
- 4 One thousand plus two hundred is twelve _____.
- 5 To get eight _____ three and five.
- 6 Nine _____ two is eleven.

1 Read the sentence and choose the correct word.

- Seven plus / divided by three is ten.
- Five over / less eight equals one.
- Start with seven, subtract / add three: the equals four.
- Six multiplied by / divided by two is twelve.
- Six over / plus three equals ten.
- Twenty less / divided by four equals five.
- Five plus six equals / over eleven.

2 Listen and read the chart again. What does it mean to say that something 'comes to' something else?

Listening

1 Listen to a conversation between two tellers. Choose the correct answers.

- What is the dialogue mostly about?
 - deposit procedures
 - subtracting numbers
 - a mathematical error
 - an incomplete deposit slip
- What did the man do wrong?
 - He copied a number incorrectly.
 - He subtracted instead of dividing.
 - He multiplied by the wrong number.
 - He wrote down the wrong number of checks.

2 Listen again and complete the conversation.

- Teller 1: Karen, can you help me for a second?
Teller 2: Sure, Mike. I _____.
Teller 1: Well, something's wrong with this deposit slip. I _____ it all twice, but the total is still wrong.
Teller 2: I _____ There are four checks. Three checks for one hundred dollars. And one for one thousand, three hundred.
Teller 1: Yeah, I multiplied the hundred dollar checks by four and added 4 _____.
Teller 2: I _____.
Teller 1: What do you mean?
Teller 2: You _____ the wrong number.
Teller 1: Oh, what a simple mistake! Thanks.

Speaking

1 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

Can you help me for a second?
Something's wrong with this ...
There are ... checks ...

Student A: You are having trouble with a deposit slip. Ask Student B about:

- your work
- what
- actions

Student B: You are a teller. Answer Student A's questions.

Writing

1 Use the chart and the conversation from Task 8 to fill out the deposit slip correction. Make up some personal details for the account holder.

Account Holder	_____
Account Number	_____
Original Deposit Amount	_____
New Deposit Amount	_____
Explanation of Change	_____ _____ _____
Manager's Approval	Y / N

CRUISE

Savings Plan

one-on-one savings plans!

At Crui Savings Bank, our primary goal is customer satisfaction.

That's why we encourage you to open a savings account* with us. It's a great way to improve your financial stability and quality of life.

Our employees develop one-on-one savings plans. That means each depositor receives individual attention from our staff. We're currently offering great interest rates. The more you deposit, the more interest you earn. So what are you waiting for? Schedule an appointment, and we'll help plan your long-term financial goals.



Vocabulary

1 Match the words (1-5) with the definitions (A-E).

- | | | |
|----------------|------------------|-----------------|
| 1 ... deposit | 3 ... depositor | 5 ... long-term |
| 2 ... interest | 4 ... withdrawal | |

- A. looking for a long time
 B. when you take money from an account
 C. someone who puts money into an account
 D. a percentage earned on an amount of money
 E. to put money into an account

2 Fill in the blanks with the correct words and phrases from the word bank.

Word Bank

open interest rate savings account
 bank minimum balance

- Tom was fined when his account fell below the _____.
- Mary banks _____ savings withdrawals to six per cent.
- The woman deposited the money from her paycheck into an _____.
- With the high rates, the man was able to _____ some extra money.
- The man kept his money in an account with an excellent _____.

Get ready!

1 Before you read the passage, talk about these questions.

- What encourages people to open savings accounts?
- What are some restrictions on savings accounts in your country?

Reading

2 Read the bank advertisement. Then, mark the following statements as true (T) or false (F).

- ... Depositors can develop different savings plans.
- ... Larger accounts earn more money than smaller accounts.
- ... Customers can open savings accounts with any amount of money.

- 5 Listen and read the advertisement again. Is it possible to keep a savings account open with no money in it?

Listening

- 6 Listen to a conversation between a teller and a customer. Choose the correct answers.

- 1 What is the conversation mostly about?
- A making a withdrawal
B reducing account fees
C opening a savings account
D checking an interest rate
- 2 Why will the man pay a fee?
- A He is opening a new account.
B He is ordering a cashier's check.
C He already withdrew money this month.
D His account doesn't have enough money.

- 7 Listen again and complete the conversation.

Teller: Is this correct, Mr. Jones? You want to take three hundred out of your _____?

Customer: That's right. Why is there a problem?

Teller: A small one. You have the money. But your account is \$ _____, so you withdrew a month.

Customer: Oh, and I \$ _____ money last week to make a cashier's check. Well, I really need the cash.

Teller: Are you sure? There will be a \$ _____.

Customer: \$ _____ is it?

Teller: It's twenty dollars.

Customer: I don't \$ _____ if just pay the fee.

Speaking

- 8 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

- Is this correct...
Your account is linked to...
There will be a fee...

Student A: You are a teller. Talk to Student B about:

- making a withdrawal
- the withdrawal limit
- the fee he must pay to withdraw

Student B: You are making a withdrawal. Talk to Student A about the withdrawal limit fee.

Writing

- 9 Use the advertisement and the conversation from Task 8 to fill out the paperwork.

Customer Name: _____

Account Number: _____

Type of Transaction: _____

Fee Y / N _____

If yes, reason for fee: _____

Fee Amount: _____

Total Transaction Amount: _____





BANK of the NORTHWEST Checking

Are your liquid assets protected? Keep your money safe with Bank of the Northwest. We offer two options for checking accounts. Which option is right for you?

Basic Checking with no monthly fee

- Deduct funds conveniently with your checkbook or debit card.
- Participating employers can pay you with direct deposit.
- Pay fees only if you have overdrafts or checks that are returned.

Premium Checking with no monthly maintenance fee

- Premium Checking includes everything that comes with Basic Checking.
- Earn interest by maintaining a minimum average balance.
- The Overdraft Protection Plan prevents fees if you accidentally debit too much.

Get ready!

1 Before you read the passage, talk about these questions.

- 1 What are the advantages of saving money in a bank?
- 2 What are some different ways that people can pay for purchases?

Reading

2 Read the brochure. Then, mark the following statements as true (T) or false (F).

- 1 ... Basic Checking carries fees for returned checks.
- 2 ... Both services allow the use of debit cards.
- 3 ... Premium Checking does not include direct deposit.

Vocabulary

3 Read the sentence and choose the correct word or phrase.

- 1 You'll get paid weekly by average balance / direct deposit.
- 2 Dave paid with cash because she had her checkbook / checking account.
- 3 The bank charges extra fees for returned / liquid checks.
- 4 Eddie wrote a check / debit for his new car.
- 5 The bank issues overdrafts / debit cards with all accounts.

4 Fill in the blanks with the correct words and phrases: debited, maintenance fee, liquid average balance, checking account, overdraft.

- 1 The bank accidentally _____ a customer's account for duplicate transactions.
- 2 The annual fees are based on an account's _____ over the year.
- 3 An _____ is a safe place to store your money.
- 4 Tom switched to a new bank that does not charge any _____.
- 5 John will have any _____ if he spends any more money this week.
- 6 The store's business makes a lot of money, but none of it is _____.

- ③ Listen and read the brochure again. How can a customer take money out of their account?

Listening

- ④ Listen to a conversation between a bank agent and a customer. Choose the correct answers.

- Who is the customer at the bank?
 - to get details about Premium Checking
 - to open her first checking account
 - to learn about checking account options
 - to find a service without monthly fees
- What can you infer about Basic Checking?
 - it requires extra paperwork
 - it includes fees for overdrafts
 - it is the most popular checking option
 - it has more benefits than Premium checking

- ⑤ Listen again and complete the conversation.

Agent: What 1 _____ for you today, ma'am?

Customer: I'm thinking about opening a 2 _____ for my son.

Agent: Well, you come to 3 _____, Can I interest you in our Premium Checking?

Customer: What does that include?

Agent: For a low monthly fee, you get protection against 4 _____.

Customer: I don't think he needs that. I _____ opening without a fee?

Agent: Certainly. Our Basic Checking is available at no cost. Of course, there's no overdraft protection either. I _____ and will get started with the paperwork.



Speaking

- ⑥ With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

I'm thinking about ...
 Can I interest you ...
 Our Basic Checking ...

Student A: You are a bank agent. Talk to Student B about

- checking accounts
- available features

Student B: You are a bank customer. Talk to Student A about checking account options.

Writing

- ⑦ Use the brochure and the conversation from Task 8 to fill out the application for a checking account. Make up a name for the customer.

NBC THE NORTHWEST

Checking Account Application

Name: _____

Account type? Basic / Premium _____

List any additional services you are looking for in a checking account _____

Get ready!

1 Before you read the passage, talk about these questions.

- 1 Why do people use credit cards instead of cash?
- 2 What are some risks of using credit cards?

Finances Plus

Dear Mr. Perez,

Congratulations! Finances Plus has approved your credit application. You may begin using your new credit card right away. Please review the following details about your account.

Credit: Your new credit limit is \$5000.00. This limit includes the option for cash advance. Your limit can increase if you maintain regular payments. You can pay by check or electronic transfer.

Finance charges: There is no annual fee for your account. During the first year, you will enjoy the introductory rate of 0%. The account will accrue 12% APR after the first year.

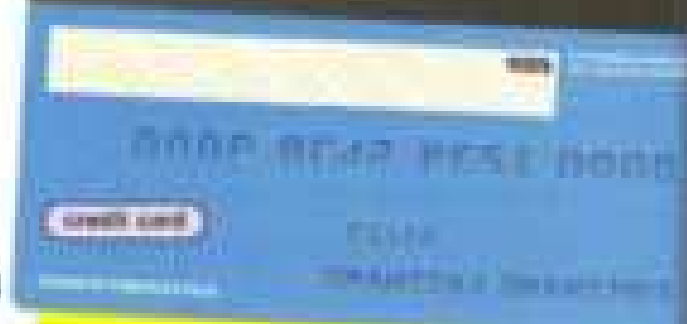
Please call with any questions.

Sincerely,

Ferns Martin

Accounts Manager, Finances Plus

The latest members of our Finances Plus



No Yes

Approved

Credit Card A → Credit Card B
 Credit Card A → Credit Card B
 Credit Card A → Credit Card B
 Credit Card A → Credit Card B

Approved Member

Reading

2 Read the letter and the summary. Then, fill in the blanks with the correct words and phrases from the word bank.

WORD BANK

balance transfers payment
 available approved introductory

Mr. Perez's application for a line of credit was 1 _____. Cash advance is 2 _____ towards his credit limit of \$5000.00. 3 _____ methods include check and electronic transfer. The account begins with an 4 _____ rate of 0%. The interest rate goes up to 12% after one year but 5 _____ annual interest at 1%.

Vocabulary

3 Match the words (1-6) with the definitions (A-F).

- | | |
|---------------------|--------------------------|
| 1 ____ approve | 4 ____ finance charge |
| 2 ____ annual fee | 5 ____ balance transfer |
| 3 ____ credit limit | 6 ____ introductory rate |

- A a low, temporary interest rate
 B a cardholder's maximum charge amount
 C fee of interest on a credit card account
 D to allow or accept something
 E a yearly charge for having a credit card
 F moving money from one account to another

3 Check (✓) the sentence that uses the underlined part correctly.

- ... A Steven earned a lower credit limit by paying her bills on time.
... B Edwin was upset when his (CC) increased without notice.
- ... A One of Raymond's finance charges was the car he bought with his credit card.
... B Thema needs a cash advance to make a purchase.
- ... A The company has no money because the bank approved to her.
... B The clothing company requires a credit card for all online purchases.

4 Listen and read the letter again. What transaction would Mr. Perez have to pay for in the year he opened his account?

Listening

5 Listen to a conversation between a credit card company representative and a customer. Mark the following statements as true (T) or false (F).

- ... The customer wants a new line of credit.
- ... The main interest rate is now 12%.
- ... The main interest rate will increase.

6 Listen again and complete the conversation.

Representative: Financial Plus Card speaking. How can I help you?

Customer: Hi, I just got a card and I'm confused about my 1 _____.

Representative: What 2 _____ the problem?

Customer: Well, I thought the interest 3 _____ was 10%. The letter says 15% twelve percent.

Representative: Oh, I can 4 _____ Your introductory rate is zero percent.

Customer: Oh, wonderful.

Representative: But next November, your rate 5 _____ to twelve percent.

Customer: Oh, 6 _____ Thank you for your help.

Speaking

7 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS

How can I ...
I'm confused ...
Thank you for your help ...

Student A: Student A, You are a credit card company representative. Talk to Student B about:

- higher account
- introductory interest rates
- interest rate changes

Student B: You are a credit card customer. Talk to Student A about your interest rates.

Writing

8 Use the letter and the conversation from Task 8 to fill out the approval form.



APPROVAL FOR LINE OF CREDIT

Customer name: _____

Introductory rate: _____

Credit limit: _____

Other fees and restrictions: _____

FERDINAND'S BANK

Access

Why bank with Ferdinand's?
We offer the most benefits.

CONVENIENT FACILITIES

Ferdinand's has brick-and-mortar facilities in nearly every city. Our drive-up windows make banking fast and easy. Make a quick deposit and get on your way.

INTERNATIONAL

Do you need to withdraw money while traveling? You will find Ferdinand's ATMs around the world, free of charge. Why pay costly ATM fees with other banks? Just bring your debit card and PIN.

24-HOUR SERVICE

Talk to a specialist in our 24-hour call center. Call to check your available funds or locate the nearest ATM.

ONLINE AND MOBILE

Access your account from home with online banking. Or use your cell phone for mobile banking.



online banking



drive-up



call center



ATM

Get ready!

1 Before you read the passage, talk about these questions.

- How do bank customers access their money?
- What are the easiest ways to access a bank account in your country?

Reading

2 Read the website. Then, mark the following statements as true (T) or false (F).

- Drive-up windows are available at brick-and-mortar facilities.
- The bank has brick-and-mortar facilities around the world.
- Customers can speak to bank representatives any time of day.

Vocabulary

3 Read the sentence pair. Choose where the words best fit the blanks.

1 call center / ATM

- Rachel's job at the _____ involves answering questions from customers.
- Karen always going inside the bank so he uses the _____.

2 online banking / mobile banking

- Tina uses _____ to check her bank balance from her work computer.
- Smart phones allow _____ to occur, even while customers ride the bus.

3 deposit / ATM fee

- Many banks charge an _____ if you use a debit card from another bank.
- Flora had an overdraft because he forgot to make an _____.

④ Fill in the blanks with the correct words and phrases: *limits, drive-up, windows, cash-and-carry, PIN, branch*.

- Robert pulled his car up to the _____ window.
- Lisa could not use the ATM because she forgot her _____.
- Bob prefers _____ facilities to online banking because he can talk to a person.
- The Bank of Ontario opened a new _____ in O'Leary.
- Your _____ are not available until the day after you make a deposit.
- Nancy tried to _____ more money than she had, but the manager refused to allow it.

⑤ Listen and read the website again. Where does Ferdinand's Bank have ATMs located?

Listening

⑥ Listen to a conversation between a bank customer and a teller. Choose the correct answers.

- Why is the customer upset?
 - He cannot find his debit card.
 - He cannot access the ATM.
 - He was unable to make a deposit.
 - He could not find a bank while traveling.
- What can you infer about ATM deposits?
 - They do not always require a PIN.
 - They are not available immediately.
 - They cannot be made in other countries.
 - They are less secure than branch deposits.

⑦ Listen again and complete the conversation.

Customer: Finally I tried to make the deposit today this week, but I _____.

Teller: I'm so sorry for the inconvenience. Oh, maybe I can help. Do you have a 3 _____?

Customer: I do. But I leave it at home, just to be safe.

Teller: Well, we offer a 24-hour ATM to make deposits. It's right outside. The transaction goes through on the 3 _____.

Customer: A _____, but I want a lot.

Teller: Just call our 8 _____, they'll direct you to the closest ATM.

Customer: Okay. It's by that 8 _____.

Speaking

⑧ With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

I tried to ... but ...

Sorry for the inconvenience.

Call our ...

Student A: You are a bank customer. Talk to Student B about:

- an inconvenience
- making a deposit

Student B: You are a bank customer. Talk to Student A about making deposits.

Writing

⑨ Use the website and the conversation from Task 8 to fill out the customer's notes.

FERDINAND'S BANK

Customer's NOTES

The different ways to make deposits are ...

To use an ATM, I need ...

When traveling, I can find an ATM by ...



Get ready!

1 Before you read the passage, talk about these questions.

- 1 What are the benefits of online banking?
- 2 What are the risks of online banking?



SSL
https://



Forestwood Bank Online Banking

At Forestwood Bank, we employ a variety of security measures to keep our customers' information safe. All our customers' accounts are password-protected. Our computer system locks out users after failed log-in attempts. Accounts are unlocked only when you confirm details over the phone or in person.

Once you log in, your information is even more secure. Our SSL encryption protects every bill pay transaction, transfer, and loan application. With Forestwood Bank, your money is safe online.

But customers should protect themselves, too. Know the difference between our paperless electronic statements and phishing attempts. Forestwood will NEVER ask for sensitive information in an email.

Reading

1 Read the web page from Forestwood Bank. Then, choose the correct answers.

- 1 What is the purpose of the web page?
 - A to discuss the safety of online banking
 - B to describe the dangers of phishing attempts
 - C to show how to receive paperless statements
 - D to explain the need for new security measures
- 2 All of the following are features of online banking except:

A bill pay	C account unlocking
B loan application	D electronic statements
- 3 What can you infer about phishing attempts?
 - A They use SSL encryption.
 - B They request sensitive information.
 - C They occur during bill pay transactions.
 - D They are prevented by locking out customers.

Vocabulary

1 Match the words (1-5) with the definitions (A-E).

- | | |
|-----------------|--|
| 1 ...bill pay | A to move funds from one account to another |
| 2 ...statements | B a device that sends money to businesses from bank accounts |
| 3 ...secure | C being safe |
| 4 ...password | D a code that provides access to an account |
| 5 ...transfer | E not using cash |

- 3 Fill in the blanks with the correct words and phrases from the word bank.

Word Bank

online banking services security measures
SSL phishing lock out log in

- A thief accessed the account through an _____ hack.
 - The bank sends _____ statements monthly.
 - All _____ connections keep online information secure.
 - To _____ enter your password.
 - This system will _____ lock out customers after three incorrect passwords are entered.
 - Most banks offer several _____ measures to keep account information safe.
- 4 Listen and read the web page again. What should the bank's customers not give out in response to an email?

Listening

- 1 Listen to a conversation between a bank employee and a customer. Mark the following statements as true (T) or false (F).
- ... The man calls about a phishing attempt.
 - ... The man asks for a new password.
 - ... The woman unlocks the man's account.

- 2 Listen again and complete the conversation.

Woman: Firstwood Bank, Shirley speaking. How may I help you?
 Caller: Hi, it's I _____ of my online account. I typed my password wrong a few times.
 Woman: Okay, I can unlock that. I _____ your name and date of birth.
 Caller: My name is Richard Hanson. I was born January 10th, 1975.
 Woman: I _____ last four digits of your account?
 Caller: 4 _____ it's 8832.
 Woman: Thank you, Mr Hanson. Now, what is your E _____?
 Caller: It's Hanson one two two. All one word.
 Woman: Okay. Your account is E _____.

Speaking

- 1 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

How may I help you?
 I have _____
 What is your _____?

Student A: You are a bank employee. Talk to Student B about:

- an account lock-out
- account information
- password

Student B: You are locked out of your account. Talk to Student A about unlocking it.

Writing

- 1 Use the web page and the conversation from Task 8 to fill out the call record.

Call 19841

Customer: _____
 Date of Birth: _____
 Account: _____
 Password: _____
 Reason for call: _____
 Was customer's problem resolved? If yes, how? _____



firm

First Citizens Bank

Job Listings

First Citizens Bank is now hiring the following positions. Include resume, cover letter, and references with application.

Receptionist

Duties: greeting visitors, answering phones, and directing customers.

Administrative Assistant

Duties: supporting branch manager by organizing schedules, paperwork, and mail.

Head teller

Position requires two years' experience. Duties: creating schedules, managing cash drawers and reviewing teller transaction records.

Entry Teller

Typing proficiency is required, but experience is not. Duties: entering records and data. Teller's report is both the accounting clerk and bookkeeping clerk.

Branch Manager

The branch manager oversees and administers all tasks. Duties include: building a strong relationship with the community, interviewing applicants, approving loans and assisting customers.

branch manager

entry level

Get ready!

1 Before you read the passage, talk about these questions.

1. What are some jobs people have in banks?
2. Which bank jobs are the most difficult? Why?

Reading

2 Read the job listings for a nationwide bank. Then, mark the following statements as true (T) or false (F).

- 1 ... All of the positions require references.
- 2 ... Head teller applicants must be called to interview.
- 3 ... Branch managers interview potential employees.

Vocabulary

3 Read the sentence pair. Choose where the words best fit the blanks.

- 1 receptionist / bookkeeping clerk
 - A. A _____ updates financial records.
 - B. The _____ answers phones and greets customers.
- 2 entry teller / head teller
 - A. The _____ must schedule the teller's shifts.
 - B. A(n) _____ works on a computer all day.
- 3 support / greet
 - A. _____ all customers with a smile.
 - B. The assistant's job is to _____ the branch manager.

④ Match the words (1-5) with the definitions (A-E).

- 1 ...oversee
- 2 ...records
- 3 ... administrative assistant
- 4 ... branch manager
- 5 ...accounting clerk

- A an employee that tracks financial records
- B an employee that runs an entire bank branch
- C an employee that helps with various office tasks
- D to supervise
- E documents

⑤ Listen and read the job listings again. Which positions involve dealing directly with the bank's customers?

Listening

① Listen to a conversation between a branch manager and a new employee. Check (✓) the positions the manager describes.

- 1 branch manager
- 2 administrative assistant
- 3 head teller
- 4 accounting clerk
- 5 receptionist

② Listen again and complete the conversation.

Manager: Welcome to your first day on the job! It's _____.

Employee: Good, thanks.

Manager: This is the 2 _____ office. Bring all of your paperwork here at the end of the day.

Employee: Like my balance sheet?

Manager: Absolutely. Also, this is Mr. Oates's office. Help the 3 _____ . So if you ever have a problem, we help first.

Employee: 4 _____.

Manager: Finally, this is my 5 _____ desk. The job _____ answer just about any question you have.

Employee: I see. I'll _____ to get started.

Speaking

① With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

Welcome to your first day ...
 This is the ... office.
 If you ever have a problem ...

Student A: You are a branch manager. Talk to Student B about:

- bank offices
- other positions
- other position responsibilities

Student B: You are a new employee. Talk to Student A about other positions at the bank.

Writing

① Use the job listings and the conversation from Task 8 to fill out the job descriptions.

Job Title: _____

Responsibilities: _____

Job Title: _____

Responsibilities: _____

Job Title: _____

Responsibilities: _____



Get ready!

1 Before you read the passage, talk about these questions.

- 1 What are some reasons for people choosing telephone banking?
- 2 What are the benefits of making transactions by telephone?

February 9

Jack Miles, Manager
Kings Savings Bank
465 Elm Street, Jefferson, IL



Dear Valued Account Holder,

We would like to tell you about our new telephone banking system. This is not just another automated answering system. This is an opportunity for us to offer you great customer service!

Starting March 1, you will have access to our self-service Phone Bankers will be available during normal business hours. You'll be able to complete all transactions by phone if you choose. Our phone bankers have the same capabilities as any other banker. Call to resolve issues with your account or to make money transfers.

We hope that you enjoy our new telephone banking system.

Sincerely,
Jack Miles



Reading

1 Read the letter. Then, choose the correct answers.

- 1 What is the letter mostly about?
 - A how to become a telephone banker
 - B the benefits of telephone banking
 - C how to make transactions via telephone
 - D issues with automated answering systems
- 2 Which is NOT included in the letter?
 - A the capabilities of phone bankers
 - B the hours that the service will be available
 - C the price of the telephone banking service
 - D a starting date for the telephone banking system
- 3 What is one benefit of phone banking?
 - A It is faster because it is automated.
 - B It helps bank customers save money.
 - C All transactions can be made by phone.
 - D Customers can reach tellers after business hours.

Vocabulary

1 Match the words (1-4) with the definitions (A-D).

- | | |
|----------------|-----------------------|
| 1 ...fund | 3 ...transaction |
| 2 ...automated | 4 ...customer service |

- A an exchange of money
- B operating without human involvement
- C meeting the needs of customers
- D a person or company

- 4 Fill in the blanks with the correct words and phrases from the word bank.

Word Bank

receive complete telephone banking
call center phone banker answering systems

- The banker needed an account number to _____ the transaction.
 - A client scheduled a meeting to _____ the problem.
 - _____ allow clients to bank from any location with a phone.
 - Two hundred people work at the _____.
 - A _____ has the same duties as any other banker.
 - Many _____ are automated and need no human assistance.
- 5 Listen and read the letter again. What will the new service begin?

Listening

- 6 Listen to a conversation between a phone banker and a customer. Mark the following statements as true (T) or false (F).
- ... The man wants to make a withdrawal.
 - ... The woman asks for the man's password.
 - ... The man must visit the bank to complete the transaction.

- 7 Listen again and complete the conversation.

Banker: Hello Savings Bank. I _____ help you?

Customer: I'm calling to make a \$ _____.

Banker: Okay. Your name and \$ _____ number please?

Customer: Chris May, 285 323 2275.

Banker: Thank you, Mr. May. What kind of \$ _____ would you like to make today?

Customer: I want to move \$400 from my \$ _____ into savings.

Banker: We can do \$ _____.

Speaking

- 8 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

How may I _____?
What kind of transaction _____?
We can _____.

Student A: You are a telephone banker. Talk to Student B about:

- the transaction
- identification
- what is required

Student B: You are calling a phone banker. Talk to Student A about the transaction you want to make.

Writing

- 9 Use the letter and the conversation from Task 8 to update the banking file.



Phone Teller: _____

Customer Name: _____

Account Number: _____

Desired Service: _____

Get ready!

1 Before you read the passage, talk about these questions.

- 1 What are the responsibilities of a teller?
- 2 What skills and talents are required to be a teller?



Reading

2 Read the job posting. Then, choose the correct answers.

- 1 What is the main purpose of this ad?
 - A to recruit applicants for a position
 - B to help people become better tellers
 - C to outline bank operating procedures
 - D to promote the banking services at Max & Jones
- 2 Which of the following is NOT required of the applicants?
 - A a college degree
 - B mental math skills
 - C ability to count efficiently
 - D prior experience issuing money orders
- 3 What can you infer about the people who are hired?
 - A They are college-graduates.
 - B They hold accounts at the bank.
 - C They have previous experience as tellers.
 - D They are better at math than communicating.

Now hiring

Teller needed at Max & Jones Associated Bank. Applicant must be comfortable handling money and mentally calculating sums. High school diploma and two years experience in position required.

Job Responsibilities:

- Count cash at the beginning of each shift.
- Identify customers and check the accuracy of their withdrawal and deposit slips.
- Record all transactions efficiently.
- Issue traveler's checks and money orders.
- Accept and verify loan and mortgage payments.
- Answer questions and resolve problems our customers have with their accounts. Do not attempt to answer a question if you are unsure – refer the customer to a manager.
- Promote our banking services.
- Balance cash at the end of each shift.

If you believe you meet these requirements, please stop in for an application.

Max & Jones Bank, 422 Park Drive

Vocabulary

3 Match the words (1-6) with the definitions (A-F).

- | | |
|--------------|-------------------|
| 1 ... issue | 4 ... count |
| 2 ... handle | 5 ... payment |
| 3 ... check | 6 ... money order |

- A to add up
- B a written request for money to be given
- C to work with
- D money given or received
- E to inspect
- F to give something

- 3 Fill in the blanks with the correct words from the word bank.

Word Bank

calculate verified teller currency accept

- 1 Teller must _____ large sums manually.
 - 2 She could not _____ the check because it wasn't signed.
 - 3 The banker _____ that she had given the customer the correct amount.
 - 4 Someone who handles transactions at a bank is a _____.
 - 5 _____ is important in all matters that concern money.
- 4 Listen and read the job posting again. How can someone apply for the position advertised?

Listening

- 1 Listen to the interview. Mark the following statements as true (T) or false (F).
- 1 ... The woman has experience as a teller.
 - 2 ... The woman issued mortgage loans.
 - 3 ... The woman was a math tutor in college.
- 2 Listen again and complete the conversation.

Interviewer: Are you ready to begin the interview, Ms. Nelson?

Applicant: Yes. Thanks for seeing me.

Interviewer: First, I want to know about your 1 _____
 _____ if says on your application you have
 experience handling money.

Applicant: That's right. I was a teller for 2 _____.

Interviewer: All right. And what were your job 3 _____?

Applicant: I issued money orders and 4 _____
 mortgage payment transactions.

Interviewer: Great. How are your 5 _____
 _____?

Applicant: It'll say they're very good, as
 I took two 6 _____
 _____ math classes in
 college.

Speaking

- 1 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS

I want to know about ...
 It says on your application ...
 How are your ...

Student A: You are an interviewer. Talk to Student B about ...

- your experience
- skills

Student B: You are being interviewed. Talk to Student A about your qualifications.

Writing

- 1 Use the job posting and the conversation from Task 8 to make notes on an interview.

Applicant Name: _____

Prior Experience: _____

Skills: _____



**CAREER
PATHS**

Banking

Book

2

Virginia Evans
Kari Gilmore, MEd.



Express Publishing

Scope and sequence

Unit	Topic	Reading context	Vocabulary	Function
1	Transfer	Website	wire transfer, electronic funds transfer account, ACH, irrevocable settlement, transaction fee, bank-to-bank, payment, routing number, address	Exploring process
2	Loans	Website	loan, personal loan, auto loan, term, application fee, closing cost, early payoff penalty, financing, equity, principal, lender, borrower	Defining financial terms
3	Home loans	Magazine article	home loan, mortgage loan, refinance, fixed rate, adjustable rate, points, down payment, amortize, foreclosure, mortgage insurance, amortize	Exploring pros and cons
4	Certificate of deposit	Email	CD, return rate of return, variable rate, mature, renew, interest, total deposit, insured, ladder, mortgage, early withdrawal	Making recommendations
5	Mutual funds	Advice column	mutual fund, fixed, share, diversify, investment, securities, average annual return, management fee, leverage, commodity, equity fund, money market fund	Exploring risk
6	Retail banking: Community banks	Website	community bank, locally, community, assets, net assets, loans, small business, farmers, accounts, private, community affairs, character, credit score	Creating customer
7	Retail banking: Commercial banks	Advertisement	commercial bank, business loan, secured loan, for-profit, free, based, rate of credit, performance bond, contracts, regulatory, development, merchant banking, underwriting	Gathering information
8	Retail banking: Credit unions	Letter	credit union, not-for-profit, member, account holder, common bond, Federal Deposit of Credit Unions, eligible, board of directors	Diagnosing with an option
9	Investment banking: Front Office	Letter	new, equity capital, launch, IPO, debt capital, issue, limit, proprietary trading, merger, acquisition, IPO, book	Describing an industry
10	Investment banking: Middle Office	Textbook	middle office, risk management, market risk, credit risk, basis, limit, capital, operational risk, compliance, financial control, corporate history	Describing responsibilities
11	Investment banking: Back Office	Meeting minutes	back office, customer, risk-checking, trade information technology, trade confirmation, write, software update, back-office, trading, algorithm, technical support	Talking about costs
12	Loan officer	Job listing	loan officer, credit, teacher's degree, finance, economics, asset, related, client, loan process, analyze, creditworthiness	Describing customer needs
13	Credit analyst	Website	credit analyst, evaluate, creditworthiness, need, obligated, project, cash flow, review, financial history, financial statement requirement	Expressing doubt
14	Branch manager	Job listing	branch manager, oversee, sales, responsible, relationship, bank, on, web, drive, organization, supervisor, motivate, goals, profit	Describing experience
15	Trust officer	Website	trust officer, trust account, general trust, estate planning, trustee, beneficiary, corporate trust manager, investment, control, performance, liability	Assessing customer

BANK SERVICES

ELECTRONIC
FUNDS
TRANSFERSWIRE
TRANSFERS

BANK OF THE NORTH

How do I complete a wire transfer?

- Contact your bank by phone, via the Internet, or in person. For bank-to-bank transfers you need to provide the following information about the recipient: name, address, phone number, routing number, and account number.
- For transfers or payments to non-banking institutions or individuals, please speak with a representative in our merchant services department.

What does it cost?

- Standard wire transfer: \$10 transaction fee
- Real time gross settlement transfer (RTGS): \$25 transaction fee

How long does it take?

- Standard wire transfer: settlement within 2-3 business days
- RTGS: instantaneous

Can I stop a transfer?

- That depends on what type of transfer you used. Standard wire transfers can be halted prior to settlement. RTGS transfers cannot be stopped once initiated. All transfers are irrevocable after settlement.



BANK TO BANK

Get ready!

1 Before you read the passage, talk about these questions.

- 1 What are the safest ways to send money overseas?
- 2 What are some differences between them?

Reading

2 Read the page from a bank's website. Then, mark the following statements as true (T) or false (F).

- 1 ... Customers must contact member services for bank-to-bank transfers.
- 2 ... A routing number is needed for all transfers.
- 3 ... RTGS can be stopped within 2-3 business days.

Vocabulary

3 Match the words (1-6) with the definitions (A-F).

- | | |
|-----------------------|---------------------|
| 1 ... irrevocable | 4 ... settlement |
| 2 ... account | 5 ... payment |
| 3 ... transaction fee | 6 ... wire transfer |

- A money sent electronically
 B a place where money is stored
 C money given for compensation
 D money charged to transfer money
 E the completion of a transfer
 F unable to be stopped or changed

- 1 Fill in the blanks with the correct words and phrases from the word bank.

Order

electronic funds transfer address
bank-to-bank routing number
real time gross settlement

- 1 Provide your name _____ and phone number _____.
 - 2 There are different fees for each type of _____.
 - 3 Customers can only make _____ transfers.
 - 4 Each bank's _____ consists of nine digits.
 - 5 _____ guarantees an instantaneous transfer.
- 2 Listen and read the web page again. What is the quickest way to transfer funds between bank accounts?

Listening

- 1 Listen to a conversation between a customer and a teller. Check (✓) the events that are part of the wire transfer.
- 1 bank charges a fee from sender
 - 2 recipient verifies account information
 - 3 bank enters recipient's information
 - 4 customer receives notification
- 2 Listen again and complete the conversation.

Customer: This is my first time doing this. So how does it work?

Teller: Well, first I'll need the recipient's name, contact information, and 1 _____.

Customer: I have all of that information on a piece of paper.

Teller: Thank you. 2 _____, I'll enter that into our system.

Customer: When will she 4 _____ the money?

Teller: After I submit the transaction, the funds should leave 5 _____.

Customer: Will I get a 6 _____ when the funds arrive?

Teller: Yes, once the funds arrive, you'll get an email notification.



Speaking

- 1 With a partner, act out the roles below based on Task 1. Then, switch roles.

USE LANGUAGE SUCH AS:

First...
After I... the funds...
Once the funds... arrive...

Student A: You are a bank customer who wants to do a wire transfer. Ask Student B about:

- information needed for a transfer
- costs of a transfer
- timeline of a transfer

Student B: You are a bank teller. Provide Student A with information about wire transfers.

Writing

- 1 Use the web page and the conversation from Task 2 to fill out the online form for a wire transfer.



Funds Transfer Instructions

Type of funds transfer (Check one)

Between accounts

Wire transfer

Loan payment

Transfer from: _____

Transfer to: _____

Provide additional information below:



Get ready!

1 Before you read the passage, talk about these questions.

- 1 What are some reasons people borrow money?
- 2 How do people borrow money in your country?



Reading

2 Read the page from a bank's website. Then, complete the table using information from the reading.

Loan Type	Restrictions on use	Term
Personal Loan		
Auto Loan		

Vocabulary

3 Write a word that is similar in meaning to the underlined part.

- 1 We can lend you an amount of money to purchase anything you want with just your signature. amount of money
- 2 Customers may make a request for a loan by contacting a member services officer. request
- 3 The local bank offered him an amount of money to borrow at a very reasonable rate. amount of money
- 4 Jack paid a fee for paying the remaining balance of his loan off before it was due. remaining balance
- 5 We will need to get an amount of money to use toward the purchase of a new vehicle. amount of money
- 6 The bank charged Nancy a sum of money for borrowing to borrow money from them. sum of money

GREATER OAKTOWN BANK

Personal Loans

Individuals with good credit can obtain personal loans. All that is required is a signature. Borrow money for any purpose. Current rates are between 6.00% to 6.24%, depending on your credit score. Fixed 36-month term.

For more information visit one of our branch offices or call our customer help line at 1-800-555-4888.

Auto Loans

Do you need financing to purchase a new or used vehicle? We offer lower rates than many other lenders. Terms available up to 60 months. Qualified borrowers pay no application fee, closing costs or down payment. Early payments may be applied directly to the principal of the loan with no early payoff penalty.

Call us at 1-800-555-4888 to find out about our current rates.

4 Read the sentence pair. Choose where the words best fit the blanks.

- 1 lender / borrower
 - A. Send your payment to the _____.
 - B. A _____ can take out more than one loan.
- 2 principal / closing cost
 - A. You pay a _____ when you sign a loan.
 - B. Reduce the _____ by paying extra each month.
- 3 term / financing
 - A. The loan has a _____ of 24 months.
 - B. Many businesses need _____ to pay for

- 3 Listen and read the web page again: how many years does a borrower have to pay off a personal loan?

Listening

- 4 Listen to a conversation between a bank customer and a loan officer. Choose the correct answers.

- 1 What is the conversation mostly about?
- inquiring about getting a loan
 - completing a loan application
 - understanding the details of a loan
 - negotiating the terms of a loan
- 2 What will the customer most likely do next?
- sign the loan
 - ask a question
 - make an early payment
 - complete an application

- 5 Listen again and complete the conversation.

Loan Officer: Okay, _____ the amount of the loan, in other words, it's how much you need before interest.

Customer: Oh, I see. So I have to pay that \$ _____.

Loan Officer: Correct.

Customer: Now, you said the loan has a term of 48 months. What's that exactly?

Loan Officer: The term is 3 _____ you must make payments on the loan. You'll pay a hundred and fifty dollars a month for forty-eight months.

Customer: Oh, I see. Another thing I don't understand is the \$ _____.

Loan Officer: That is a fee we charge you if you \$ _____ the balance of the loan before 48 months.

Customer: Thanks for clearing that up. We need to get a my \$ _____ now.

Speaking

- 6 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

The interest is _____
 What's that exactly?
 That is _____

Student A: You are a customer applying for an auto loan. Ask Student B to clarify about:

- The term of the loan
- The monthly payments
- Any fees associated with the loan

Student B: You are a loan officer. Answer Student A's questions about the loan.

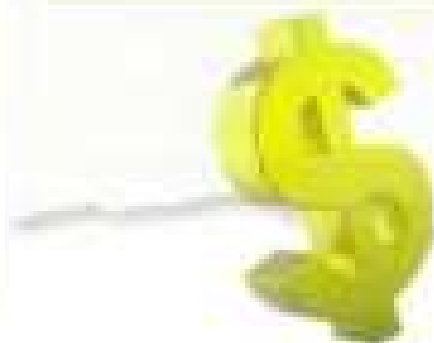
Writing

- 7 Use the web page and the conversation from Task 6 to fill out the loan offer. Make up some details.

GREATER OAKTOWN BANK

Loan Offer

Borrower: _____
 Amount: _____
 Type (check one)
 personal auto other _____
 Term: _____
 Fees (explain in detail): _____



Get ready!

1 Before you read the passage, talk about these questions.

- 1 How do people finance the purchase of a home in your country?
- 2 What are some costs associated with getting a home loan?



How to Get the Mortgage that's Right for You!

Considering a mortgage? Ask yourself these questions. How much can you afford for a **down payment**? How much can you pay each month? Answer honestly. Not doing so could mean having your home **foreclosed** upon in the future.

Next, determine if a **fixed rate** or **adjustable rate mortgage** is better for you. If you are willing to **refinance** down the road, an adjustable rate might be a good choice. Otherwise, consider a fixed rate.

When comparing home loans, don't just look at the rates. You also need to consider the **costs of mortgage insurance** and **points**. Talk with a loan officer if there are not clear details. Ask if there is a penalty to **amortize** the loan early.

A note of caution: some lenders put restrictions on loans used to buy **foreclosures**. If this applies to you, talk with potential lenders before signing a loan.

—Megan Hansen

Reading

2 Read the magazine article. Then, choose the correct answers.

- 1 What is the purpose of the article?
 - A to suggest how to buy a foreclosure
 - B to give advice to potential home-buyers
 - C to advise buyers on avoiding paying points
 - D to evaluate the risks and benefits of mortgages
- 2 Which is NOT a suggestion made in the article?
 - A ask about early payoff fees
 - B determine your budgetary needs
 - C compare more than just interest rates
 - D avoid buying bank-owned homes
- 3 What can you infer about fixed-rate loans?
 - A They suit people who don't want to refinance.
 - B They have lower points attached to them.
 - C They don't require mortgage insurance payments.
 - D They are not suitable for buying foreclosures.

Vocabulary

3 Check [✓] the sentence that uses the underlined part correctly.

- 1 ... A We require mortgage insurance on all our loans.
... B You can amortize faster by getting a higher rate.
- 2 ... A A down payment is needed for most housing purchases.
... B Apply in any location to refinance to buy your first home.
- 3 ... A Buyers are charged points when their payments are late.
... B The bank will foreclose after several missed payments.

- 3 Fill in the blanks with the correct words and phrases from the word bank.

Word Bank

variable rate interest Certificate of Deposit
early withdrawal ladder variable rate

- The return on any _____ investment is uncertain.
 - Fixed _____ if you don't want to be penalized.
 - _____ CDs are a very safe investment.
 - With any _____, the CDs mature at different times.
 - Conservative investors want to _____ risk.
 - You can purchase any _____ that matures in 5 years.
- 4 Listen and read the email again. What is the smallest amount someone can invest in a CD?

Listening

- 5 Listen to a conversation between a customer and an adviser. Check (✓) the items the adviser recommends.

- variable rate CD 3 a ladder
- fixed rate CD 4 renewing the CD

- 6 Listen again and complete the conversation.

Customer: So, I'd like to invest in a CD. And I don't want the 1 _____ to change.

Adviser: I'd suggest a 2 _____ CD then.

Customer: Oh, and there is another thing.

Adviser: Sure, what is it?

Customer: I need some of my money available in 3 _____ . The rest I won't need for some time.

Adviser: In that case, 4 _____ to structure your CDs in a 5 _____ .

Customer: What's that exactly?

Adviser: Well, you invest some in a one year CD, some in a two year CD, some in a five or ten year CD. You 6 _____ .

Customer: I see. What's the advantage of that?

Adviser: CDs with longer terms pay a higher return, so you get a higher rate of return overall.

Speaking

- 7 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

I'd suggest ...
Here's what I'd do ...
I see ...

Student A: You are interested in CDs. Talk to Student B about:

- the type of rate you want
- how long you want to invest
- access to money

Student B: You are an adviser. Advise Student A on the optimal investment options.

Writing

- 8 Use the email and the conversation from Task 6 to fill out the CD application form.



PEOPLES BANK

Application for a Certificate of Deposit

Name _____

Amount _____

How many CDs do you wish to purchase? (Specify amounts, terms, and rates.) _____

Would you like any of your CDs to be automatically renewed when they mature? (If yes, specify which ones.) _____

Get ready!

1 Before you read the passage, talk about these questions.

- How do people view the stock market in your country?
- What are some ways people invest in the stock market?



Source: Investment Company Institute

Money Sense

Activities

Everyday I get emails from people asking me where they should invest their money. Their situations are never quite the same, yet I almost always suggest mutual funds. Why? They are generally good investments. I like mutual funds because they allow you to **diversify** in different companies and even different types of **securities**. There is a **diverse** set of offerings: bond funds, equity funds, even money market funds. There is a fund for everyone.

Here are a couple of things to remember when shopping for mutual funds. First, decide how much risk you can handle. Money market funds are the least risky. Equity funds carry the most risk. Bond funds fall in between. Second, don't just compare **average annual returns**. A fund with a higher return might also have higher **management fees**. Third, choose funds from **brokerages** that don't charge high **commissions**. That can save you a bundle if you buy and sell frequently.

Reading

2 Read the page from a financial advice column and the summary. Then, fill in the blanks with the correct words and phrases from the word bank.

Word Bank

invest investment commissions
investment types risks

When people see me, I often tell them a mutual fund is the best way to invest. They provide a wide array of **1** _____ . Some carry more **2** _____ than others. Don't just choose the fund that brings you the highest return. There are other **3** _____ to watch out for, such as management fees and **4** _____ .

Vocabulary

3 Write a word that is similar in meaning to the underlined part.

- Think your options carefully before you make a choice to invest in stocks. *invest*
- The knowledge of how much a fund earned over the past year is important to investors. *information*
- Stocks and bonds are two types of financial products that can be used to invest money. *invest*
- Many investors rely on the services of a company that invests on the stock market. *invests*
- An easy way to increase savings is to put it in a product that invests in many companies. *invests*
- People planning to retire should invest money to generate additional money early. *invest*

4 Read the sentence pair. Choose where the words best fit the blanks.

- diverse / diversity
 - The broker offers a _____ portfolio of investments.
 - Mutual funds _____ your investments for you.
- equity fund / money market fund
 - With an _____, you can invest in stocks.
 - There is more risk associated with an _____.
- commissions / management fees
 - Mutual funds typically charge _____, usually _____.
 - The broker earned a large _____ for the sale.

- 5 Listen and read the column again. Which is the riskiest type of mutual fund?

Listening

- 6 Listen to a conversation between a financial advisor and a customer. Choose the correct answers.

- What is the purpose of the conversation?
 - to compare mutual funds
 - to promote a securities product
 - to give advice on buying a stock
 - to explain investment fees
- What can you infer about the Vanguard Main Fund?
 - It is only sold on commission.
 - Its managers are inexperienced.
 - It hasn't lost money recently.
 - The advisor has invested in it.

- 7 Listen again and complete the conversation.

Customer: I like the Vanguard Main Fund. Their average annual returns have been 7 _____ over the past ten years.

Advisor: It's among the best funds. But remember, high returns are not guaranteed. Mutual funds, even the Main fund, can lose money if the 8 _____.

Customer: Right, but don't just return indices. 9 _____?

Advisor: It must pass, yes. But there's another thing to 10 _____.

Customer: What's that?

Advisor: Some funds, like the Main Fund, charge high 11 _____.

Customer: Oh. Does that 12 _____ my return?

Advisor: It sure does.



Speaking

- 8 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

- But remember ...
- ... don't just return ...?
- ... another thing to watch out for ...

Student A: You are an investor planning to mutual funds. Talk to Student B about:

- how much risk you prefer
- what kind of return you want
- how you feel about fees

Student B: You are a financial advisor. Help Student A understand the risks about buying mutual funds.

Writing

- 9 Use the column and the conversation from Task 8 to fill out the customer satisfaction form from a brokerage.



FISH FINANCIAL ADVISORS

Customer Satisfaction Form

Customer's Name _____

Financial Advisor _____

What was the purpose of your visit? _____

What advice did you receive? _____

How would you rate the quality of the advice? Please explain why. _____



"Neighbors helping neighbors."

About us

Since 1908, we have served the community of Winchester. We have proudly remained locally owned and operated. We serve families, small businesses, and farmers in the area. We offer loans, personal accounts, and business accounts.

We know that your assets are important to you. That is why we are a full-service institution. You can trust us with your savings. All of our accounts are insured up to \$200,000.

We apply the same principles to our loans. We get to know our customer's needs and characters. We make decisions on more than just their credit scores. Loans are not one size fits all.

We aim to be accessible at all hours. That's why we offer ATM's, online banking, and phone services. You can also receive in-branch service at any of our six branches.

From our early days, we have had an interest in community affairs. Our employees participate in local charities. Also check out our free financial education workshops.



Get ready!

1 Before you read the passage, talk about these questions.

1. Which types of bank are most popular in your country?
2. What are the advantages of smaller banks?



Reading

2 Read the page from a community bank's website. Then, choose the correct answers.

1. What is the main idea of the reading?
 - A. to provide an overview of a bank
 - B. to explain different savings products
 - C. to discuss how a bank changed over time
 - D. to describe a bank's charitable activities
2. What can you infer about the bank's loans?
 - A. They are usually of a small amount.
 - B. They are insured against default.
 - C. They are personalized for the borrower.
 - D. They offer a reasonable interest rate.
3. What is true of accounts at the bank?
 - A. They have no fees.
 - B. They are high-risk investments.
 - C. They are insured to a certain limit.
 - D. They are only accessible at one branch.

Vocabulary

3 Match the words (1-6) with the definitions (A-F).

- | | |
|--------------------|-------------------------|
| 1 ... loans | 4 ... assets |
| 2 ... credit score | 5 ... community affairs |
| 3 ... community | 6 ... assets |

- A. a person's belongings
- B. in or at a location
- C. in the same general area
- D. a group of short debts to pay off loans
- E. a group of people with some connection
- F. events that make or impact a group

- 1 Place the words and phrases from the word bank under the correct heading.

Word Bank

credit score family farmers risk averse
small businesses accessible choose

Bank Terms	Applicant Evaluation	Bank Customers

- 2 Listen and read the web page again. What amount are the bank's accounts insured up to?

Listening

- 3 Listen to a conversation between a banker and a customer. Mark the following statements as true (T) or false (F).

- ... The woman is applying for a loan.
- ... The woman failed to pay back a previous loan.
- ... The woman will open a checking account.

- 4 Listen again and complete the conversation.

Employee: Okay. How do you do business with us before?
 Customer: Yes, I have. I took out an auto loan a few years ago.
 Employee: How it been 1 _____?
 Customer: Uh, well, yes. But I had trouble 2 _____
 _____ last year. Is this going to count against me
 in any way?
 Employee: It could 3 _____, but let me
 see if I can fix your account. What's your name?
 Customer: Patricia Monroe.
 Employee: Okay, Ms. Monroe. It says you were 4 _____ on
 three payments.
 Customer: Was it that many?
 Employee: That's what our records say. It hurt your 5 _____
 _____, but we can still offer you our 6 _____
 _____, but not any of our preferred
 products.

Speaking

- 5 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

Have you done business with us before?
 Is that going to count against me?
 We can offer you ...

Student A: You are a customer. Talk to Student B about:

- opening a bank account
- your past business with the bank
- is that you report late

Student B: You are a bank employee. Talk to Student A about what accounts he or she can get.

Writing

- 6 Use the web page and the conversation from Task 5 to fill out part of an account application.

Account Application

Name: _____
 Account applying for: _____
 Does applicant have current or former accounts? Y / N
 If yes, describe account history: _____
 What accounts does applicant qualify for?



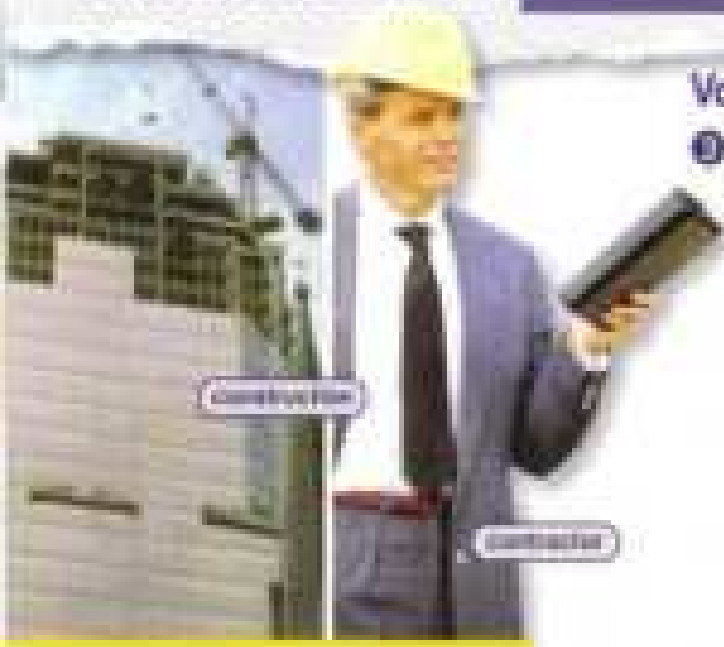
Continental
COMMERCIAL BANK

A friend of Business

Frank is a contractor. Ten years ago he led on a \$5 million waterfront development project. It was a big move for Frank who, up to then, had worked mostly on small construction jobs. He needed to upgrade his equipment, so he came to us for a business loan. We gave Frank a secured loan to buy equipment. We also issued him a performance bond. He won the bid, and his business took off. Frank now hires contractors of his own. He came to us for letters of credit and relies on our high and low deposit accounts to grow his savings.

Since 1904, we have helped thousands of businesses with their banking needs. We are a for-profit institution with a wide array of experience ranging from loan underwriting to merchant banking.

YOU CAN COUNT ON US FOR WHAT WE CAN DO FOR YOUR BUSINESS.
www.continentalcommercialbank.com



Vocabulary

1 Check (✓) the sentence that uses the underlined part correctly.

- 1 ... A. Construction is to take things apart.
... B. Development usually increases business activity.
- 2 ... A. Business loans help companies grow.
... B. Underwriting helps a company raise a loan.
- 3 ... A. Merchant banking serves the needs of families.
... B. A secured loan requires collateral from the borrower.
- 4 ... A. A time deposit can only be purchased once a year.
... B. A commercial bank serves the needs of businesses.
- 5 ... A. A for-profit company wants to make money.
... B. A contractor loans money for building projects.
- 6 ... A. Performance bonds are accepted by contractors.
... B. A letter of credit guarantees payment.

Get ready!

1 Before you read the passage, talk about these questions.

1. What are some banking services businesses rely on?
2. How do banks guarantee business transactions in your country?

Reading

2 Read the advertisement from a large commercial bank. Then, mark the following statements as true (T) or false (F).

- 1 ... The ad describes the bank's funds.
- 2 ... The bank offers loans for construction.
- 3 ... The bank does not make profit from its loans.

3 Write a word that is similar in meaning to the underlined part.

1. Matrix Corporation relied on GMF Credit for all of its corporate financial services needs.
... GMF Credit
2. Being responsible for recruitment of the loans is offered to most major banks.
... responsible
3. Traffic was very slow due to building projects.
... slow
4. Don't put money you need soon in a account that you can't access after a period of time without.
... accessible
5. The plumber had a document that proved that he would complete the work he promised.
... document
6. They hired a person to oversee the process of building for the new construction project.
... oversee

- ① Listen and read the advertisement again. How long has Continental Commercial Bank been in business for?

Listening

- ② Listen to a conversation between a banker and a contractor. Choose the correct answers.

1. What is the purpose of the conversation?
 - A. to arrange equipment of a loan
 - B. to inquire about a potential contract
 - C. to arrange the details of a project
 - D. to apply for a financial product
2. What is the contractor concerned about?
 - A. experiencing construction delays
 - B. facing difficulty obtaining a loan
 - C. spending more than he budgeted
 - D. providing additional information

- ③ Listen again and complete the conversation.

Contractor: I'd like to apply for a performance bond for an upcoming construction job. We're putting up a small office building.

Banker: Okay. What's the estimated budget for the project?

Contractor: I've calculated \$750,000.

Banker: Is that the amount you want for the 1 _____?

Contractor: Yes.

Banker: And 2 _____ is the project expected to last?

Contractor: Our timeline is five months. But for 3 _____ we'd like the bond to cover that entire period plus three months.

Banker: Okay. We can do that.

Contractor: 4 _____ will you be able to issue the bond?

Banker: It used to send your information to 5 _____ I usually hear back from them in five to seven days.

Contractor: Great. Let's 6 _____ what information you need.

Speaking

- ④ With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

- What's the estimated budget ...
- Is that the amount you want?
- How long is the ... expected to last ...

Student A: You are a banker. Ask to Student B about:

- the project
- the budget
- the timeline

Student B: You are a contractor. Tell to Student A about a planned construction project.

Writing

- ⑤ Use the advertisement and the conversation from Task 8 to fill out the application form.



Continental COMMERCIAL BANK

Performance Bond Application

Name _____

Company _____

Amount of Bond _____

Duration of Bond _____

Describe the project? _____



Business deal

Board of directors



Credit union

Get ready!

1 Before you read the passage, talk about these questions.

- 1 What types of banks are non-profit?
- 2 How can membership in a bank benefit customers?

Reading

2 Read the letter from a credit union. Then, complete the table using information from the reading.

Action	Who will do it
Vote for board members	1 _____
Decide on new branch	2 _____
Attempt to join the credit union	3 _____
Attend the meeting	4 _____

November 15

Dear Member,

December 18 is our next meeting of the board of directors. There are several items on the agenda. First, two weeks are spent for election. Members may vote at any branch location until December 15.

Second, the board will also be deciding on two important issues. We are considering **expanding** our eligibility for membership. When we opened, federal employees with a **common bond** came together and provided the collateral to establish the credit union. We have since grown considerably. The vote will be on whether to allow other state employees to become **account holders**. In addition, we are considering opening a new branch on the city's south side.

Members are invited to attend this important meeting.

Sincerely,

Tanya Boyd
President, UFCU

United Federal Credit Union

It sets the credit policies
applied to other financial
needs of listed employees

Common bond
collateral
expand

Vocabulary

3 Match the words (1-6) with the definitions (A-F).

- | | |
|-------------------|------------------|
| 1 ... member | 4 ... WCUU |
| 2 ... eligible | 5 ... collateral |
| 3 ... common bond | 6 ... expand |

- A a person that belongs to a group
- B property to guarantee loan repayment
- C being able to do or get something
- D an international banking organization
- E a connection between people
- F to become larger

- 1 Fill in the blanks with the correct words and phrases from the word bank.

Word Bank

account holder board of directors
not-for-profit credit union

1. Hank keeps his money in a(n) _____.
2. The _____ is elected by members.
3. Only an _____ can make deposits.
4. Most charities are _____ organizations.

- 2 Listen and read the letter again. Who may join the credit union currently?

Listening

- 3 Listen to a conversation between two board members. Check (✓) the items they disagree on.

1. meeting with members
2. expanding their membership
3. expanding the credit union
4. how to finance expansion

- 4 Listen again and complete the conversation.

Board Member 1: We have to decide on whether to 1 _____.

Board Member 2: I think it's 2 _____.

Board Member 1: I have 3 _____.

Board Member 2: Why? What do you think?

Board Member 1: The founders of our credit union stated that its mission was to serve the needs of federal employees. So I think we should 4 _____.

Board Member 2: I think 5 _____.

Board Member 1: What are you suggesting we do then?

Board Member 2: Well, we have an outstanding reputation, and not only among our members. Lots of people would like to join our credit union.

Speaking

- 1 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

- We have to decide ...
- I have to ...
- I think that's a ...

Student A: You are a board member of a credit union. Talk to Student B about:

- changing the mission
- expanding membership
- building a new branch

Student B: You are a board member of a credit union. Disagree with Student A.

Writing

- 2 Use the letter and the conversation from Task 8 to fill out the board member's notes.

Notes on Expanding Credit Union Membership

Why people want to join: _____

Reasons to expand: _____

Reasons not to expand: _____

United Federal Credit Union

12345 Main Street
Springfield, IL 62760
Phone: (618) 555-1234

1 Read the sentence and choose the correct word.

- 1 We expanded our market share through the acquisition / merger of NCI Inc.
- 2 We made a profit on our pitch book / proprietary trading investments.
- 3 Jaycor Inc. repaid its bonds / equity capital with a generous interest rate.
- 4 Naburn Co. waited until January to release / launch their new product.
- 5 KOP Inc. used £32 million in debt capital / issues to finance the project.
- 6 Stocks are one form of equity capital / IPO available on the market.

2 Listen and read the letter again. How much money did Golding Investment Bank raise for its clients in the previous year?

Listening

3 Listen to a conversation between a journalist and a banker. Choose the correct answers.

- 1 What is the purpose of the interview?
 - A to explain the reason for a company merger
 - B to inquire about a successful investment
 - C to obtain investment advice on a company
 - D to demonstrate how to increase stock value
- 2 Why did the banker invest in Karpson Corp?
 - A She knew the company president.
 - B It had excellent stock returns.
 - C She thought it would bring good.
 - D It was a popular investment.

4 Listen again and complete the conversation.

Journalist: Could you give our readers 1 _____?

Banker: Sure. Last year, we bought a 2 _____ company, Karpson Corp. It sells small batteries for electronics. 3 _____ was investing in them.

Journalist: So 4 _____?

Banker: We liked their potential and saw they 5 _____ for huge growth. So we started with a \$22 million investment in February. By May, it was worth \$52 million.

Journalist: And today?

Banker: 6 _____ \$102 million.

Speaking

5 With a partner, act out the roles below based on Task 3. Then, switch roles.

USE LANGUAGE SUCH AS:

- We started with ...
- By ... it was worth ...
- It's now up to ...

Student A: You are a journalist. Ask Student B about

- an investment
- reasons for the investment
- profit on the investment

Student B: You are an investment banker. Tell Student A about a successful investment.

Writing

6 Use the letter and the conversation from Task 4 to fill out the journalist's interview notes.

URBANA FINANCIAL NEWS Interview Notes

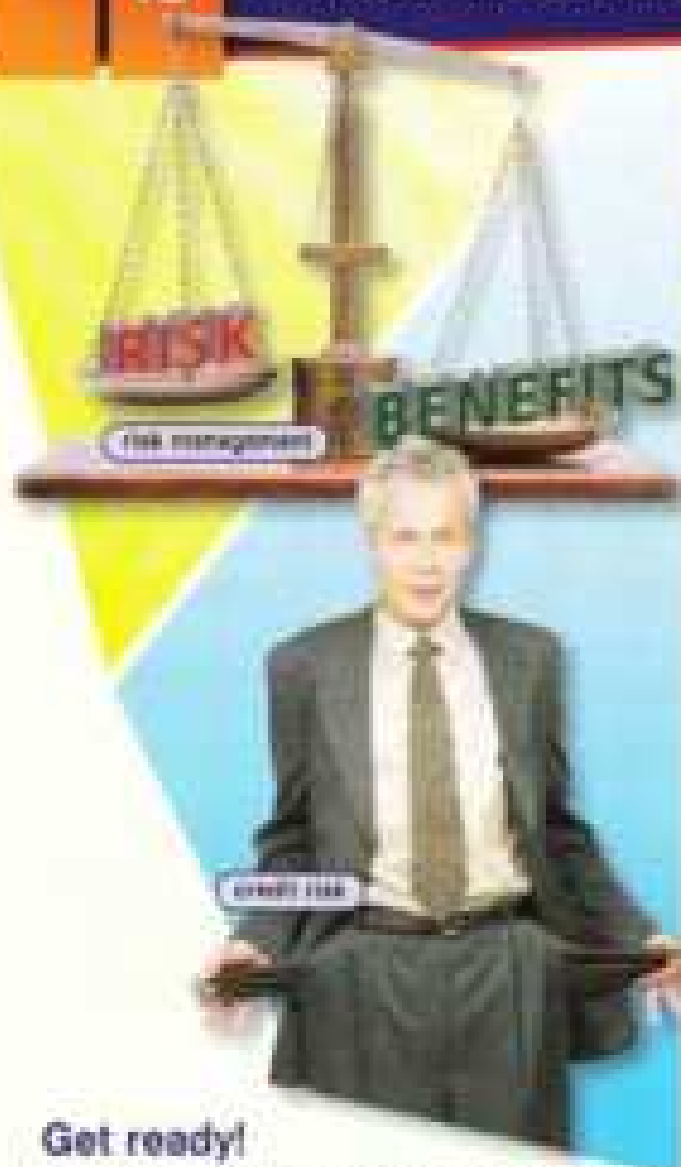
Interviewee: _____

Date: _____ Time: _____

Describe the investment: _____

How did they decide on that investment? _____

How much did they make on the investment? _____



Get ready!

1 Before you read the passage, talk about these questions.

- 1 What are some risks investment banks face?
- 2 How can investment banks reduce those risks?

Reading

2 Read the page from a finance textbook. Then, complete the table using information from the reading.

Middle Office Function	Example
1 _____	Make sure computer systems are fully functional
2 _____	Assess the potential for uncertainty caused by various factors
3 _____	Watch over revenues and spending

What is the Middle Office?

So far we have discussed the first of three logical divisions in an investment bank, the Front Office. The second is the Middle Office. It concerns itself with three functions.

First, it is engaged in risk management. Employees calculate a variety of risk factors before allowing traders to finalize a trade. These include, but are not limited to, market risk, credit risk, and operational risk.

Second, it manages cash flows. In short, it is in charge of financial control. The corporate treasury, housed here, monitors all funds coming into and leaving the company. It also calculates profits and losses. In addition, employees ensure that the bank is in full compliance with government regulations and that it holds an excess return on capital limits.

The Middle Office usually also manages information technology resources. This involves ensuring the information infrastructure is up to date and working properly. In smaller firms, this function may be absorbed into the Back Office.

Chapter 2 • page 101

Vocabulary

3 Read the sentence pair. Choose where the words best fit the blanks.

- 1 market risk / credit risk
 - A falling stock price is a _____.
 - A default on a loan is a _____.
- 2 debts / capital
 - Without _____, a company cannot spend money.
 - Governments set _____ on bank interest.
- 3 compliance / financial control
 - Banks must be in _____ with the law.
 - Poor _____ can result in huge losses.

1 Read the sentence and choose the correct word.

- 1 The corporate treasury / Middle Office will update your software.
- 2 All orders to sell stock go through a limit / trader.
- 3 Errors caused by employees are also market risk / operational risk.
- 4 The corporate treasury / financial control prepared a forecast.
- 5 Good risk management / compliance helps banks deal with uncertainty.

2 Listen and read the page again. What Middle Office function is sometimes done elsewhere in smaller banks?

Listening

1 Listen to a conversation between a professor and a student. Mark the following statements as true (T) or false (F).

- 1 ... The man misunderstands fiscal control.
- 2 ... Office technology is covered by the Middle Office.
- 3 ... The woman assigns the student more reading.

2 Listen again and complete the conversation.

Student: Well, without a Middle Office, a bank couldn't

1 _____.

Professor: Very good. That's B _____.
_____ What are some others?

Student: It's also D _____ staying compliant with the laws, right?

Professor: Yes. That's a very important function, but that's not
4 _____.

Student: Oh, I remember reading about E _____.

Professor: Right. Did you understand what that meant?

Student: Not exactly, I think it means that the Middle Office
6 _____.

Professor: Actually, that's incorrect. Fiscal control has to do with keeping track of the money coming into and leaving the bank.

Student: Oh, yeah, I remember that.

Professor: Good, good. Let's hear one last function.

Student: The Middle Office is definitely in charge of managing IT resources. It makes sure technology is up to date.

Professor: Excellent. You've obviously done your reading.

Speaking

1 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

Without a Middle Office ...

It's also ... the responsibility for ...

Did you understand ...?

Student A: You are a student. Talk to Student B about:

- risk management
- managing cash flows

Student B: You are a professor. Ask Student A about the responsibilities of the Middle Office.

Writing

1 Use the page and the conversation from Task 8 to fill out the quiz.

FRANCIS CHAPTER 9 Quiz

- 1 What is one type of risk a Middle Office manages?

- 2 How does a Middle Office manage cash flows?

- 3 What is the paid role of a Middle Office?



WESTON Investment Bank

Back Office management meeting minutes

Date: March 4

Attending: Theo Gray, Marilyn Florida, Clive Haines
Not attending: Yin Ping

Theo called the meeting to order at 9:01 am and handed out copies of the agenda.

Marilyn updated the group on developments in the information technology division. Her team installed a new software program. It uses state-of-the-art trading algorithms and is projected to increase automated trading volume by 125%. The program also automates 75% of the data-checking and trade confirmation functions of our office. We can now settle trades 25% faster. Some staff currently carrying out these functions will be transferred to other roles.

Clive reported that his team provided technical support to 150 clients over the last forty days, an increase of 84.5% over last month. He requested permission to hire more staff.

Meeting adjourned at 9:58 am

Get ready!

1 Before you read the passage, talk about these questions.

- 1 What are some ways that investment banks rely on computers?
- 2 How have computers changed trading for the better? For the worse?

Reading

2 Read the page from a bank's meeting minutes. Then, mark the following statements as true (T) or false (F).

- 1 ___ The bank will reduce computerized trading.
- 2 ___ Software will replace the functions of some back office staff.
- 3 ___ Tech support would like to increase its personnel.

Vocabulary

3 Match the words (1-6) with the definitions (A-F).

- | | |
|--------------|-------------------------|
| 1 ... settle | 4 ... technical support |
| 2 ... update | 5 ... Back Office |
| 3 ... state | 6 ... state-of-the-art |

- A to get a trade dealt with
- B the act of making an exchange
- C assistance with technology
- D being the most modern
- E administrative section of bank
- F to say to complete a transaction

- 4 Fill in the blanks with the correct words and phrases from the word bank.

Word Bank

data-cleaning, testing algorithm, operations, information technology, trade confirmation, software

- We need the _____ on the stock app.
 - The _____ department maintains customer records.
 - The new _____ makes transactions automatically.
 - The program performs _____ for all records.
 - The _____ team updates our computers.
 - Install the _____ on all the computers.
- 5 Listen and read the page again. What will happen to those staff who are no longer needed to check data and confirm trades?

Listening

- 6 Listen to a conversation between two managers talking in a meeting. Check (✓) the items they mention.
- Tech support has more work recently.
 - Tech support has become too expensive.
 - HR plans to hire a new employee.
 - Hiring costs less than firing.
- 7 Listen again and complete the conversation.

Manager 1: We need at least one more employee.

Manager 2: How much would it cost to hire one?

Manager 1: I've estimated \$85,000 per year including salary and benefits.

Manager 2: Have you talked to _____ yet?

Manager 1: Not yet. I wanted to discuss this with you first.

Manager 2: Well, our budget is \$ _____ right now.

Manager 1: Funded, but we can't do _____ tech support.

Manager 2: I agree. So if _____
Could we shift someone over from trade confirmation? The new software makes some of their functions redundant.

Manager 1: That could work, but we'll still have to pay for \$ _____.

Manager 2: Be sure that will be _____ than hiring an additional employee.

Speaking

- 8 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

How much would it cost...?
I've estimated...
That would cost much less than...

Student A: You are a tech support manager. Talk to Student B about:

- changes to your workload
- the need to hire additional staff
- the costs of hiring additional staff

Student B: You are a tech office manager. Talk to Student A about transferring an employee to your team.

Writing

- 9 Use the page and the conversation from Task 8 to fill out the form to transfer an employee.

Human Resources Dept. - Task 8/9

Staff Transfer Form

Employee name: _____

Current team: _____

Team requested to transfer to: _____

Reason for transfer: _____

Estimated cost: _____

12 Loan officer



Hiring company: Mason-Dixon Bank

Location: Cumberland, MD

Date of posting: March 4

Compensation: \$25,000-\$55,000 depending on experience - this is not a commission-based position

Job description: Meet potential clients and educate them on mortgage loan options available through Mason-Dixon Bank's mortgage loan division. Assist customers in all stages of the loan process: identifying appropriate loans, processing applications, obtaining loans, etc. Analyze loan applicant's financial profile in order to determine if an applicant is creditworthy or not. Direct existing customers seeking loan modification to appropriate professionals with Mason-Dixon Bank.

Candidate Qualifications: Must have a bachelor's degree in economics or finance. Minimum of three years experience in a mortgage origination office of a bank or other financial institution. Must have excellent oral and written communication skills. Working knowledge of financial software & plus training provided otherwise.

Contact: Marshal Tucker, HR Manager,
Mason-Dixon Bank, (301) 582-4000

Get ready!

1 Before you read the passage, talk about these questions.

- 1 What should someone do to obtain a loan?
- 2 What can prevent someone from qualifying for a loan?

Reading

2 Read the job posting. Then, choose the correct answers.

- 1 What is the job posting mostly about?
 - A explaining the bank's mission
 - B outlining promotion opportunities
 - C describing the position's duties
 - D clarifying how to treat customers
- 2 What can you infer about the job?
 - A It is available to college students.
 - B It requires working with computers.
 - C It involves working at several branches.
 - D Good speaking skills are not necessary.
- 3 Which is NOT listed as a duty for the job?
 - A making modifications to a loan
 - B exploring different loan options
 - C helping customers decide on a loan product
 - D looking carefully at customers' finances

Vocabulary

3 Check (✓) the sentence that uses the underlined part correctly.

- 1 ... A College event bachelor's degree.
... B Financial clerk make up 20% of our accounts.
- 2 ... A If you are creditworthy, you will get the loan.
... B To assess here is to collect payment.
- 3 ... A When you obtain a loan, you are done doing it.
... B Applying is a step in the loan process.

- 3 Place the words and phrases from the word bank under the correct heading.

Word Bank

finance analyse loan officer customer service
 obtain potential client assist

Individuals	Topics	Actions
_____	_____	_____
_____	_____	_____
_____	_____	_____

- 4 Listen and read the job posting again. How much experience is required for the position?

Listening

- 5 Listen to a conversation between a job applicant and an interviewer. Mark the following statements as true (T) or false (F).

- ... The woman used to work for Sterling Bank.
- ... The man feels that analysing financial records is the most important part of the job.
- ... The man thinks that listening to customers is very important.

- 6 Listen again and complete the conversation.

Interviewer: Well, your resume looks great. I see you worked with Sterling Bank for five years?

Applicant: I did. I started as a teller and ended as a loan officer.

Interviewer: Okay. So, Mr. Harris, tell me in your experience, how important is 1 _____ for a loan officer?

Applicant: Oh, I'd say it's 2 _____ of the job.

Interviewer: Could you elaborate on that?

Applicant: Well, if a loan officer 3 _____ a customer's needs, he could lead the customer into taking out the wrong loan. And that could be an 4 _____ for the lender.

Interviewer: Interesting. 5 _____?

Applicant: A loan officer should be a 6 _____ otherwise he won't really understand the customer's needs.

Speaking

- 7 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

I see you worked ...
 In your experience ...
 Could you elaborate on that?

Student A: You are an interviewer. Ask Student B about:

- job experience
- the role of customer service
- understanding customer needs

Student B: You are a job applicant. Answer Student A's questions.

Writing

- 8 Use the job posting and the conversation from Task 8 to fill out the interviewer's notes.

Mason-Dixon Bank Employment Interview Notes

Date: _____

Position applied for: _____

Applicant's name: _____

How did applicant address the role of customer service? _____

How did the applicant describe customer needs? _____

Other comments: _____

Recommendation: _____

Get ready!

1 Before you read the passage, talk about these questions.

- 1 What does a credit analyst do?
- 2 How do banks decide if they should lend money to an individual?

Careers in Banking:

Credit Analyst

credit analyst

review financial documentation

This is a job with a lot of responsibility. A credit analyst determines a potential borrower's creditworthiness. The borrower could be an individual or a company applying for a new loan or a line of credit.

Credit analysts must gather financial documentation about the applicant. This typically includes a financial history and, in the case of a company, the most recent financial statements and documented cash flow. The analyst then reviews the documents to formulate a clear picture of the applicant's income, assets, spending activity, payment history, and ability to meet additional obligations. The analyst does this in order to project the likelihood of repayment. Lastly, the analyst makes a recommendation to the loan or credit officer to either accept or reject the application.

Reading

2 Read this page from an employment website. Then, mark the following statements as true (T) or false (F).

- 1 ... The analyst prepares a financial history for the applicant.
- 2 ... A financial statement is used to determine creditworthiness.
- 3 ... The analyst makes the final decision on loan applications.

Vocabulary

3 Match the words (1-4) with the definitions (A-F).

- | | |
|-------------------|---------------------------|
| 1 ... cash flow | 4 ... financial history |
| 2 ... obligation | 5 ... financial statement |
| 3 ... requirement | 6 ... asset |

- A to determine the value of something
 B the spending and receiving of money
 C paying back a loan
 D something that must be done
 E past behavior with money and expenses
 F document of a company's financial activity

4 Fill in the blanks with the correct words and stresses from the word bank.

word bank

creditworthiness asset project
 review credit analyst

- 1 The _____ recommended we give the loan.
- 2 Employees will _____ the application before making a decision.
- 3 The banks _____ greater earnings next quarter.
- 4 The Wilsons always _____ their debt requirements.
- 5 Because Joe lacked _____, he could not get a loan.

- 3 Listen and read the web page again. Whose ability to pay back loans does a credit analyst assess?

Listening

- 1 Listen to a conversation between a loan officer and a credit analyst. Check (✓) the items that describe the potential borrower.

- 1 sufficient capital reserves
- 2 strong cash flow
- 3 must pay higher interest rate
- 4 qualifies for smaller loan

- 2 Listen again and complete the conversation.

Loan Officer: So, what is your assessment of their creditworthiness?

Credit Analyst: Well, 1 _____
_____. They have adequate capital reserves.

Loan Officer: Okay, that was my impression as well.

Credit Analyst: However, in 2 _____
_____ that it makes up for their insufficient cash flow.

Loan Officer: Really?

Credit Analyst: A company their size should be 3 _____ at least 10% more revenue.

Loan Officer: Okay, so 4 _____
_____ regarding their application?

Credit Analyst: 5 _____
that's necessary, but I'll 6 _____.

Loan Officer: Perhaps we can modify the loan. Maybe reduce the amount or raise the rate slightly.

Credit Analyst: I'm not confident that a higher rate will make much difference in terms of risk.

Loan Officer: I see.

Credit Analyst: Your best bet is to discuss the possibility of a smaller loan, at least until they can increase their cash flow. If that happens, I can re-evaluate them.

Speaking

- 3 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

What is your assessment...?
Would you recommend...?
I'm not confident...

Student A: You are a credit analyst. Talk to Student B about:

- the applicant's cash flow
- the applicant's creditworthiness
- your recommendation

Student B: You are a loan officer. Ask Student A about the loan applicant.

Writing

- 4 Use the conversation from Task 8 to fill out the credit evaluation.

Credit Evaluation

Loan applicant: _____

Are the applicant's cash flows sufficient? Why? Why not?

Is the applicant creditworthy? Why? Why not?

Recommendation for applicant:

14 Branch manager

Position: Branch manager

QMS posted May 9 **Country** United States Bank **QMS**

- Responsible for overseeing day-to-day banking operations such as opening and closing customer accounts, performing wire and other electronic financial transactions, etc.
- Supervise and motivate tellers, loan officers, and other support staff
- Maintain accurate records and prepare weekly financial reports for the main office
- Solve customer, staff, and technical problems in a timely and hands-on manner with a minimal amount of disruption to banking operations
- Assist staff in setting performance-improvement goals and assess progress

Qualifications

- Bachelor's degree in business-related field
- Three or more years working as a branch manager or manager of a similar financial organization
- Working knowledge of word processing and spreadsheet software
- Firm grasp of electronic banking products and community banking principles
- Ability to maintain professional relationships with staff, clients, and customers
- A strong work ethic

Get ready!

1 Before you read the passage, talk about these questions.

- What are some of the things branch managers do?
- How do branch managers interact with customers in your country?

Reading

2 Read the online job posting. Then, complete the table using information from the reading.

Requirements	Details
Educator	1 _____
Work experience	2 _____
Professional knowledge	3 _____



Vocabulary

3 Check (✓) the sentence that uses the underlined part correctly.

- ... A branch manager takes instructions from tellers.
... B Tom has a strong work ethic and works harder than everyone in the office.
- ... A Solve the solution before you leave.
... B His goals are to get a job and a house.
- ... A Many business relationships are no longer face-to-face.
... B Handicap managers don't meet with clients.
- ... A Managers supervise several employees.
... B Reasonable people often forget things.
- ... A Commission outside customer.
... B Managers must solve customers and employees.
- ... A Clients often want to supervise foreign.
... B If you have a weak grasp of an idea, you don't understand it well.

0 Write a word that is similar in meaning to the underlined part.

- Mr. Jenks must watch over and check the work of nineteen employees in his branch. supervise
- Did you fix the computer problem? repair
- Jack is in charge of his office. manages
- Jan is an actively involved manager. participates
- Successful groups of people working together need good leadership. collaborating
- Mrs. Fitch was the person responsible for a branch for ten years. in charge

1 Listen and read the job posting again. What must a branch manager do on a weekly basis?

Listening

2 Listen to a conversation between a job applicant and a interviewer. Choose the correct answers.

- What is the conversation mainly about?
 - inquiring about personality tests
 - describing past work experience
 - checking on educational requirements
 - giving examples of solving problems
- What is the applicant's current job?
 - assistant manager
 - operations manager
 - bank teller
 - branch manager

3 Listen again and complete the conversation.

- Applicant: I was a teller for two years before I was promoted to assistant manager.
- Interviewer: That's quite a quick promotion.
- Applicant: Well, the branch manager said she admired my work ethic.
- Interviewer: And what were you 1 in that position?
- Applicant: I performed many of the day-to-day operations 2 the branch manager. That lasted for about three years.
- Interviewer: How long was your next position as an 3 at headquarters?
- Applicant: That's correct. I held that position for a year, before I found an opening for a 4 position.
- Interviewer: Why did you 5?
- Applicant: I like to have more hands-on interactions 6.

Speaking

1 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

I was a...
Your next position...?
Why did you...?

Student A: You are an interviewer. Ask Student B about:

- previous jobs
- experiences in each job
- length of time at each job

Student B: You are a job applicant. Talk to Student A about your work experience.

Writing

1 Use the job posting and the conversation from Task 8 to fill out the job application form.

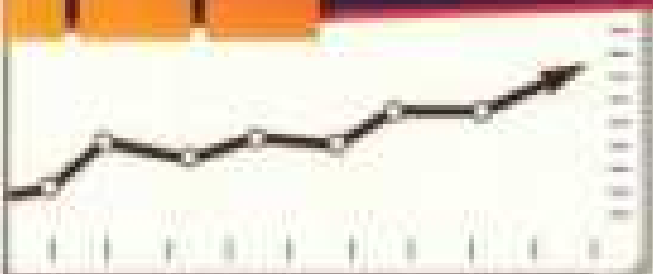
G Golden State Bank JOB APPLICATION

Name _____

Position applying for _____

Experience _____

Qualifications: _____



performance



portfolio

Mark Pardo Senior Trust Officer

Mark joined Greenfield Bank ten years ago as our senior trust officer. After obtaining degrees in law and accounting, he worked as an independent financial planner specializing in estate planning for fifteen years. He has extensive experience establishing trust accounts. Moreover, he has performed fiduciary responsibilities for thousands of individuals and companies. Mark and his team of junior trust officers are capable of setting up and managing both personal trusts and corporate trusts.

Mark's team can assist you in all of your estate planning needs:

- determining what assets to hold in your trust
- analyzing your portfolio to maximize the performance of your investments
- recommending tax-sheltered investments for your trust
- deciding on a trustee
- designating a beneficiary or beneficiaries
- acting as executor of an estate on a person's death

To set up an appointment, contact Mark Pardo at (800) 555-5006 or mpardo@greenfieldbank.com

Get ready!

1 Before you read the passage, talk about these questions.

1. What happens to people's assets in your country when they die?
2. What tasks do trust officers undertake?

Reading

2 Read the page from a bank's website. Then, choose the correct answers.

1. What is the purpose of the web page?
 - A to profile a recently retired trust officer
 - B to commend a bank employee
 - C to describe specific bank services
 - D to suggest products for a client
2. What can you infer about the trust officer's previous job?
 - A He managed a team of employees.
 - B He was involved in setting up trust accounts.
 - C He worked in another part of Greenfield Bank.
 - D He made investments on behalf of his employer.
3. Which of the following services is NOT mentioned?
 - A selecting who receives the trust assets
 - B purchasing investments for the client
 - C choosing a person to manage the trust
 - D determining how to make more money

Vocabulary

3 Read the sentence pair. Choose where the words best fit the blanks.

1. portfolio / investment
 - A A CD is a very safe _____.
 - B Mr. Kyle's _____ contains stocks and bonds.
2. beneficiary / trustee
 - A The _____ charges a one-time fee for her services.
 - B Your _____ will receive the funds on your death.
3. personal trust / corporate trust
 - A Mr. Pardo created a _____ for his estate.
 - B The company established a large _____.

0 Fill in the blanks with the correct words and phrases from the word bank.

WORD BANK

estate planning manage performance
trust account trust officer beneficiary

- The bank will _____ the account for you.
- Our _____ can help you determine the beneficiaries.
- Mr. Lee has _____ responsibilities for the account.
- A _____ holds money for your children.
- The _____ of stocks can be unpredictable.
- _____ ensures your family gets your assets.

1 Listen and read the web page again. What types of trusts do Greenfield Bank manage?

Listening

2 Listen to a conversation between a trust officer and a client. Mark the following statements as true (T) or false (F).

- ... The woman has no trust accounts set up.
- ... The woman's children are her beneficiaries.
- ... The woman will manage her own investments.

3 Listen again and complete the conversation.

Trust Officer: We can do that. Okay, now what kinds of investments do you want to put in the trust?

Customer: I'm not sure. I have some stock and bonds.

Trust Officer: Both can be included.

Customer: I want to make sure the portfolio grows. I'm worried there won't be enough money for each 1 _____.

Trust Officer: 2 _____
We can adjust your portfolio to meet your goals.

Customer: Do you mean I need to 3 _____ some of my stock?

Trust Officer: Not if you don't want to. But if you do we can transfer the 4 _____ of any investments.

Customer: 5 _____ My husband left them to me. I'm not entirely comfortable managing them.

Trust Officer: Don't worry. We'll 6 _____ you.

Speaking

3 With a partner, act out the roles below based on Task 2. Then, switch roles.

USE LANGUAGE SUCH AS:

What kinds of...?
Do you need to worry...?
We'll take care of you.

Student A: You are a customer. Talk to Student B about:

- your current investments
- your wishes about your estate

Student B: You are a trust officer. Talk to Student A about how you can help him/her.

Writing

4 Use the web page and the conversation from Task 3 to fill out the trust account set-up form.



Greenfield Bank

Trust account holder: _____

Trustee: _____

Beneficiary(ies): _____

Current assets: _____

How would you like your assets divided?

How would you like your assets invested and/or managed?

**CAREER
PATHS**

Banking

Book
3

Virginia Evans
Kari Gilmore, *MSA*



Express Publishing

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1 Private banking



Pinnacle Bank

PRIVATE BANKING SERVICES

You've worked hard for your wealth. At Pinnacle Bank, your sizeable assets will work for you!

We offer the world's most powerful banking services to high net worth individuals. If your investable assets exceed a minimum value of \$750,000, you qualify. See if our wealth management program works for you.

Wealth Management Services - Pinnacle private banking means personal attention from the most successful financial professionals in the industry.

Non-traditional investments - You will have access to a world of alternative investment strategies you have never known existed. Our hedge funds are the most effective investments on the market.

Real Estate - Every responsible financial plan includes real estate investments.

Our real estate market specialists will manage all your property accounts.

Tax planning - Tax efficiency is a crucial aspect of smart investing. Our tax lawyers and accountants will be key members of your wealth management team.

Intergenerational planning - Our estate planners will see that your legacy is gracefully organized and distributed. Your family is our family at Pinnacle.

*Payment for our private wealth banking services is a flat-fee rate based on a percentage of total investments.



Pinnacle Bank

PRIVATE BANKING SERVICES

Your **Best** Choice!



private banking

HOUSE FOR SALE

real estate

Get ready!

1 Before you read the passage, talk about these questions.

- 1 How is private banking different from other accounts?
- 2 What are hedge funds?

Reading

2 Read the website for private banking services. Then, mark the following statements as true (T) or false (F).

- 1 ... Private banking is available for all Pinnacle Bank account holders.
- 2 ... Tax planning services are separate from wealth management services.
- 3 ... The flat-fee rate depends on performance of investments.

\$2,000,000+

larger than average

Investment at 8%

1 year

small percentage

Vocabulary

3 Match the words (1-6) with the definitions (A-F).

- | | |
|-----------------------|------------------------|
| 1 ... private banking | 4 ... investable asset |
| 2 ... estate | 5 ... high net worth |
| 3 ... tax planning | 6 ... alternative |

- A larger than average
- B processing assets worth over \$2 million
- C non-traditional
- D financial services for wealthy individuals
- E financial services to minimize tax payments
- F money that can be invested

- 1 Fill in the blanks with the correct words and phrases from the word bank.

Word bank

flat-fee yearly-percentage investable assets
 real estate wealth management hedge fund

- The _____ also expect investing strategies.
 - Some _____ investments include several apartment buildings.
 - The fee is based on an _____ of the total investment.
 - For large assets like yours, I recommend an _____ program.
 - We only charge an _____ rate.
- 2 Listen and read the website again. Which part of the bank deals with passing on wealth to investors' children?

Listening

- 3 Listen to a conversation between a banker and a potential client. Check (✓) the items that the program includes.
- top returns
 - hedge funds
 - significant fee
 - tax planning
 - inheritance planning

- 4 Listen again and complete the conversation.

Banker: Well, you do have the investable assets we require for involvement. Are you aware of our wealth management options?

Client: I read about them on your website. But what makes your hedge funds better than others?

Banker: It _____ and highly individualized approaches to investing. It's the adaptable strategies of our expert investors that _____.

Client: What kind of returns _____?

Banker: That depends on a number of factors. But they will be significant and _____.

Client: What about _____?

Banker: Tax planning, inheritance planning, _____ of the wealth management program.

Client: It sounds appealing.

Banker: How do you feel about the _____ payment?

Client: I think it's reasonable.

Speaking

- 1 With a partner, act out the roles below based on Task 3. Then, switch roles.

USE LANGUAGE SUCH AS:

Are you aware of ...
 What kind of returns ...
 How do you feel about ...

Student A: You are a banker. Talk to Student B about:

- wealth management
- flat-fee payment
- investable assets

Student B: You are a potential client. Talk to Student A about a private banking program.

Writing

- 2 Use the website and the conversation from Task 3 to write a letter of acceptance into a private banking program. Include the new client's qualifying assets, services offered, and fees.



Get ready!

1 Before you read the passage, talk about these questions.

- 1 What are some alternatives to commercial banking?
- 2 How do most people purchase homes in your country?



Study Reports Safe Alternatives to Banks and Risky Investments

By Steve

Most savings and loan associations, also known as **thrifts**, are **mutually held** institutions. This means borrowers and depositors have voting rights regarding the organization's corporate decisions. S&L members can influence everything from their institution's loan portfolio to its financial goals. The study states that such participation greatly increases satisfaction among depositors.

Other good investment choices include **building societies** and government-chartered S&Ls known as **mutual savings banks**. These home financing institutions

are granted permission by the Federal Reserve to offer higher interest rates to depositors. This measure aims to increase the availability of mortgage loans to homebuyers. But it also gives mutual savings depositors an even hand over those of commercial banks.

S&Ls also offer more security than other institutions. Depositing money in an S&L is like making a long-term investment in your local mortgage market. For conservative investors, this is an appealing alternative to risky investments in the stock market.

Reading

2 Read the newspaper article. Then, choose the correct answers.

- 1 What is the purpose of the article?
 - A to describe alternative investing institutions
 - B to explain mortgage loan availability
 - C to compare building societies and thrifts
 - D to give home financing advice
- 2 What is the NOT a characteristic of an S&L association?
 - A makes mortgage loans
 - B invests in the stock market
 - C mutually held
 - D offers security
- 3 According to the article, what do most members of S&Ls have?
 - A debt
 - B voting rights
 - C mortgage loans
 - D building societies

Vocabulary

3 Place the words and phrases from the word bank under the correct heading.

word bank

savings and loan **risky**
building society mutual savings bank
conservative **thrifts**

Home Financing Institutions	Investing Styles
_____	_____
_____	_____
_____	_____

1 Read the sentence pair. Choose where the words best fit the blanks.

- 1 mortgage loan / security
 A He took out a _____ to buy our house.
 B John states _____ in his investments.
- 2 mutually held / home financing institution
 A The _____ gives twenty mortgage loans a year.
 B The S&L is _____ by its members.

2 Listen and read the article again. What is having a deposit in an S&L equivalent to?

Listening

3 Listen to a conversation between an S&L representative and a potential customer. Mark the following statements as true (T) or false (F).

- ... The S&L's interest rates are lower than a bank's.
- ... Over half of the S&L's lending goes to mortgage loans.
- ... The woman decides to apply for a loan.

4 Listen again and complete the conversation.

- Customer: Hi. What can you tell me about your deposit accounts?
- Representative: Well, our investment philosophy is based on the financial interests and security of our members.
- Customer: How do you determine your members' interests?
- Representative: Our members have 1 _____ to address issues of the institution's financial policies.
- Customer: Interesting. I've heard 2 _____ interest rates than commercial banks.
- Representative: We do. To strengthen funds in the mortgage market, the government allows us to offer slightly 3 _____ to our depositors.
- Customer: So, you use the money of your depositors to make 4 _____?
- Representative: You save 5 percent of our 5 _____ in for mortgages on homes right here in Highland.
- Customer: How. So the money I invest would help the community.
- Representative: Essentially yes. Your deposits would be the investments in the community.
- Customer: I see. Are the investments safe?
- Representative: 6 _____ other types of investing, ours is very secure.

Speaking

5 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

- Our investment philosophy is ...
- I've heard you offer ...
- Are the investments ...?

Student A: You are an S&L Representative. Talk to Student B about:

- your voting rights
- interest rates
- security

Student B: You are a potential S&L account holder. Talk to Student A about a deposit account.

Writing

6 Use the article and the conversation from Task 8 to write a Savings and Loan mission statement. Include, voting rights, mortgage lending, and member security.



3 Islamic banking



Islamic Banking 101

For International Investors

Reading Skills: Understanding Main Ideas

By Yusef Alkhatib

Many firms are looking to enter into the world of international investing. For these, the Middle East can be a lucrative market to tap into. To be successful, however, there are a number of things investors must understand about Islamic banking practices. Followers of Islam are bound by the strict rules of *Shariah*, or Islamic law. These rules touch upon all aspects of Islamic life, including business and banking.

The principles of Islamic banking emphasize the concept of **profit sharing**. Both investors and borrowers share the benefits reaped from invested assets. Both parties also agree to **bear** the risk of loss. Another important aspect of Islamic banking is that

Shariah prohibits the practice of **usury**. For that reason, collateral also plays an important role in Islamic loan agreements. Often, the lender owns the property outright until the loan has been paid in full.

Business relationships in Islamic countries often take the form of a **joint venture**. It is common for an Islamic company to temporarily join forces with a Western firm. The two parties share control over a specific endeavor and enjoy mutual returns. Other **acceptable** business arrangements in the Islamic world include leasing, and **cost plus** contracts. However, all arrangements **exclude** businesses that are considered in violation of Islamic values, such as the pork and alcohol industries.

Get ready!

1 Before you read the passage, talk about these questions.

- 1 What are some characteristics of Islamic banking?
- 2 Do you think that charging interest is unfair? Why or why not?

Reading

1 Read the page from an international business guide. Then, mark the following statements as true (T) or false (F).

- 1 ___ *Shariah* does not allow for profit sharing.
- 2 ___ Islamic banks share losses with investors.
- 3 ___ Islamic companies may not work with Western firms.

Costs:	\$ 1,200	<input type="checkbox"/>
Investment:	\$ 1,000	<input type="checkbox"/>
Total:	- \$ 200	<input type="checkbox"/>

Vocabulary

1 Match the words (1-6) with the definitions (A-F).

- | | |
|---------------|-----------------------|
| 1 ___ exclude | 4 ___ profit sharing |
| 2 ___ loan | 5 ___ cost plus |
| 3 ___ usury | 6 ___ Islamic banking |

- A the writings of Allah and his prophet Muhammad
- B banking in accordance with *Shariah*
- C to take out
- D an agreement to pay expenses and more
- E paying for use of assets over a period of time
- F practice of distributing gains to all members of an agreement

1 Write a word that is similar in meaning to the underlined part.

- The company took a negative profit on the costly product. *—* 1 *—*
- All members must carry the weight of the loan. *—* 2 *—*
- The two companies came together in a temporary business effort. *—* 3 *—*
- The charging of interest on loans is forbidden in Islamic banking. *—* 4 *—*
- Shari'ah limits the type of agreement. *—* 5 *—*
- The house served as security on the loan. *—* 6 *—*

2 Listen and read the guide again. What businesses may not invest in Islamic countries?

Listening

1 Listen to a conversation between two bankers discussing a trip to the Middle East. Choose the correct answers.

- What is the discussion mostly about?
A a mortgage loan
B profit sharing rules
C a recent business trip
D Islamic banking practices
- How do Islamic banks profit from home sales?
A by collecting fees from agents
B by charging interest from buyers
C by creating joint ventures with home owners
D by selling homes at higher prices than they were purchased

2 Listen again and complete the conversation.

- Banker 1: Hi Frank. I _____ your Middle East trip?
- Banker 2: Yeah. I've been reading up on Islamic banking. It's going to be 2 _____ over there.
- Banker 1: Sounds like it. 3 _____, but interest is forbidden, right?
- Banker 2: Yeah. But you can still make a profit in banking.
- Banker 1: 4 _____?
- Banker 2: Well, for one thing, they deal with mortgages. 5 _____ here.
- Banker 1: Oh yeah? 6 _____?
- Banker 2: 7 _____, lending money for interest, a bank just buys the property. Then it sells it to the buyer for a higher price.
- Banker 1: I see. I've also heard there's a lot of 8 _____.
- Banker 2: Yes. That's the typical arrangement, profit sharing, and loss sharing.

Speaking

1 With a partner, act out the roles below based on Task 2. Then, switch roles.

USE LANGUAGE SUCH AS:

- Correct me if I'm wrong, but ...
- For one thing ...
- Instead of ...

Student A: You are a banker preparing for a trip. Talk to Student B about Islamic banking and:

- loans
- profit sharing

Student B: You are a banker. Talk to Student A about Islamic banking practices.

Writing

1 Use the guide and the conversation from Task 2 to write a description of Islamic banking practices. Include prohibitions, focuses, and methods of doing business.

Get ready!

1 Before you read the passage, talk about these questions.

- 1 What is the role of a central bank?
- 2 What institution creates the money in your country?



CONTRACTORY MEASURES TAKEN BY THE CENTRAL BANK

The central bank of the United Republic of Denmark took measures this week to stop its economy's rate of inflation. While the president of Denmark insists the measures will be effective, some economists are doubtful.

The Danish National Reserve was established as the country's monetary authority in 1949, since then the reserve bank has made significant additions to the nation's money supply. Between 1987 and 2007 the DNR introduced over four million dollars to the Danish economy. Surprisingly, prices remained stable until the year. Since January, the rate of inflation in Denmark has skyrocketed. Consequently, the value of the legal tender has fallen dramatically. Exchange rates for the currency have reached the unprecedented level of 78 Danish dollars to one Euro.

Like most modern currencies, Danish dollars are fiat money, not backed by precious metals. This fact, combined with the DNR's monopoly on creating the currency, has allowed for the week's contractionary measures. The DNR hopes to reduce the number of dollars in circulation through increased bond sales. According to officials, this should re-establish price stability.

Critics of the measures indict the DNR for being too static. They insist that standard adjustment of interest rates would more effectively solve the problem.

Reading

1 Read the newspaper article and the summary. Then, fill in the blanks with the correct words and phrases from the word bank.

word bank

extreme remained monetary
taken central bank inflation

The central bank of the nation of Denmark has 1 _____ measures to reduce 2 _____. The problem is a result of the 3 _____ introducing too much 4 _____ to the money supply. To stop the inflation, the monetary authority has 5 _____ some of the currency from circulation. Critics of the plan say it is too 6 _____.

Vocabulary

1 Read the pair of sentences. Choose where the words best fit the blanks.

- 1 money supply / central bank
 - A The _____ lowered interest rates today.
 - B The _____ includes all available funds.
- 2 contractionary / interest rate
 - A All _____ policy will curb inflation.
 - B A high _____ affects the mortgage market.
- 3 legal tender / monetary authority
 - A The bill is _____ in the United States.
 - B The _____ stopped printing \$2 bills.

- 1 Fill in the blanks with the correct words and phrases from the word bank.

Word Bank

fall money retrospectively
 exchange rates
 reserve bank inflation
 price stability bond

- _____ is not backed by gold.
- The firm lost a _____ on the industry.
- The _____ prints new bills every year.
- _____ have not improved since April.
- Inflation slowed, and _____ was established.
- High _____ rates hurt the dollar's value.
- The government promises to pay a certain rate for each _____.

- 2 Listen and read the article again. How can a central bank reduce the money supply?

Listening

- 3 Listen to a conversation between two bankers. Mark the following statements as true (T) or false (F).

- ... The bankers disagree about the central bank's actions.
- ... The central bank is changing the interest rate.
- ... The man expects prices to stabilize in a few weeks.

- 4 Listen again and complete the conversation.

Banker 1: Exactly. They're selling a lot of bonds. I think it's a sensible idea.

Banker 2: Oh, really? I couldn't disagree with you more. I mean, the inflation is out of control. They have to do something.

Banker 1: I just think there are better ways to slow inflation.

Banker 2: Well, what would you suggest?

Banker 1: For one, they could adjust 1 _____ that's what they've done in the past.

Banker 2: Sure, changing interest rates has worked in the past. But inflation has never been this high before.

Banker 1: 2 _____ it's the worst we've ever had.

Banker 2: That's 3 _____ the bonds are a good idea. They'll reduce the amount of money out there.

Banker 1: Well, 4 _____ They need to lower inflation soon.

Banker 2: That I can 5 _____ Hopefully they'll get it under control in a few weeks.

Banker 1: A few weeks? 6 _____ I think it will take at least a year.

Speaking

- 5 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

I think ...
 What would you ...
 ... has worked before, but ...

Student A: You are a banker. Talk to Student B about

- inflation
- price stabilization
- interest rates and bonds

Student B: You are a banker. Talk to Student A about efforts to curb the inflation rate.

Writing

- 6 Use the article and the conversation from Task 8 to write a newspaper article about the results of a contractionary monetary policy. Include the reason for inflation, efforts to stop it, and likely results.

Recognizing and Avoiding Fraud

One of your duties as a teller is to be on the alert for people manipulating our system. Each teller should familiarize him/herself with the following list in order to help combat fraud.

Types of Check Fraud

Forgery includes creating fraudulent checks and imitating signatures on checks. **Counterfeit** checks are forged using either advanced printing or scanning techniques. Altering of checks also occurs. Chemicals can be used to erase information written on a check. Then, new information is added.

What to watch for signs or illustrations, changes in the font or hand writing, a missing address of the customer or bank, a missing signature, a missing or unchanging check number, low check numbers (which may indicate that the account is new).

Check kiting occurs when money is put into an account during the float time to conceal fraud. Sometimes circular kiting is used to transfer non-existent funds between banks. In the end, banks lose money when no effort is made to transfer real funds back into the account during the float time.

Deception keep transaction records up to date, watch for large withdrawals of funds shortly after a deposit, watch for low average balances.



Vocabulary

1 Match the words (1-5) with the definitions (A-E).

- 1 ... fraud 2 ... manipulate 3 ... check kiting
4 ... counterfeit 5 ... check fraud

- A an act of fraud where funds are put into an account before the float time ends
B a general term for using checks legally to gain funds
C the use of deceit to gain money
D to change something for a particular purpose
E an imitation of currency

2 Fill in the blanks with the correct words and phrases: forged, forgery, float time, combat, alter, circular kiting.

- The man _____ the checks using a sophisticated printing process.
- Not all check fraud involves transferring funds back into accounts during _____.
- The manual supplies detailed instructions on how to _____ fraud.
- The _____ of the checks failed because they were discovered.
- The man used a technical called _____ to fraudulently acquire large sums.
- He used chemicals to _____ the checks.

Get ready!

1 Before you read the passage, talk about these questions.

- What are some methods of check fraud?
- How can check forgery be detected?

Reading

2 Read the manual. Then, mark the following statements as true (T) or false (F).

- ... The check number can indicate the age of an account.
- ... Check kiting is used to hide fraudulent behavior.
- ... Low average balances are warning signs of forgery.

- 3 Listen and read the manual again. What should bank staff do to help detect kiting.

Listening

- 1 Listen to a conversation between a teller and a branch manager. Choose the correct answers.

- Which of these does the teller believe the customer is committing?
 - A. issuing kiting C. counterfeiting
 - B. altering checks D. check kiting
- Which of the following warning signs is NOT attributed to the customer?
 - A. He has a low average balance.
 - B. His account is less than a year old.
 - C. His checks are sometimes dishonored.
 - D. He is moving funds between multiple banks.

- 2 Listen again and complete the conversation.

Teller: Well, I've noticed some 1 _____ going on with a customer's account. I thought I should tell you.

Manager: I see. Is it 2 _____?

Teller: The customer is 3 _____ funds and both between our bank and a couple of others.

Manager: So, you think he might be 4 _____?

Teller: Double kiting is what I was thinking. He writes checks for more than he has in his account with us. Then 5 _____ he makes a deposit from another bank.

Manager: Oh god you 6 _____! Do you know his average balance?

Teller: 7 _____.

Manager: And do you know how long the man has 8 _____ with us?

Teller: Yeah, I reviewed his account history. His checking account has been open for about five months.

Speaking

- 1 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

- I noticed some suspicious activity ...
- The customer is moving funds ...
- I've reviewed his account history ...

Student A: You are a teller. Talk to Student B about:

- a suspicious account
- the type of suspected fraud
- account details

Student B: You are a branch manager. Talk to Student A about the account and how to handle the suspected fraud.

Writing

- 1 Use the manual and the conversation from Task 8 to write a memo on a possibly fraudulent check. Include warning signs, account information, and what steps to take.

memo

From: _____

To: _____

Date: _____

Subject: _____



Get ready!

1 Before you read the passage, talk about these questions.

- 1 How do criminals commit credit card fraud?
- 2 How can people avoid credit card fraud?

Reading

2 Read the article. Then, choose the correct answers.

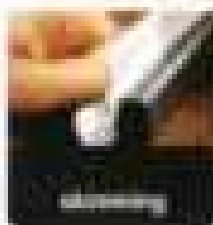
- 1 What is the main purpose of the article?
 - A to discourage use of ATMs
 - B to encourage people to pay with cash
 - C to explain the difference between credit and debit fraud
 - D to teach people about card fraud and how to avoid it
- 2 What is NOT stated in the article?
 - A Criminals do not need to possess a card to commit fraud.
 - B Card information can be stolen from honest businesses.
 - C Debit cards are more secure than credit cards.
 - D Purchases from reputable stores are less likely to lead to fraud.
- 3 According to the article, how can deposit envelopes be used in fraud?
 - A Criminals copy account information from them.
 - B Criminals deposit them without any money inside.
 - C Criminals remove real credit cards being delivered in them.
 - D Criminals steal money being deposited in them.

Vocabulary

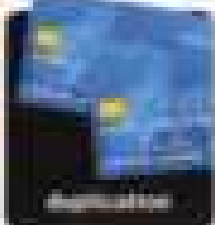
3 Match the words (1-6) with the definitions (A-F).

- | | |
|----------------------|------------------------------------|
| 1 ... identity theft | 4 ... card security code |
| 2 ... phishing | 5 ... credit card fraud |
| 3 ... duplication | 6 ... card-not-present transaction |

- A a transaction made on the phone or online
- B stealing funds using a credit card
- C taking information from a credit or debit card
- D the stealing of someone's identity
- E numbers on a credit card used for security purposes
- F the act of making an exact copy



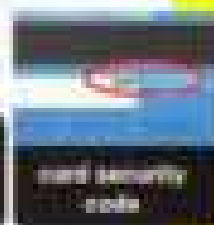
deposit envelope



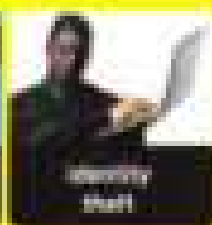
duplication



card-not-present transaction



card security code



identity theft



credit card

Protect your Plastic

Credit and debit card fraud affect thousands of people every year. Today, people are more reliant on plastic than cash or checks, and criminals take advantage of people's willingness to share their spending information.

How does it work? – Credit and debit cards don't need to be physically stolen for fraud to occur. A technique called skimming involves copying information from the magnetic strip of a credit or debit card. This often occurs when criminals steal card readers at legitimate businesses to copy the card information. Then, the information is used to duplicate the credit or debit card.

Furthermore, consumers often forget that purchases made online and in stores are not necessarily secure. During card-not-present transactions, the card security code is required. Purchases can be made by someone who has copied the card information.

How to protect yourself:

- Never leave documents with your account information lying around. Doing so increases your risk of identity theft and debit or credit card fraud.
- Only release account information online or by telephone when you're dealing with a well-known company.
- Keep track of your transactions. Criminals with your debit card and PIN can intentionally deposit an amount ATM deposit envelope and remove the desired amount plus any other funds. But you'll be responsible for the overdraft fees. Justify your bank in any regular activity.

- 3 Fill in the blanks with the correct words and phrases from the word bank.

Word Bank

copying deposit envelope
intentional stolen debit
card fraud overdraft

- 1 Withdrawing more money than the fee results in _____ charges.
 - 2 Account information should never be written on any _____.
 - 3 The criminal committed fraud by skimming and _____ credit cards.
 - 4 _____ is becoming a wide-spread problem.
 - 5 If an act is _____ it is performed with a certain purpose in mind.
 - 6 The man took steps to keep his information from being _____.
- 3 Listen and read the article again. Which companies is it OK to give your account information to over the phone?

Listening

- 3 Listen to a conversation between a bank representative and a customer. Mark the following statements as true (T) or false (F).
- 1 ... The man calls to report a stolen card.
 - 2 ... The security question asks about the man's mother.
 - 3 ... The representative will cancel the man's card.

- 3 Listen again and complete the conversation.

Customer: Okay. I _____
chevydamon746.

Representative: That matches what we have here. And the security question asks for your 2 _____

Customer: 3 _____, Linda Tamey.

Representative: Thank you, Mr. Ham. Yes, I can see here that there is a _____ of \$100 on with your account.

Customer: Yeah, I still have my 5 _____
though. It's not like it was stolen. Still, someone is using it in another state.

Representative: Well, 6 _____ some of the information on the card was 7 _____
from a card reader. So that information can be used from anywhere.

Customer: What can I do?

Representative: Well, we'll cancel the card immediately. Then I'll connect you to our fraud prevention division to talk about the charges.

Speaking

- 3 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

My password is ...
I still have ...

Student A: You are a victim of credit card fraud. Talk to Student B about

- security questions
- the evidence of fraud

Student B: You are a bank representative. Ask Student A security questions and talk about credit card fraud.

Writing

- 3 Use the article and the conversation from Task 8 to write a report on a case of credit card fraud. Include how the victim noticed the fraud, how the information was taken, and how you addressed the problem.

Get ready!

1 Before you read the passage, talk about these questions.

- 1 What are some reasons a bank would alter their records?
- 2 How is accounting fraud carried out in your country?



Banking Fraud Revealed

Last February, three managers from Johnson United Bank were arrested for their participation in a fraudulent banking scheme. There are several charges against the ring, including demand draft fraud, collecting unissued deposits, and accounting fraud.

The man and Thurston and Friday showed that Johnson United Bank was never insured. They solicited deposits from customers and allowed possession from other two banks to collect deposits. The scam continued for several two years and went unnoticed by account holders. It went undetected until B & C Trust, a payable bank, noted unusual activity.

B & C Trust became suspicious of the large number of demand drafts they received which were issued by Johnson United Bank. Clarence Stokes, a branch manager of B & C Trust, alerted authorities of what he believed to be demand draft fraud.

In an apparent effort to cover up their fraudulent savings, the men accused of cooking the books of Johnson United Bank. The bank took seriously, they believed, what account for their fraudulent gains. "I can't know how the victims will be reimbursed," Stokes said. "I'd be glad to see their gains run out of bank."

Reading

2 Read the newspaper article.

Then, mark the following statements as true (T) or false (F).

- 1 ... The article offers advice for victims of a bank scam.
- 2 ... Clarence Stokes was arrested for demand draft fraud.
- 3 ... Account holders at Johnson United don't notice any fraudulent activity.

Vocabulary

3 Match the words (1-5) with the definitions (A-E).

- 1 ... silent
- 2 ... demand draft
- 3 ... payable bank
- 4 ... accounting fraud
- 5 ... unissued deposits

- A a bank that can cash a deposit
- B funds deposited to an unissued bank
- C to request
- D misrepresentation of funds
- E a legal copy of a check

4 Fill in the blanks with the correct words and phrases from the word bank.

Word bank

cover up ring arrested
cooking the books fraudulent

- 1 The criminal misrepresented company gains by _____.
- 2 The man was _____ and taken to the police station.
- 3 The woman wasn't able to _____ her role in the crime.
- 4 The _____ was blamed by a group of undercover agents.
- 5 The _____ demand drafts were cashed at a payable bank.

- 1 Listen and read the article again. What did the three managers use details of false loans for?

Listening

- 2 Listen to a conversation between an investigator and a victim of bank fraud. Choose the correct answers.

1. How is Mr. Faulster involved in the case?
- He was a victim of demand draft fraud.
 - He selected customers for the bank.
 - He had money in an account with the bank.
 - He received false accounting information.
2. What do Mr. Faulster find suspicious?
- showed printing
 - missing paperwork
 - odd letter accounts
 - changing account numbers

- 3 Listen again and complete the conversation.

- Investigator:** Do you mind if I ask you a few questions about your knowledge of the Western Associated fraud?
- Victim:** Of course not.
- Investigator:** Thank you, sir. First, 1 _____ with Western Associated Bank?
- Victim:** Well, about a year ago I moved to Springfield. Western Associated was 2 _____ in open new accounts.
- Investigator:** And you 3 _____ with them?
- Victim:** That's right.
- Investigator:** Now, when you opened the accounts, did you notice 4 _____?
- Victim:** Little things. But at the time I didn't 5 _____.
- Investigator:** What did you notice?
- Victim:** Well, 6 _____ like the printing was smeared and numbers had been changed.
- Investigator:** Well, Mr. Faulster, you **COULDN'T** have known it at the time. But the forged paperwork was used to set up unnumbered accounts.

Speaking

- 4 With a partner, act out the roles below based on Task 2. Then, switch roles.

USE LANGUAGE SUCH AS:

- Do you mind if ...
 Did you notice ...
 You couldn't have known ...

Student A: You are an investigator. Talk to Student B about:

- an account
- expenses

Student B: You are a victim of fraud. Talk to Student A about your experience with the bank.

Writing

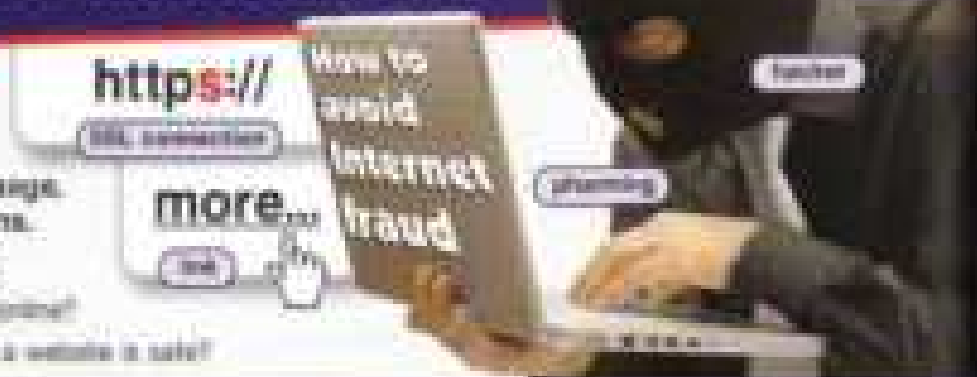
- 5 Use the article and the conversation from Task 6 to write a newspaper article about accounting fraud. Include the types of fraud, the criminals, and who was affected.



Get ready!

1 Before you read the passage, talk about these questions.

1. What are some ways that criminals deceive people online?
2. How can you ensure that a website is safe?



Internet users are vulnerable to various threats to their privacy. Users of online banking must be especially careful about providing personal information. You can protect yourself by understanding and recognizing different types of Internet scams.

BE CAUTIOUS ABOUT PROVIDING PERSONAL AND FINANCIAL INFORMATION. Scammers use phishing to make you think you are giving your details to a legitimate bank website. Ensure the web address matches the name of the correct website, especially if you got there via a link from an email. Some scammers use phishing to redirect website traffic to other pages. These bogus pages can appear very similar to bank websites. You might think you are accessing your account, but you are really giving your password to a scammer.

Also, learn how to recognize whether a website has an

SSL connection before saving any personal data. This will prevent hackers from intercepting the information that is being transmitted.

PROTECT YOUR PERSONAL COMPUTER. Downloading software from unfamiliar websites is risky. Some programs promise legitimate services, but they might be loaded with spyware. These secret programs allow scammers to access everything you do on your computer. They can even make changes to your computer and Internet settings. You can get antivirus software to protect your computer against unauthorized software.

Reading

2 Read the website. Then, choose the correct answers.

1. What is the purpose of the website?
 - A. to prevent Internet fraud
 - B. to describe online safety measures
 - C. to warn customers of online scams
 - D. to offer protection services against Internet fraud
2. Which is NOT a recommendation made on the website?
 - A. Send personal data only via SSL connections.
 - B. Ensure the correct website appears in the web address.
 - C. Use antivirus software to protect against spyware.
 - D. Avoid downloading software from the Internet.
3. According to the passage, what is a benefit of antivirus software?
 - A. it establishes SSL connections.
 - B. it recognizes legitimate websites.
 - C. it keeps a computer safe from spyware.
 - D. it stops downloads from unknown websites.



Vocabulary

3 Match the words (1-7) with the definitions (A-G).

- | | |
|----------------|--------------------------|
| 1 ... scam | E ... phishing |
| 2 ... bogus | F ... legitimate |
| 3 ... traffic | G ... antivirus software |
| 4 ... redirect | |

- A. not real or valid
- B. the number of people visiting a website
- C. real or trustworthy
- D. removing someone to make money
- E. a program that protects a computer
- F. to change the path of something
- G. withdrawing users to false websites

- 3 Fill in the blanks with the correct words and phrases from the word bank.

Word Bank

Internet fraud spyware
link spy scammer
tracker phishing

- 1 A scanner intercepted the data that was sent without any _____.
- 2 The _____ is the email directed customers to a bogus website.
- 3 Sheila was arrested for _____ after she stole financial information online.
- 4 Steven's antivirus software detected _____ on his computer.
- 5 Paula changed her bank password after she _____ accessed her account.
- 6 The scammer used _____ to make the customer believe he was a bank employee.

- 3 Listen and read the website again. Where on the Internet do you need to be particularly careful to avoid fraud?

Listening

- 1 Listen to a conversation between a bank representative and a customer. Mark the following statements as true (T) or false (F).

- 1 ... The woman is calling to confirm an email.
- 2 ... The woman did not make an online purchase with an electronic check.
- 3 ... The woman accidentally revealed account information online.

- 2 Listen again and complete the conversation.

Representative: What I _____ for you, Ms McDonald?

Customer: There's a mistake on my 2 _____ . It says I made an electronic check purchase online on December 20th. I've never used an electronic check.

Representative: Did you recently give out any 3 _____ over the Internet?

Customer: I don't think so. Well, I did send some checks to your bank, but 4 _____.

Representative: What kind of details?

Customer: The bank sent me an email asking for my account number and 5 _____ . It said the information was necessary to keep my account open.

Representative: Well, 6 _____ the Ms McDonald, but that wasn't really an email from our bank.

Customer: I don't understand. Who sent it?

Representative: It must have been a phishing scam to access your bank account. Once you sent them your account information, they were able to make that purchase.

Speaking

- 2 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

There is a mistake ...
Did you give out any ...
It says ...

Student A: You are a bank representative. Talk to Student B about _____.

- an online purchase
- an email
- Internet fraud

Student B: You are a bank customer. Talk to Student A about an online purchase.

Writing

- 2 Use the website and the conversation from Task 8 to complete the bank representative's fraud report. Include the type of fraud and the likely cause.

Police Catch Bank Robber



Police were called to Gordon Bank on Thursday to address a robbery in progress. Police Chief Joe Ruskin said that robber attempted to steal hundreds of dollars in cash.

According to bank teller Morissa Jameson, the robber entered the bank and handed her a note and a paper bag. The note ordered Jameson to fill the bag with money. It also stated the man was armed and prepared to shoot. He threatened to put a gun from his jacket unless the teller complied with his demands.

Jameson secretly activated the bank's silent alarm, which notified the bank's security guard and local police of the situation. Jameson then filled the robber's bag with stacks of bills containing dye packs. Security cameras show that the robber then fled the bank in a getaway car driven by an accomplice.

Officers apprehended the robber trying to pass through a police roadblock. Upon searching the suspect, police discovered that he was actually unarmed.

Get ready!

1 Before you read the passage, talk about these questions.

1. What are some ways people try to steal money from banks?
2. How do banks stop people from stealing money?



Reading

2 Read the newspaper article and the summary. Then, fill in the blanks with the correct words and phrases from the word bank.

word bank

security guard paper bag officers
bank teller gun silent alarm

The robber entered the bank and handed a note to the 1 _____. He said he was carrying about 2 _____ and ordered her to put the cash in a 3 _____. The bank then triggered the bank's 4 _____, which notified the 5 _____ and police of a robbery in progress. The robber tried to escape in a getaway car, but police apprehended him. The 6 _____ discovered that he did not have a gun.

Vocabulary

3 Write a word that is similar in meaning to the underlined part.

- 1 A witness advised the police a robbery from her cell phone.

- 2 Allen went to jail for the act of stealing something by threat of violence.

- 3 With police experience, he taught her to work as a person who protects a bank.

- 4 The robber was arrested a month ago.

- 5 Tom was apprehended for driving the vehicle that the criminals used to escape.

- 6 The robber had a lot of cash.

- 7 The officer was observed carrying a weapon even when he was off-duty.

1 Read the sentence pair. Choose where the words best fit the blanks.

1 **start alarm / dye pack**

- A The _____ turned the alarm on.
 B The _____ alerted the guard that something was wrong.

2 **threatened / shove**

- A Henry _____ the man's wallet.
 B The officer _____ to shoot unless the robber dropped his weapon.

3 **camera / note**

- A Police used data from the security _____ to identify the criminal.
 B Julian did not want to threaten the teller about the _____ he stole from a _____.

4 **approach / comply**

- A The officer was disappointed that she failed to _____ the suspect.
 B Teller should always _____ with robber demands.

5 Listen and read the article again. How did the police find out about the robbery?

Listening

1 Listen to a conversation between a police officer and a bank teller. Mark the following statements as true (T) or false (F).

- 1 ... The robber showed the teller a gun.
 2 ... The teller was injured during the robbery.
 3 ... The robber covered his face with a mask.

2 Listen again and complete the conversation.

Officer: Mr. Jamison, I'm sure you've seen it. A robbery is a terrifying thing to go through. But do you think you could tell me what happened today?

Teller: Sure. A man came into the bank and gave me a note. He said he would shoot me if I didn't fit his bag with as much cash as I _____.

Officer: Did you see the gun?

Teller: No. He had his hand in his _____. He then _____ a gun in there.

Officer: What _____ then?

Teller: I started putting money in the bag, but I also pressed the button for the _____ with my foot.

Officer: Did he _____ in any way?

Teller: No. He _____ He just threatened me.

Officer: Can you describe him for me?

Teller: Sure. He had long, dark hair, brown eyes, and a mustache. He was wearing baggy jeans and a big jacket.

Speaking

1 With a partner, act out the roles below based on Task 2. Then, switch roles.

USE LANGUAGE SUCH AS:

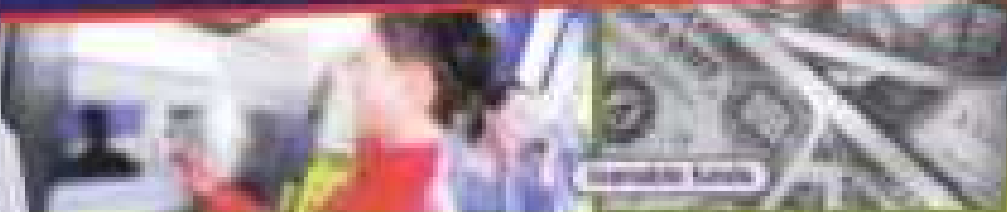
- ... you could tell me ...
 A man came into the bank and ...
 Did he ...

Student A: You are a police officer. Talk to Student B about
 • a robbery • a suspect

Student B: You are a bank teller. Answer Student A's questions.

Writing

1 Use the article and the conversation from Task 2 to complete the police officer's incident report. Include a description of the robbery and the suspect's appearance.



Success in Banking

Although all banks store money, the variety of accounts and interest rates shows their diversity. Banks are like any other business. And like other businesses, banks must engage in competition to attract and retain customers.

In order to compete, banks have to provide incentives. They must have a good amount of loanable funds available to their customers and take some risks. For example, when the D & G Bank opened in March, they offered three standard accounts: notice accounts, money market accounts, and IRAs. Unfortunately, the bank closed only six months later. Simply offering services and products that customers can get at any bank isn't enough. It's important to stand out.

Had D & G Bank focused more energy on individualizing their services, their bank might have survived. Offering a variety of deposit accounts that suit customer needs improves customer satisfaction. NOW accounts, for example, are more flexible than many money market or notice accounts, and they earn interest.

Another aspect of personalizing services is increasing trust and intimacy between the bank and its customers. Club accounts, for example, are savings accounts geared toward a particular purpose. Helping customers plan for important events in their lives creates unity between the bank and client. And that connection can mean the difference between success and failure.

Get ready!

1 Before you read the passage, talk about these questions.

- 1 What are some strategies banks use to attract customers?
- 2 How do different types of accounts address customer needs?

Reading

2 Read the article. Then, mark the following statements as true (T) or false (F).

- 1 ___ The author believes D & G failed due to the limited accounts it offered.
- 2 ___ NOW accounts are deposit accounts that do not earn interest.
- 3 ___ Club accounts save funds for specific uses.

Vocabulary

3 Match the words (D-E) with the definitions (A-E).

- | | |
|-------------------|-----------------------|
| 1 ___ competition | 4 ___ deposit account |
| 2 ___ NOW account | 5 ___ notice account |
| 3 ___ IRA account | |

- A an account where notice has to be given prior to a withdrawal
- B an account similar to a checking account that earns interest
- C the process of attempting to succeed while others are making the same attempt
- D an account where money can be deposited and withdrawn
- E a retirement account where funds receive tax advantages

- 3 Fill in the blanks with the correct words and phrases from the word bank.

Word Bank

compare variable funds
variety club account
money market accounts

- The bank did not have many customers and could not _____.
 - The woman decided to save for a vacation and opened a(n) _____.
 - _____ were available for borrowing.
 - The business did well because it offered a _____ of services.
 - _____ pay different interest rates, depending on market conditions.
- 4 Listen and read the article again. What should O&G have done differently?

Listening

- 1 Listen to a conversation between a teller and a customer. Choose the correct answers.

- What is the conversation mainly about?
 - account fees
 - interest rates
 - minimum balances
 - club account purchases
- What kind of account will the customer likely open?
 - a club account
 - a NOW account
 - a deposit account
 - a money market account

- 2 Listen again and complete the conversation.

Customer: Well, I'm considering opening another bank account. I'm looking for something with a good interest rate.

Teller: All right. Well, I _____ today, you'll receive about five percent yearly interest.

Customer: I see. The 2 _____ offered a much better rate.

Teller: Okay. Well, 3 _____ would be better for you? Or a club account?

Customer: Which would you suggest?

Teller: If you're saving for 4 _____, the club accounts are a good option.

Customer: No, I still have 5 _____ that I'm saving for taxable retirement.

Teller: Okay. Well, our money market accounts typically offer good rates. 6 _____ though.

Customer: 7 _____ amount \$25,000.

Teller: Oh, that more than meets the minimum.

Speaking

- 1 With a partner, act out the roles below based on Task 1. Then, switch roles.

USE LANGUAGE SUCH AS:

I'm considering ...
Which would you ...?
I'm trying to deposit ...

Student A: You are a bank teller. Talk to Student B about

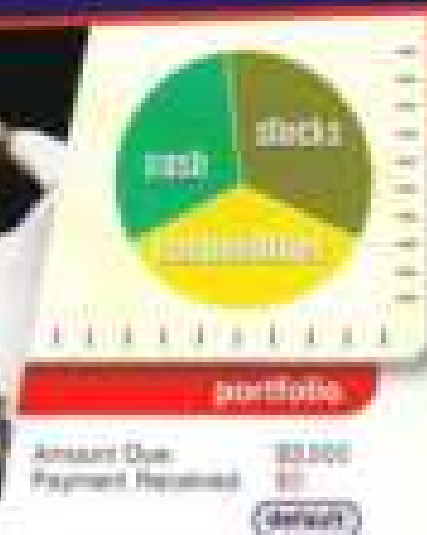
- opening an account
- interest rates
- a minimum starting balance

Student B: You are a customer. Talk to Student A about opening an account.

Writing

- 1 Use the article and the conversation from Task 1 to write an advertisement for a bank. Include the accounts offered, interest rates, and why customers should join the bank.

11 Types of risk



Risks in Banking

Financial risks can greatly increase an individual's or company's wealth, or they can mean the loss of everything. The exception is **operational risk**, which does not involve gaining profit. **Operational risk** is a broad term that includes not only the banking world, but also any risk stemming from business functions. The following chapter details financial risks and the role they play in banking.

Overview:

Credit Risk is a risk taken by an investor. A **default** occurs when a borrower does not make promised payments. In this case, collection costs determined in a contract may come into play. **Collection costs** are a necessary aspect of financial risk because they prevent borrowers or defectors from taking advantage of an agreement.

Liquidity Risk is the risk that a security can't be traded quickly enough to make a substantial gain or prevent loss. This happens when nobody in the market has use for the security.

Market Risk is the risk that a portfolio will decrease in value because of the conditions of a market. There are four primary risk factors that affect the conditions of a given market: stock prices, commodity prices, interest rates, and foreign exchange rates.

Get ready!

- 1 Before you read the passage, talk about these questions.
1. What are some ways investors make money in your country?
 2. What are some risks associated with investment?

Reading

- 2 Read the book extract. Then, mark the following statements as true (T) or false (F).
1. ... All types of risk can result in profit or loss.
 2. ... Collection costs prevent a security from losing value.
 3. ... Liquidity risk includes situations where the market has no interest in a given security.

Vocabulary

- 3 Match the words (1-7) with the definitions (A-G).
- | | |
|----------------------|------------------------|
| 1 ... value | 6 ... financial risk |
| 2 ... market | 7 ... credit risk |
| 3 ... market risk | 8 ... collection costs |
| 4 ... liquidity risk | |
- A. any risk taken with financing
 - B. a place where goods are exchanged
 - C. the stated worth of something
 - D. a risk that a portfolio will decrease in value
 - E. a risk that an investor will lose money if the borrower doesn't make promised payments
 - F. payments which allow for debt to be collected
 - G. a risk that a security can't be traded quickly enough to prevent losses

- 4 Fill in the blanks with the correct words and phrases from the word bank.

word bank

traded default portfolio prevent
security operational risks

1. The _____ had low demand and value.
2. Mary couldn't make her payments, which caused her to _____.
3. The conditions of the market affected the value of the company's _____.
4. Collection costs _____ defectors from taking advantage of agreements.
5. Every business must address _____.
6. Thousands of stocks are _____ daily.

- 3 G Listen and read the book extract again. How many types of financial risk does it discuss?

Listening

- 3 G Listen to a conversation between the professor and student. Choose the correct answers.

- 1 What is the conversation mostly about?
- A how portfolios are affected by the market
 B how market risk and liquidity risk differ
 C how operational risks are beneficial
 D how profit is gained from securities
- 2 According to the professor, which of the following is true?
- A Liquidity relates to an entire portfolio.
 B Credit risk is similar to liquidity risk.
 C Operational risk is not a financial risk.
 D Market and liquidity risks are related.

- 3 G Listen again and complete the conversation.

- Professor: Okay 1 _____ that you're having trouble with?
- Student: The different types of risk. Like 2 _____
- Professor: They have things in common. Maybe that's why you're confused.
- Student: Both mean that 3 _____ in value, right?
- Professor: Yes. The main thing to remember is that 4 _____ a portfolio.
- Student: Okay. So that's saying a group of investments will 5 _____?
- Professor: Yes. And a liquidity risk refers to the risk taken with 6 _____.
- Student: So that would be the risk that a 7 _____ in value?
- Professor: That's one example. It's saying that any individual security might not get 8 _____ to prevent loss or to gain profit.
- Student: I see. So there's just two different types of financial risk?
- Professor: Right. The term financial risk includes operational, market, liquidity and credit risks.

Speaking

- 3 G With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

- What are the concepts...?
 The main thing to remember...
 The term... includes...

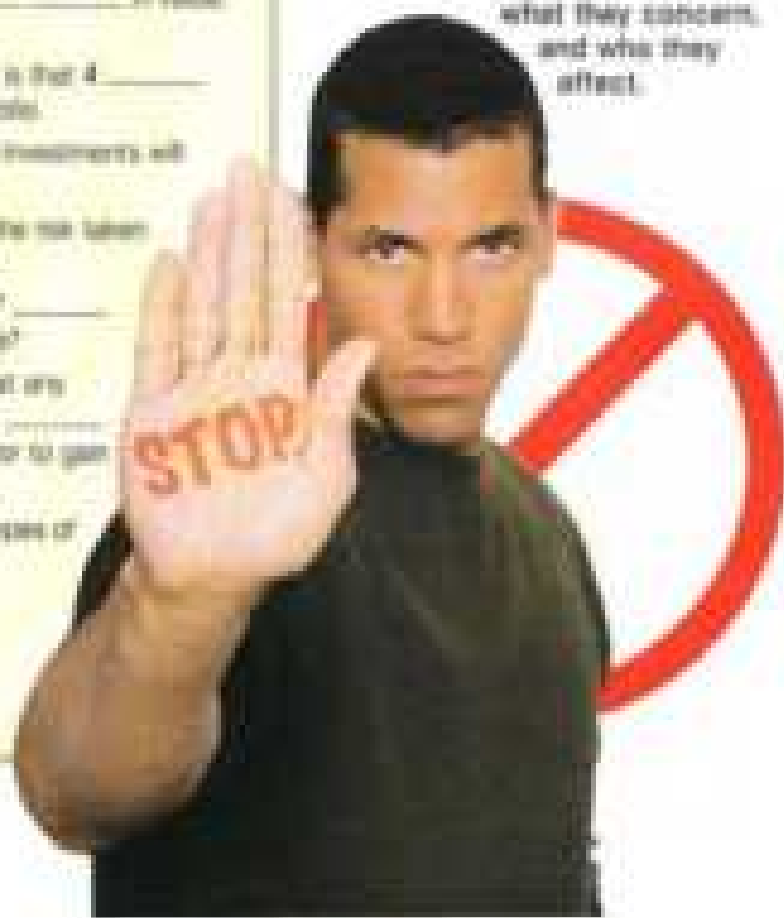
Student A: You are a professor. Talk to Student B about:

- types of risk
- risk similarities
- risk differences

Student B: You are a student. Talk to Student A about questions you have regarding financial risks.

Writing

- 3 G Use the book extract and the conversation from Task 3 to write a summary of financial risks. Include types of risk, what they concern, and who they affect.



12 Asset quality

1/100 = 1%

percentage



Get ready!

1 Before you read the passage, talk about these questions.

- 1 What types of assets can be accessed quickly?
- 2 What are the characteristics of low and high quality assets?

Reading

2 Read the balance sheet and letter. Then, mark the following statements as true (T) or false (F).

- 1 ... The CPA believes the bank needs more hard assets.
- 2 ... The CPA recommends that the bank issue its government bonds.
- 3 ... The CPA is unsure if the bank has many non-performing loans.

Vocabulary

3 Match the words (1-5) with the definitions (A-E).

- 1 ... P&E
 - 2 ... CPA
 - 3 ... asset quality
 - 4 ... Treasury bill
 - 5 ... Treasury bond
- A a short term debt certificate
 B a certified accountant
 C assets including property and equipment
 D the grade or degree of assets' worth
 E a long term debt certificate

Cash	1%
Securities	2%
Loans	82%
Hard assets / P&E	15%

Dear Jason
CPA, Boston Bank

Mrs. Watson, as you requested, I've assessed our asset quality. In my opinion, the percentage of cash and cash equivalents is not high enough to provide adequate liquidity during a time of crisis. Cash reserves are a short term safety net against unforeseen problems. It is not safe for us to have them in such a small percentage. The much of our capital is tied up in hard assets, which are difficult to liquidate in short notice.

On the same note, I suggest that we increase our percentage of securities and cash equivalents. Purchasing securities leads to increased liquidity, and some liquid assets. Treasury bills and bonds are always a solid investment.

Furthermore, I'd advise you to take a look at our loan quality. If we have a significant amount of non-performing loans, it's a great idea to liquidate some hard assets as soon as possible. That should provide enough liquidity to cover against any losses from loans.

Let me know if you would like to discuss these matters any further.

James Davis
CPA, Boston Bank

4 Read the sentence pair. Choose where the words best fit the blanks.

- 1 shield / tie up
 - A Don't _____ assets in property, or we won't be able to access them quickly.
 - B _____ the bank against bad loans by checking applicants' finances.
- 2 non-performing loan / loan quality
 - A Banks lose money on every _____.
 - B Poor _____ lowers the value of banks' assets.
- 3 hard assets / cash equivalents
 - A _____ can be liquidated quickly.
 - B _____ are difficult to turn into cash in short notice.
- 4 safe / short term
 - A Stocks are a _____ investment.
 - B Bills, unlike bonds, are _____ investments.

3 Listen and read the letter again. According to the CPA, what is the main problem with Branson Bank's asset holdings?

4 Listen to a conversation between a CPA and a senior bank officer. Choose the correct answers.

1. What is the conversation mostly about?
 - A completing a balance sheet
 - B converting hard assets into cash
 - C improving the bank's asset quality
 - D eliminating non-performing loans
2. What does the man recommend that the bank do?
 - A provide fewer loans
 - B invest in treasury bills
 - C hire new loan officers
 - D convert securities to cash

5 Listen again and complete the conversation.

Officer: I was 1 _____
Let's start with the loans. What problems 2 _____?

CPA: Well, I noticed there are a few non-performing loans. If most of these come along, we're in serious trouble.

Officer: Okay. 3 _____?

CPA: I'd recommend two things. First, we need to take more time assessing 4 _____.

Officer: That's been taken care of, actually. Our loan officers are being much more thorough now.

CPA: Great. Secondly, 5 _____
_____ increase our cash and cash equivalents until the non-performing loans are taken care of.

Officer: 6 _____
That would give us years of cash to work with in the short term.

CPA: Precious.

Officer: And 7 _____
or securities?

CPA: 8 _____, we need a higher percentage of them.

Speaking

6 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

What problems did you ...?
I'd recommend ...
That would give us ...

Student A: You are a CPA. Talk to Student B about _____.

- asset quality
- cash
- securities

Student B: You are a bank officer. Talk to Student A about asset quality.

Writing

7 Use the balance sheet and letter and the conversation from Task 6 to write a recommendation about improving asset quality. Include asset types and percentages and the changes you recommend for each.





Get ready!

- 1 Before you read the passage, talk about these questions.
- 1 What are some causes of banking crises?
 - 2 What examples of financial crises are there in your country's history?

Reading

- 2 Read the blog about financial crises. Then, mark the following statements as true (T) or false (F).
- 1 ... The author believes the banking industry is susceptible to runs.
 - 2 ... Bankruptcy is declared when banks cannot meet withdrawals.
 - 3 ... Suspension of convertibility often leads to bank runs.

CLOSED

suspension of convertibility

Bank Runs

Could they happen today?

by Chris Spear

The global banking system struggled recently, but don't fear. Many changes were instituted in the wake of the economic hardships of the 1930s. These have created a banking industry that is no longer susceptible to that sort of **banking crisis**.

In the past, banks operated with very little protection from the possibility of a **bank run**. A bank run occurs when a great many of a bank's customers attempt to withdraw their deposits all at once. Such hasty withdrawals can initiate a **panic**. One dramatic run can quickly close a bank's doors for good. If a bank cannot meet the demands of its depositors, it may declare **bankruptcy**. Sometimes, a bank panic will sweep across several banks, or the entire banking industry. This creates a **financial crisis**.

Fortunately, governments and financial institutions alike have implemented measures of **systemic prevention** to avoid such crises. Almost all bank customers now have accessible money in **demand deposit** accounts. Banks are now allowed **temporary suspension of convertibility**. The mere threat of this can stop a bank run from beginning. Furthermore, most commercial banks enjoy the overarching protection of **deposit insurance**. And finally, the financial industry at large is backed by the central bank as **lender of last resort**.

Vocabulary

- 3 Match the words (1-4) with the definitions (A-F).
- | | |
|------------------|-------------------------|
| 1 ... panic | 4 ... deposit insurance |
| 2 ... bankruptcy | 5 ... demand deposit |
| 3 ... bank run | 6 ... banking crisis |
- A protection of accounts against bank failure
 - B an account from which funds are easily withdrawn
 - C a legal declaration of inability to pay debts
 - D a sudden surge of fear
 - E a period of unusually high risk for the banking industry
 - F the sudden withdrawal of funds from many accounts from a bank

- 1 Fill in the blanks with the correct words and phrases from the word bank.

Word Bank

systemic prevention
 lender of last resort
 suspension of convertibility
 financial crisis

- The funds were unavailable due to a temporary _____.
- _____ measures will avert future crises.
- To save the institution from failure, the central bank stepped in as _____.
- The _____ led to several banks declaring bankruptcy.

- 2 Listen and read the blog again. What have governments given banks permission to do to avoid runs?

Listening

- 3 Listen to a conversation between a teller and a customer. Choose the correct answers.

- What is the discussion mostly about?
 - A interest rate hikes
 - B measures to keep an account open
 - C problems with the banking industry
 - D suspension of convertibility
- What does the teller promise the bank will not do?
 - A It will not increase interest.
 - B It will not close the account.
 - C It will not suspend convertibility.
 - D It will not turn to the central bank.

- 4 Listen again and complete the conversation.

Teller: First of all, the FDIC insures all our deposit accounts including yours.

Customer: So if the bank runs out of money, I won't lose all my savings.

Teller: Exactly. But the bank won't run out of money. We have protections against that too.

Customer: But will I have access to my money? I want something about 1 _____.

Teller: We cannot suspend convertibility on demand deposit accounts. Your funds are always 2 _____.

Customer: Even in a nationwide 3 _____?

Teller: Well, yes. In that event the central bank is there as 4 _____.

Customer: You mean to 5 _____ the entire industry?

Teller: Right. You 6 _____ about your checking account. It's safe.

Speaking

- 5 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

But will I have access ...?

You mean to ...?

You don't need to worry ...

Student A: You are a teller. Talk to Student B about:

- deposit insurance
- demand deposit accounts
- lender of last resort

Student B: You are a concerned bank customer. Talk to Student A about whether or not to close your account.

Writing

- 6 Use the blog and the conversation from Task 8 to write a newspaper article defending the safety of a bank's deposits. Include deposit insurance, demand deposit accounts, and lenders of last resort.

14 Regulatory principles

Get ready!

- 1 Before you read the passage, talk about these questions.
- 1 Why are banking rules and restrictions important?
 - 2 What laws govern banking in your country?

Reading

- 2 Read the Department's mission statement. Then, choose the correct answers.

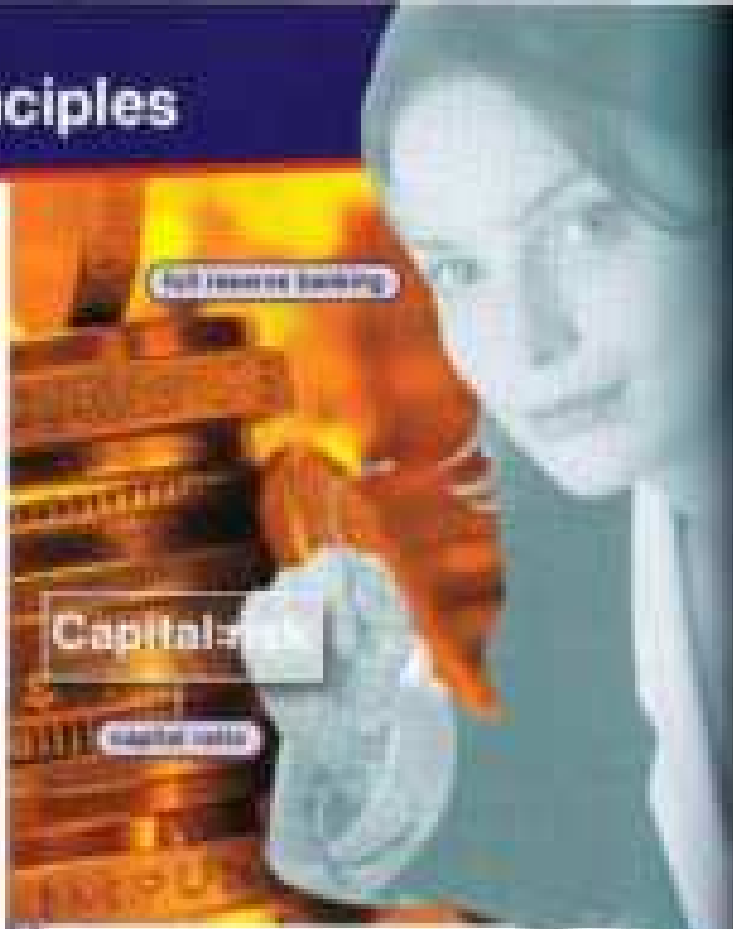
- 1 What is the purpose of the website?
 - A to make bank recommendations to customers
 - B to warn customers about banking dangers
 - C to describe the purpose of an organization
 - D to define regulatory guidelines and requirements
- 2 Which is a statement NOT made in the website?
 - A Banks must show a responsible approach to market discipline to receive a license.
 - B The DFC has stricter regulations than other parts of the nation.
 - C A bank can lose its license if it is not in compliance with regulations.
 - D The DFC believes in the idea of full reserve banking, but does not require it.
- 3 What can you infer about full reserve banking?
 - A It is not employed by most modern banks.
 - B It is a breach of regulations not to use it.
 - C It has a negative impact on a bank's capital ratio.
 - D It may not be as effective as minimum requirements.

Vocabulary

- 3 Match the words (1-7) with the definitions (A-G).

- | | |
|-----------------|------------------------|
| 1 ...breach | 6 ...capital ratio |
| 2 ...revoked | 8 ...bank license |
| 3 ...principle | 7 ...market discipline |
| 4 ...regulatory | |

- A a bank, bank or view
- B a permit that banks must have
- C to withdraw something
- D relationship of assets to debt
- E the limit on the level of business risk
- F to revoke something
- G relating to official rules



OCEAN CITY

Department of Financial Oversight (DFO)

MISSION STATEMENT

Strong banks are the backbone of a healthy community. Here at the Department for Financial Oversight (DFO), we hope to ensure the safety of everyone's money. That is why we impose some of the most demanding banking regulations in the country.

At the DFO, we take our regulatory responsibilities very seriously. We expect every local bank to be in strict compliance with our requirements and guidelines. Banks that seriously breach DFO regulations will have their bank licenses revoked.

We also aim to help the public make informed financial decisions. Prospective depositors will find various informative resources throughout the DFO website. We recommend that banking customers consult our list of recommended banks. The list includes institutions that we believe have the most responsible approach to market discipline.

Regarding the DFO's general philosophy, we agree with the principle of full reserve banking. However, we understand that this is not a practical system in today's banking world. A successful bank can protect its deposits without having 100% of its assets in reserve. By adhering to the DFO's minimum requirements and carefully monitoring capital ratios, banks can still financial risk. The DFO's regulations are more than sufficient to ensure the financial security of any bank's resources.

3 Read the sentence and choose the correct word.

- 1 Regulators decreased capital ratios / minimum requirements for local banks.
- 2 The bank does not have nearly enough assets for full reserve banking / principle.
- 3 The regulator checked the bank's records to ensure legal compliance / market discipline.
- 4 The bank's license was revoked after several violations of bank statutes / regulations.

4 Listen and read the website again. Why doesn't the DFC impose full reserve banking?

Listening

1 Listen to a conversation between a journalist and a banking regulator. Mark the following statements as true (T) or false (F).

- 1 ... The journalist is writing about a bank that violated regulations.
- 2 ... Capital ratios help consumers choose banks.
- 3 ... The DFC increased minimum reserve requirements.

2 Listen again and complete the conversation.

- A: Mr. Larson, I'm writing an article about financial security in today's banks. How does your organization protect bank customers?
- B: The Department of Financial Oversight has many regulations that keep depositors safe. For one, we require banks to disclose 1 _____ on capital ratio.
- A: How does this help customers?
- B: The report tells customers which banks have the strongest assets and which have the highest debt. Then customers can make 2 _____ about where to store their money.
- A: 3 _____ the effects of the recent economic downturn? Many people are worried that even the strongest banks don't have enough money to cover their customers' funds.
- B: Well, that's certainly a 4 _____ in response to the economic climate, the DFC recently increased 5 _____.
- A: Does that 6 _____ of customer's money?
- B: Absolutely. If banks have more cash on hand, they will be better prepared for sudden economic changes.
- A: So customer's money is more likely to be there when they need it?
- B: That's right. Minimum requirements allow the bank to accommodate dramatic increases in withdrawal requests.

Speaking

1 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

How does this help ...?

We have many regulations ...

In response to the ...

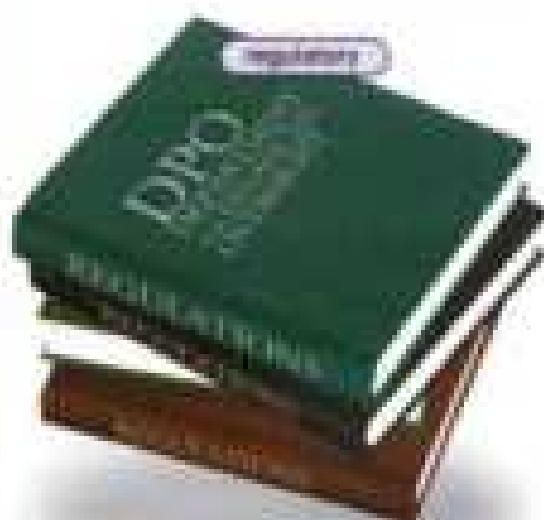
Student A: You are a journalist. Talk to Student B about:

- banking safety
- effect of regulations
- public concerns

Student B: You are a banking regulator. Answer Student A's questions.

Writing

1 Use the mission statement and the conversation from Task 8 to complete the journalist's notes. Include descriptions of different regulatory practices and their effects.



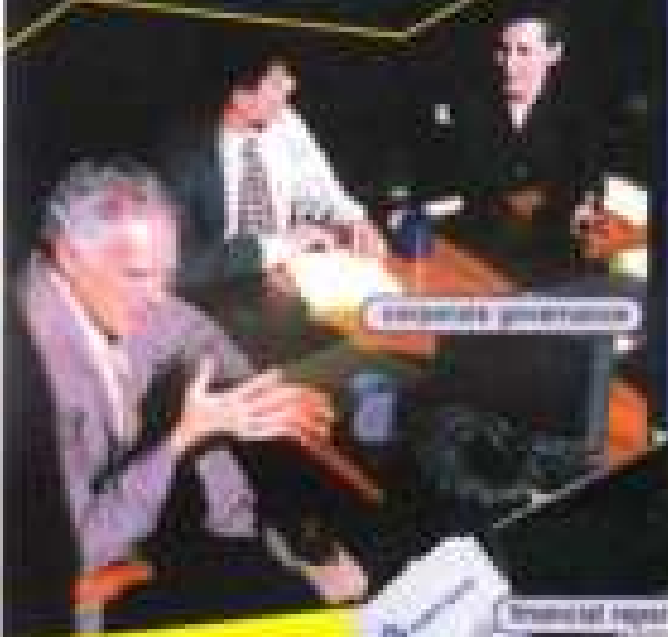
Get ready!

1 Before you read the passage, talk about these questions.

- 1 What is the purpose of financial regulations?
- 2 What are some standard financial regulations in your country?



Ferndale Savings



HOW DOES Ferndale Savings MANAGE YOUR MONEY?

At Ferndale Savings, the customer comes first. You deserve to know that your money is safe with us. That is why we provide full disclosure of our business practices.

Customers should expect honest and responsible corporate governance from a bank. Ferndale Savings complies with all agencies that regulate the banking industry. Our business practices continue to earn us the credit rating requirements. Even so, we always ensure that our funds exceed capital requirements and reserve requirements. Although the State Regulatory Committee reduced our minimum reserve ratio from 6% to 4%, we have maintained our high standards by remaining at 6%.

Ferndale Savings has consistently received excellent ratings from the State Regulatory Committee. We have the highest capital adequacy of any bank in the region, which means we will remain strong in times of emergency or economic crisis. We have also remained at the top of the Committee's list of recommended banks for six years in a row.

We are confident that Ferndale Savings is the safest place for your money. Please visit the State Regulatory Committee's website for full financial reporting and a comparison of Ferndale Savings to other banks.

Reading

2 Read the website and the summary. Then, fill in the blanks with the correct words from the word bank.

Word Bank

exceeds adequate comply
information recommended

Ferndale Savings ensures its customers' money is safe. They 1 _____ with all regulatory agencies. The bank has excellent credit rating requirements, but still meets 2 _____ significantly above capital and reserve requirements. They receive consistently good ratings and have a high capital 3 _____. The State Regulatory Committee continues to 4 _____ them year after year. Further 5 _____ is available on the Committee's website.

Vocabulary

3 Write a word that is similar in meaning to the underlined part.

- 1 The regulator recommended the bank for multiple quants of information.

- 2 Poor business practices and regulations caused the bank to go out of business.

- 3 The regulatory agency reduced the bank's minimum asset amount.

- 4 Bank clients need accurate presentations of business performance for financial decisions.

- 5 Banks must maintain a constant amount of capital as directed by regulatory bodies.

- 4 Fill in the blanks with the correct words and phrases from the word bank.

Word Bank

capital adequacy manages
 minimum reserve ratio
 regulates
 credit rating treatment

- The bankers worried that _____ was too low to accommodate the economic downturn.
- The regulatory committee _____ the practices of the local banking industry.
- The bank's high _____ was the result of poor business decisions early on.
- As the bank became more successful, the regulatory raised the _____ to 7%.
- The bank _____ funds for several very large accounts.

- 5 Listen and read the website again. What do Feredale Savings have more of than other banks?

Listening

- 6 Listen to a conversation between a bank chairperson and a board member. Mark the following statements as true (T) or false (F).

- ... The man does not know if the reserve requirement is being met.
- ... The woman plans to personally review the reports before the meeting.
- ... There was an error in last year's financial reporting.

- 7 Listen again and complete the conversation.

Board member: The regulators want to check on our 1 _____.

Chairperson: Well, I don't think that'll be a problem. Everything's current, isn't it?

Board member: I'm not sure. The State Regulatory Committee raised the requirements at the beginning of the year. 2 _____ we were getting very close to the new limit.

Chairperson: Really? Well, get someone to 3 _____ before the meeting. We have to know whether we're in compliance before we 4 _____.

Board member: I'm sure they'll want to verify the accuracy of our 5 _____.

Chairperson: Don't they do that just reports?

Board member: They reviewed last year's information, which was 6 _____. They probably just want to see this year's.

Speaking

- 8 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

You want to check on our ...
 We have to know whether ...
 What else are they ...?

Student A: You are a bank chairperson. Talk to Student B about ...
 • a meeting • possible topics • required actions

Student B: You are a board member. Talk to Student A about a meeting.

Writing

- 9 Use the website and the conversation from Task 8 to write the board member's report for the meeting. Include the topics that will be covered and the bank's level of compliance.

Career
Paths

Banking

Career Paths English: Banking is a new educational resource for learning professionals who want to improve their English communication in a work environment. Incorporating career-specific vocabulary and contexts, each unit offers step-by-step instruction for increased mastery of the four key language components: reading, listening, speaking, and writing. **Career Paths English: Banking** addresses topics involving bank accounts, careers, online banking, types of banks, and regulation.

The series is organized into three levels of difficulty and offers clear and meaningful terms and phrases. Every unit includes a list of reading comprehension, vocabulary, and listening skills, and tests students through written and oral production.

Included Features:

- A variety of realistic reading passages
- Career-specific dialogues
- All reading and listening comprehension checks
- Over 400 vocabulary terms and phrases
- Sample speaking and writing exercises
- Complete grammar patterns and phrases

The Teacher's book contains a full answer key and audio scripts.

The audio CDs contain all recorded material in American English and British English.

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