

Module 6: Corporate banking

Unit 4: Revision

You have successfully finished Module 6. Well done! Now you can check how much you've remembered. 😊

1) Match 1-8 to a-h to make sentences.

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|------------------------------------|--|
| 1) When companies cannot meet | a) the money they lent |
| 2) They had to liquidate | b) cash to pay their bills |
| 3) The advisor helped them manage | c) bankruptcy and let the court handle their debts. |
| 4) When a company defaults | d) their obligations, they may have to go into bankruptcy proceedings. |
| 5) The last step may be to declare | e) a loan, it is better than not paying it at all. |
| 6) If it is possible to modify | f) their debt. |
| 7) The creditors want to recover | g) assets to pay their creditors. |
| 8) They may need to generate | h) on a loan, it can be expensive for the bank. |

2) Complete the sentences below with suitable words.

- If I _____ my credit line to EUR 80,000, I could buy more inventory.
- The company should hire a _____ professional to help them _____ their debt.
- I advise you to _____ your loan.
- If they _____ on their loan, we will not get back the capital we lent.
- We need to find ways to _____ cash in order to _____ the bills with our creditors.
- We could _____ some assets.
- _____ are useful when a customer needs to have cash on hand.
- Property owned by a company can be used to _____ a loan.
- The bank charges risky customers higher _____ rates.
- The amount of an asset is worth at the end of the lease is its _____ value.

KEY:

Exercise 1: 1d; 2g; 3f; 4h; 5c; 6e; 7a; 8b

Exercise 2:

a) extend; b) turnaround, manage; c) modify; d) default; e) generate, settle; f) liquidate; g) credit limits, h) secure; i) interest; j) residual