

THE LANGUAGE OF BANKING

A BANK ACCOUNT

Alison Finch has recently moved to the town of Chatsworth. She has just opened a new current account with the local bank, the Royal Chatsworth Bank. Because her annual income is over £30,000 Alison is eligible for a GOLD account. This is a current account which offers some privileges.

The bank has given a leaflet to Alison which explains the GOLD account. The front cover of the leaflet appears below. Read the information it gives to customers and do the exercise on the next page.

The Language of Banking

Unit 2B/Higher

Welcome to your



GOLD ACCOUNT

Your Caring Bank
www.royalchatsworthbank.co.uk

SERVICES

- Over 400 branches nationwide
- Convenient telephone banking
- Internet banking for quick and easy transactions
- Competitive loan rates
- Instant decisions on loans
- Zero commission foreign currency
- Free legal information helpline

USING YOUR NEW ACCOUNT

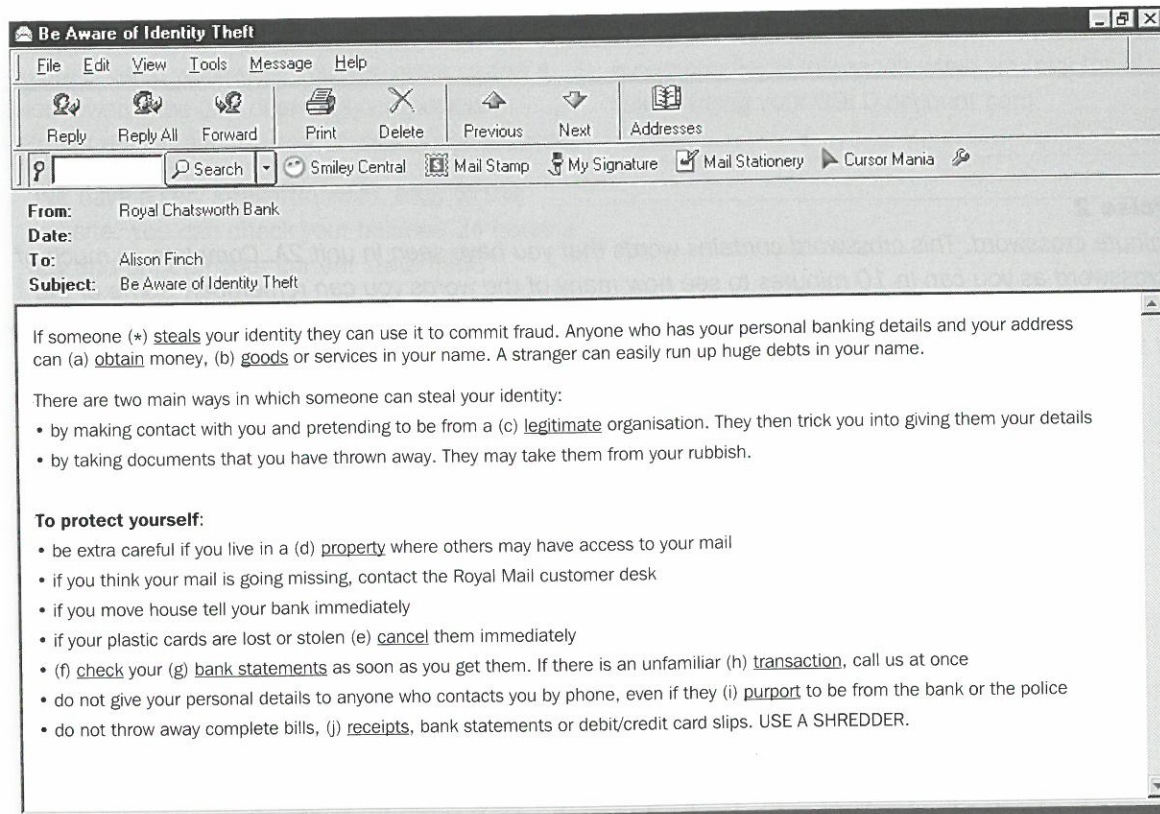
- Secure PIN number
- Easy paying-in facilities
- Withdrawal facility of up to £200 a day at ATM machines
- Interest-free overdraft facility*
- Single card for debit payments and cash withdrawals
- Optional identity theft insurance
- Automatic travel insurance when you buy travel tickets using your GOLD account card

* Subject to conditions

AN EMAIL FROM THE BANK

Exercise 1

Alison Finch has received this email from her bank. It talks about the problem of identity theft. Some of the words in the text are underlined. Match the underlined word or phrase with the definitions provided.



Underlined words from the email

(*) to steal means to...

a to obtain means to...

b goods are...

c to be legitimate means to be...

d a property is a...

e to cancel means to...

f to check something means to...

g a bank statement is a...

h a transaction is a...

i to purport means to...

j a receipt is a...

Definitions

...stop something or to make something void. (1)

...document a customer receives from a bank giving details of payments in and out of their account. (2)

...take something that belongs to someone else.

...piece of business. (3)

...claim or to declare that something is true. (4)

...get possession of something. (5)

...piece of paper that proves that I have paid for something. (6)

...building (for example, a house). (7)

...things that are made to be sold. (8)

...real, genuine, lawful. (9)

...look at the details of something and make sure they are correct. (10)

LISTENING

Exercise 1

Alison Finch has decided to apply for a loan with the Royal Chatsworth Bank. Listen to her interview with her account manager and complete this page of Alison's application form.



LOAN APPLICATION

Thank you for choosing to apply for a loan with the Royal Chatsworth Bank.

To apply online you need:

- To have a regular income and be aged 18 or over
- To have a bank account in England or Wales that can pay direct debits
- To be a permanent resident of England and Wales

SECTION 1: LOAN DETAILS

Purpose of the loan:

Loan amount:

Repayment period:

SECTION 2: APPLICANT DETAILS

Title: Surname:

Forename:

Middle initial(s):

Date of birth:

Email address:

Number of dependant children:

Marital status:

Type of application: (single or joint)

Have you been known by any other name (inc. maiden name) in the last 5 years? YES/NO

SECTION 3: CURRENT ADDRESS DETAILS

House name/number:

Post code:

Residential status: (tenant or owner)

Time at current address: (years and months)

Home telephone:

Mobile telephone number:

THE LANGUAGE OF CONTRACT

Here is an extract from an agreement. It is a small part of the contract that Alison Finch has with her bank to use online banking services.

1. SECURITY MEASURES

- 1.1 The Customer is responsible for acting in accordance with all security procedures and for making sure that any other Users you have authorised also (a) _____ with all security procedures.
- 1.2 The Customer must take all reasonable steps to keep their Password secret and must not (b) _____ it to anyone else including family members, Bank staff or anyone on our 24-hour helpdesk.
- 1.3 If the Customer or any User authorised by the Customer thinks that a Password is known to someone else they must (c) _____ the Bank immediately. The Bank will temporarily (d) _____ the Customer's use of the Online Service until a new Password has been created. The Bank will try to resume the Customer's use of the Online Service as soon as we possibly can.

2. CARRYING OUT YOUR INSTRUCTIONS

- 2.1 The Customer can (e) _____ other Users to use the Online Service. The Bank does not need to get further authorisation or confirmation from the Customer.
- 2.2 The Customer will not be liable for instruction(s) from themselves or a User under the following circumstances:
- the instruction(s) are received after the Customer has informed us that the Password is known to someone else
 - the instruction(s) were given as a result of some breach of security that the Bank does not (f) _____ to the Customer or a User
 - The security codes have been breached due to the actions or negligence of the Bank.
- 2.3 The Customer will be liable for instructions in all other cases.
- 2.4 Once the Customer or a User has given an instruction it is not possible to (g) _____ or otherwise withdraw it. If circumstances should occur where the Bank (h) _____ it reasonable to try to reverse or otherwise (i) _____ invalid an instruction then the Customer will pay any related costs.
- 2.5 The Bank may not be able to (j) _____ a transaction immediately. If you need to be sure that an instruction has reached us or the time when it is carried out is particularly important the Customer should call the 24-hour number which was provided with their account details.

Exercise 1

You will see that some of the words in the agreement start with a capital letter. This is because they are defined terms. They are words that are given a precise definition at the beginning of the agreement. Match these defined terms from the agreement with the definitions given below.

● Customer ● Password ● User ● Bank ● Online Service

Definitions

- a _____ means the secret word or combination of a word and a number known only to a user which is used to confirm their identity and which gives access to the service.
- b _____ means the system that allows customers to give instructions about their bank account using their computer.
- c _____ means you, the client, the person who holds the account with the bank.
- d _____ means any other person you may have given permission to use the service.
- e _____ means the organisation registered as 'The Royal Chatsworth Bank'.

Exercise 2

Now complete the extract from the loan agreement with one of the following words.

● inform ● suspend ● comply ● attribute ● process
● cancel ● deems ● render ● disclose ● authorise

- a _____ b _____ c _____ d _____ e _____
f _____ g _____ h _____ i _____ j _____

Exercise 3

Read the loan agreement again and find the relevant clause or clauses that deal with the following situations.

- a A customer has telephoned the bank to say that he has lost his wallet in central London and the wallet contained his password. Money is transferred out of the customer's account four hours later. The customer says that the bank is liable for this.

Relevant clause? _____

- b A customer buys some music CDs online and then decides the same day that he doesn't want to buy them after all. The customer calls the bank to cancel payment but the bank says that it's not possible. The customer then demands that the bank refunds £30 for the unwanted CDs.

Relevant clause? _____

- c A customer wants a payment to be made urgently to pay for some goods she wants to buy for her business. She authorises payment for the goods online, confident that payment will be made quickly because the system has always been fast before. Unfortunately, the seller of the goods doesn't receive the payment on time and sells the goods to someone else. The customer is furious and demands compensation from the bank.

Relevant clause? _____

Collocation bank

- to **hold** an account with a bank
- to **take** steps to do something
- to **render** something invalid

Preposition bank

- a combination **of** two or more things
'The password for my email account is a combination **of** letters and numbers.'
- information that is known **to** a person
'Was the information known **to** anyone else except you?'
- to be registered **as** a particular company name
'Her company is registered **as** Mitchell Holdings plc.'
- to behave **in** accordance **with** something
'The bank's legal department must draft the contract **in** accordance **with** English banking law.'
- to be authorised **by** someone to do something
'I am authorised **by** my head office to give you a few more days to pay.'
- to be liable **for** something
'We will not be liable **for** any car that is left in the car park of the bank.'
- **under** the circumstances
'I'm afraid that **under** the circumstances we will have to refuse you the loan.'
- to attribute something **to** someone
'I attribute the success of the bank **to** our customer care service.'
- interest accrues **on** a debt or loan
'I am writing to inform you that interest is accruing **on** your overdraft at the rate of 18%.'

THE REGISTER OF LETTER WRITING**Exercise 1**

Alison Finch has received this letter from her bank. Unfortunately, she hasn't made all of her loan repayments. The words that are underlined in the letter are too informal. Complete the same letter on the next page by choosing a better word or phrase from those in the blue box.

**The Royal Chatsworth Bank**

1 St Joseph's Square
Chatsworth
CH1 2DD

20th May 20XX

Ms Alison Finch
39 Belle Vue Avenue
Chatsworth
CH5 9QJ

Dear Ms Finch

Your loan account: Ref FIN/790R/000932RCB

I am writing to (a) tell you that your loan account with this bank, account number as provided above, has (b) got late in its payments.

As you were aware when you (c) got this loan for £6000 in January of this year you agreed to pay back the total amount over a period of 36 months in monthly (d) parts of £186.11 by direct debit from your current account. The bank has been unable to (e) get your monthly payment for the last two months as there have been insufficient funds in your current account.

Please note that interest is (f) growing on this outstanding amount and that the rate of interest (g) demanded by the bank on this outstanding amount is higher than our (h) normal rate.

Despite a letter to you earlier this month I see that we have received no (i) answer from you. If we do not hear from you within seven days of the date of this letter you will be deemed by the bank to be (j) not going to pay at all. The bank will then follow its usual recovery procedures through our legal department.

Yours sincerely

Michael Rose
(Account Manager)

- accruing
- in default
- charged
- response
- inform
- collect
- took out
- standard
- instalments
- fallen into arrears



The Royal Chatsworth Bank

1 St Joseph's Square
Chatsworth
CH1 2DD

20th May 20XX

Ms Alison Finch
39 Belle Vue Avenue
Chatsworth
CH5 9QJ

Dear Ms Finch

Your loan account: Ref FIN/790R/000932RCB

I am writing to (a) _____ you that your loan account with this bank, account number as provided above, has (b) _____.

As you were aware when you (c) _____ this loan for £6000 in January of this year you agreed to pay back the total amount over a period of 36 months in monthly (d) _____ of £186.11 by direct debit from your current account. The bank has been unable to (e) _____ your monthly payment for the last two months as there have been insufficient funds in your current account.

Please note that interest is (f) _____ on this outstanding amount and that the rate of interest (g) _____ by the bank on this outstanding amount is higher than our (h) _____ rate.

Despite a letter to you earlier this month I see that we have received no (i) _____ from you. If we do not hear from you within seven days of the date of this letter you will be deemed by the bank to be (j) _____. The bank will then follow its usual recovery procedures through our legal department.

Yours sincerely

Michael Rose
(Account Manager)

USING YOUR KNOWLEDGE

Collocation review

Complete these sentences with a collocation that you have seen.

- a If you need a new bank account I suggest you _____ one with the Royal Chatsworth Bank, as it is a very efficient and reliable organisation.
- b What _____ of interest does your bank charge its customers for a business start-up loan?
- c I have _____ an application for a loan but I don't know at the moment if my application has been successful.
- d I must go to an ATM machine immediately to _____ some money. At the moment I have nothing in my wallet!
- e When I am at the ATM machine I will _____ the balance of my account as I am not sure how much money I have in there at the moment.
- f My bank offers a very wide _____ of services, including telephone banking.
- g The legal helpline that my bank provides will give me advice but it will not _____ my legal costs.
- h I have a lot of debts and I am thinking of _____ them into one large loan that I can pay off over a long period of time.
- i My bank does not always _____ a transaction immediately and I have to call the bank if I want to make sure that something has been done.
- j I _____ a loan two years ago but I fell into arrears when I became unemployed.

Vocabulary review

Complete these sentences with a word that you have seen.

- a My bank has over 500 _____ in cities and towns all over England.
- b I need to ask my bank if I can have an _____ facility on my bank account. I need some extra money for a few months but I don't want a loan.
- c If you use internet banking it is important that you never tell anyone your _____ or else that person could access your account online.
- d The bank _____ all customers' use of online banking for a few hours yesterday but the service resumed after two hours.
- e I am in arrears with my loan payments and interest is _____ on the outstanding amount.
- f I am repaying my loan in _____ of £250 per month.
- g If you do not repay your loan as agreed, the bank can decide that you are in _____, which means that the bank thinks you do not intend to repay the money that you owe.
- h My bank _____ a very high rate of interest on arrears.

- i My bank account went into the _____ for a while last year but I paid the money back quickly as I hate being in debt.
- j My bank sends me a _____ to my home address every month. This document tells me what has gone into my bank account and what has been paid out.
-

Preposition review

Complete these sentences with the correct preposition.

- a Last year I opened an account _____ Lloyds Bank.
- b Yesterday I withdrew £100 _____ the ATM machine on Cambridge High Street.
- c My bank has written to me to say that I am not eligible _____ a loan.
- d What is your date _____ birth and what is your marital status?
- e How long have you been _____ your current address?
- f I am authorised _____ my company to withdraw cash for my expenses.
- g I am paying a very high rate _____ interest on my loan and I am thinking of transferring my business to another bank.
- h I am paying back my loan _____ a period of five years.
- i If we do not hear from you _____ seven days we will deem you to be in default.
- j The bank will follow its usual recovery procedures _____ our legal department.