

Module 6: Corporate banking

Unit 1: Taking care of corporate clients

- 1) Can you name three products a bank offers to corporate clients? What is it important for a bank to do before it lends money to a company?
- 1.
 - 2.
 - 3.

LISTENING 1

- 2) Marta is an intern spending a week in a corporate banking department. Listen to her conversation with the head of the department and answer these questions.
1. What is the main difference between corporate banking and retail banking?
 2. What does a credit analyst do?
 3. What is a risk assessment?
 4. How does a bank know if a customer is creditworthy?
 5. What three areas does Piotr mention as part of his new job?

VOCABULARY

- 3) Match words 1-6 to definitions a-f.

- | | |
|---------------------|----------------------|
| 1. letter of credit | 4. bank guarantee |
| 2. bank draft | 5. leasing agreement |
| 3. credit line | 6. corporate bond |

- a) an arrangement by a bank to give a customer a specific amount of unsecured credit, similar to an overdraft
- b) a debt security issued by a company sold to investors
- c) a written promise by an importer's bank to pay the exporter's bank on a particular date or time after the goods are sent by the importer
- d) a promise by a bank to pay a loan if the original borrower does not pay it bank
- e) a type of cheque where the payment is guaranteed because it's issued by a bank
- f) an arrangement to pay to use equipment, buildings, cars, etc., rather than buying them

- 4) Match products 1-6 to situations a-f.

- | | |
|--------------------|----------------------|
| 1. bank draft | 1. letter of credit |
| 2. corporate bonds | 2. bank guarantees |
| 3. credit line | 3. leasing agreement |

- a) "I don't want to pay for goods from another country until they are shipped."
- b) "I need a new machine for my factory."
- c) "I want to make sure the buyer has funds to pay me."
- d) "My company needs to raise capital."
- e) "The bank promises to pay my debts to my suppliers if I can't."
- f) "I need to have different amounts of cash on hand at different times."

LISTENING 2

5) Listen to the three conversations and decide which aspect of corporate banking the people are discussing. Match the conversations (1-3) to a-c.

- a) risk management _____
- b) expansion _____
- c) financing international trade _____

6) Listen again. Are these sentences true or false? Correct the false sentences.

- 1. Mr Kosnik asked the bank to get the information about the company in Jakarta. (T/F)
- 2. The bank is worried about Mr Ferrando's creditworthiness. (T/F)
- 3. Ms Park is thinking about selling some of her business. (T/F)

SLOVAK CORNER

creditworthy - úveruschopný, bonitný

creditworthiness - bonita

bank draft - banková zmenka

bank guarantee - banková záruka

letter of credit - akreditív

credit line - úverový limit

KEY:

Exercise 1:

Exercise 2: 1 Corporate banking offers tailor-made products to most of its clients. 2 A credit analyst carries out a risk assessment. 3 A risk assessment finds out if the client is creditworthy. 4 By looking at lots of different financial documents. 5 financing new projects, helping them with expansion and arranging special loans

Exercise 3: 1c; 2e; 3a; 4d; 5f; 6b

Exercise 4: 1e; 2d; 3f; 4a; 5c; 6b

Exercise 5: 1c; 2c; 3b

Exercise 6: 1F; 2T; 3F