

**İQTİSADÇILAR ÜÇÜN**

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**DƏRS VƏSAİTİ**

**Tərtib edən: V.V. Qolovanyov**

Tərcümənin redaktoru:

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**V.V. Qolovanyov**

**Dərs vəsaiti hər biri dörd bölmə olmaqla on iki başlıqdan ibarətdir. Hər mövzuya aid verilmiş söz və tapşırıqlar şifahi nitqin inkişafına xidmət edir. Həcmcə kiçik, məzmunca zəngin olan bu kitab ali məktəb tələbələri və eləcə də iqtisadiyyat və maliyyə sahəsində çalışan mütəxəssislər üçün nəzərdə tutulmuşdur.**

**Kitabın rus dilində olan tapşırıq və lüğət tərkibi Az.DİU-nin «Xarici dillər-1» kafedrasının əməkdaşları S.M. Nəbiyevə və F.S. Rzayeva tərəfindən tərcümə edilmişdir.**

**Bakı – 2009**

# Lesson I

# MONEY

## UNIT 1

### Money and its functions

Money is a commodity commonly accepted as a medium of economic exchange. The idea of money as a universal equivalent is familiar to us since our childhood. Money circulates from person to person and country to country, thus facilitating trade, and it is the principal measure of wealth. Money has four functions: [1] to serve as a medium of exchange, a commodity universally accepted in exchange for goods and services and for the discharge of debts or for the discharge of contracts; [2] to act as a unit of account, the unit that makes the operation of the price system possible and provides the basis for keeping accounts and calculating cost, profit, and loss; [3] to serve as a standard of deferred payments, the unit in which loans are made and future transactions are fixed; and [4] to provide a store of wealth, a convenient form in which to hold any income not immediately required for use.

### Vocabulary

<b>commodity</b>	товар	mal, əmtəə
<b>medium of exchange</b>	средства обмена	mübadilə vasitəsi
<b>facilitate</b>	содействовать	kömək etmək, yardım etmək
<b>discharge of debt</b>	погашение;	börcü ödəmə, ödəniş
<b>discharge of contract</b>	исполнение договора	müqaviləni həyata keçirmə
<b>unit of account</b>	расчетная единица	ödəmə vahidi
<b>price system</b>	ценовая система;	qiymət sistemi

<b>keep an account</b>	вести счет;	hesab aparmaq, hesablamaq
<b>cost</b>	стоимость;	dəyər
<b>profit</b>	прибыль;	gəlir
<b>loss</b>	убыток;	itki
<b>deferred payment</b>	отсроченный платеж;	vaxtı uzadılmış ödəniş
<b>defer payment</b>	откладывать платеж;	ödənişi təxirə salmaq,
<b>loan</b>	ссуда;	borc
<b>transactions futures</b>	сделки на срок	müddətli alver

### **Exercise 1. Answer the Questions:**

1. What is meant by the term "money"?
2. How many functions does money have?
3. What does money serve as?
4. What does money act as?
5. What does money make?
6. What does money provide?
7. What does money calculate?
8. What is the third function of money?
9. What is the fourth function of money?

### **Exercise 2. Agree or disagree with the following statements.**

- 1) Money is a medium of communication.
- 2) The idea of money as a universal equivalent is unfamiliar to us.
- 3) Money has five functions.
- 4) Money is used in exchange for goods and services.
- 5) Money is used for the discharge of defendant.
- 6) Money is used for the discharge of agreements.
- 7) Money acts as a trustee.
- 8) Money makes the operation of the price system impossible.
- 9) Money ensures the basis for keeping accounts.
- 10) Money counts cost, profit, and loss.
- 11) Money is exercised

as a standard of deferred payments. 12) Money serves as the unit in which borrowings are made. 13) Money serves as the unit in which futures are fixed. 14) Money provides a store of material values.

### **Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English**

Обмен; удобный; держать; доход; немедленно; требовать; необходимый; возможный; хорошо знакомый; экономический; обыкновенно; эквивалент; товар; средство обмена; служить в качестве; общепринятый; товары; услуги; погашение долга; расчетная единица; ценовая система; обеспечивать; вести счет; подсчитывать; стоимость; прибыль; убыток; отсроченный платеж; ссуда; сделка на срок; хранение материальный ценностей; употребление; содействовать; исполнение договора.

Mübadilə; rahat, saxlamaq/mühafizə etmək; gəlir/mədaxil; dərhal; tələb etmək; vacib; mümkün; yaxşı tanış/bələd olma; iqtisadi; adətən/bir qayda olaraq; ekvivalent; əmtəə/mal; mübadilə vasitəsi; keyfiyyətdə xidmət etmək, hamı tərəfindən qəbul edilmiş; ərzaq; xidmətlər; borcu ödəmə; ödəmə vahidi; qiymət sistemi; təmin etmək; hesab aparmaq; hesablamaq/yekun vurmaq; dəyər/qiymət; gəlir; itki; vaxtı uzadılmış ödəniş; borc; müddətli alver; maddi dəyəri saxlama; istifadə etmə / sərf etmə; kömək etmək / yardım etmək; müqaviləni həyata keçirmə

### **Exercise 4. Complete the following statements. Choose one topic to speak about money: a) its definition; b) its first function; c) its second function; d) its third function; e) its fourth function. Retell the text Money and its functions.**

1) Money is ... 2) The idea of money as a universal equivalent is ... 3) Money has ... 4) Money serves as ... 5) Money is used

in exchange for ... 6) Money is used for the discharge of ...  
7) Money acts as ... 8) Money makes ... 9) Money provides ...  
10) Money calculates ... 11) Money serves as a standard of ...  
12) Money is the unit in which ... 13) Money provides a store  
of... 14) Money is a convenient form in which ...

## UNIT 2

### Paper money and gold standard

Metals, especially gold and silver, have been used for money for at least 4,000 years. For perhaps 2,600 years, standardized coins have been the form in which money metals circulate. Gold and silver coins contain legally specified amounts of gold or silver are theoretically equal in value to that quantity of the metal. Coins or uncoined bullion, however, can be an inconvenient and insecure mode for conveying large quantities of value. For large transactions, various forms of paper notes came into use. In the late 18th and early 19th centuries, banks began issuing such notes - banknotes. Each banknote was redeemable for gold or silver. This paper money became the principal, money of growing industrial economies.

Up to 1931 paper money was backed by a reserve of gold and any settlement of international debts was settled by the transfer of gold from one country to another. With the collapse of the gold standard in 1931, many countries suspended the movement of gold, but gold still being a precious metal is still quoted each day on the market in ounces against the US \$.

#### Vocabulary

<b>specify</b>	точно устанавливать	dəqiɔ̃ müəyüənleşdirmək
<b>value</b>	СТОИМОСТЬ	dəyər

<b>bullion</b>	слиток золота или серебра	qızıl və yaхud gümüş külçə
<b>insecure mode</b>	небезопасный способ	təhlükəli, qorхulu üsul / tərz
<b>convey</b>	перевозить	göndərmək, köçürmək
<b>issue</b>	пускать в обращение	dövrüyyəyə buraxmaq
<b>redeemable in gold</b>	обратимый в золото	qızıla dönmə qabiliyyətinə malik olan
<b>redeem</b>	выкупать	girovu geri almaq
<b>settle</b>	улаживать	qaydaya salmaq, həll etmək
<b>transfer</b>	перемещение	yerdəyişmə, köçürmə
<b>collapse</b>	обвал	yıxılma, dağılma, çökmə
<b>suspend</b>	приостанавливать	dayandırmaq, saxlamaq
<b>precious</b>	драгоценный	qiymətli
<b>quote</b>	дать расценку	qiymət qoymaq / təyin etmək
<b>ounce</b>	унция (28.35 grams)	unsiya (28,35 qram)

### Exercise 1. Answer the Questions:

1. What has been used for money for 4,000 years?
2. What form did money metals circulate in?
3. What do gold and silver coins contain?
4. What can be inconvenient and insecure for conveying large quantities of value?
5. What came into use for large transactions?
6. When did banks begin issuing banknotes?
7. What was each banknote redeemable for?
8. What did this paper money become?
9. What was paper money backed by up to 1931?
10. What was settled by the transfer of gold from one country to another?



11. Why did many countries suspend the movement of gold?
12. What is still quoted each day on the market?

**Exercise 2. Agree or disagree with the following statements.**

1) Metals were not used for money. 2) Money metals moved around in the form of coins. 3) Gold coins had legally specified amounts of gold as a part. 4) Coins might be convenient and secure for conveying large quantities of value. 5) Paper notes came out of use for large transactions. 6) Banks ceased issuing banknotes. 7) Each banknote might be bought in for gold. 8) This paper money became the most important money of economies. 9) Paper money was supported by a reserve of gold. 10. Any settlement of debts was ended by the transfer of gold. 11. Gold standard failed in 1931. 12) Gold is estimated each day on the market. 13) The gold standard means the use of the value of gold as a fixed standard on which to base the value of money.

**Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English**

Стандартизировать; выкупать; урегулирование; улаживать; перемещение; обвал; приостанавливать; драгоценный; дать расценку; унция; слиток золота или серебра; небезопасный; способ; перевозить; сделка; пускать в обращение; обратимый в золото; быть в обращении; юридически; точно устанавливать; равный; стоимость; золотой стандарт.

Standartlaşdırmaq; girovu geri almaq; nizama salma; həll etmək; köçürmə; dağılma/çökmə; saxlamaq; qiymətli; qiymət qoymaq; unsiya; qızıl və yaxud gümüş külçə; təhlükəli; üsul; göndərmək; alver; dövriyyə buraxmaq; qızıla çevrilə bilən; dövriyyədə olmaq; hüquqi; dəqiq

müəyyənləşdirmək; bərabər; dəyər, qızıl standart (nümunə, külçə).

**Exercise 4. Complete the following statements. Choose one topic to speak about a) money metals; b) paper money; c) gold standard. Retell the text Paper money and gold standard.**

- 1) Gold and silver have been used for...
- 2) Money metals circulate in the form of...
- 3) Gold and silver coins contain ...
- 4) Gold and silver coins are equal in...
- 5) Coins or uncoined bullion can be...
- 6) Various forms of paper notes came into use for...
- 7) Banks began...
- 8) Each banknote was redeemable for...
- 9) This paper money became...
- 10) Paper money was backed...
- 11) Any settlement of debts was settled by...
- 12) Many countries suspended... because of...
- 13) Gold is still quoted...

## UNIT 3

### Monetarism

Monetarism as an economic theory states that inflation is caused by an excessive supply of money. Thus the best way to manage and control a country's economic system is to limit the amount of money in circulation. Where there is too much money it will cause the price of goods to rise, i.e. the value of money will fall. The concept of money supply (all the money that exists in a country's economic system at a particular time) plays an important role in economic policymaking, because many economists believe that it is the quantity of money within the economy that ultimately determines real price levels, the rate of economic growth, and the rate of inflation. The Federal Reserve Banks in the United States and the Bank of England in the United Kingdom regulate the money supply to stabilize their respective

economies. The Federal Reserve Banks, for example, can buy or sell government securities, thereby expanding or contracting the money supply. Monetary systems are today very much alike in all the major countries of the world. Monetary systems consist of three levels: [1] the holders of money (the "public") - individuals, businesses, governmental units; [2] commercial banks, which borrow, by way of demand deposits (= bank deposits that can be withdrawn without advance notice), from the public and make loans to individuals, firms, or governments; and [3] central banks, which have a monopoly on the issue of money, serve as the bankers for the central government and the commercial banks, and have the power to determine the quantity of money in circulation.

### Vocabulary

<b>monetarism</b>	монетаризм	monetarizm
<b>excessive</b>	чрезмерные	həddən artıq, hədsiz
<b>money supply</b>	денежная масса в обращении	dövrüyyədə olan pul
<b>ultimately</b>	в основе, в корне	sonda, nəticədə
<b>government</b>	государственные	dövlətə məxsus
<b>securities</b>	ценные бумаги	qiymətli kağızlar
<b>expand</b>	расширять	genişləndirmək, çoxaltmaq
<b>contract</b>	сокращать	ixtisar etmək, azaltmaq
<b>governmental unities</b>	правительственные подразделения	hökümət idarələri
<b>demand deposit</b>	вклад до востребования	tələbli əmanət/ xəzinə

### **Exercise 1. Answer the Questions:**

1. What does monetarism state?
2. What is the best way to manage an economy?
3. What will cause the price of goods to rise?
4. What plays an important role in economic policymaking?
5. What do economists believe?
6. What might be done to expand or contract the money supply?
7. What is the first level of monetary systems?
8. What is the second level of monetary systems?
9. What is its third level?

### **Exercise 2. Agree or disagree with the following statements.**

- 1) Deflation is caused by an excessive supply of money.
- 2) Too much money in circulation does not cause the price of goods to rise.
- 3) To limit the amount of money in circulation is the best way to control an economy.
- 4) Money supply plays an insignificant role in economic policymaking.
- 5) The quantity of money in circulation has a strong influence on real prices.
- 6) The quantity of money in circulation has a strong effect on the rate of economic growth.
- 7) Commercial banks do not borrow money from the public.

### **Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English.**

Монетаризм; стабилизировать; соответственный; регулировать; темп экономического роста; инфляция; быть причиной; чрезмерный; денежная масса в обращении; стоимость; мнение; управлять; контролировать; количество; разработка политического курса; полагать; в конце концов; определять; уровень; государственные

ценные бумаги; таким образом; расширять; сокращать; денежный; главный; держатель; фирма; правительственные подразделения; занимать; вклад до востребования; ссуда; эмиссия; темп развития инфляции; Федеративный резервный банк; общественность.

Monetarizm; sabitləşdirmək; münasib; qaydaya salmaq, iqtisadi artım tempi; infliyasiya; səbəb olmaq; hədsiz; dövriyyədə olan pul; dəyər; rəy/mübadilə; idarə etmək; nəzarət etmək; miqdar/kəmiyyət; siyasi kursu işləyib hazırlama; fərz etmək/hesab etmək; sonda; müəyyən etmək; səviyyə; dövlətə məxsus qiymətli kağızlar; beləliklə, artırmaq; azaltmaq; pul/pullu; əsas; sahib; firma; hökümət idarələri; borc almaq; tələbli əmanət; borc; emissiya; infliyasiyanın inkişaf tempi; federal ehtiyat bankı; ictimaiyyət/cəmiyyət

**Exercise 4. Complete the following statements. Choose one topic to speak about a) the first level of monetary systems; b) the second level of monetary systems; c) the third level of monetary systems. Retell the text Monetarism.**

- 1) Monetarism states...
- 2) The best way to control a country's economic system is...
- 3) ...will cause the price of goods to rise.
- 4) The concept of money supply plays...
- 5) Many economists believe...
- 6) ...regulate the money supply to stabilize...
- 7) ...can buy or sell...
- 8) Monetary systems consist of...

## UNIT 4

### Money laundering

Criminals use the financial system to put money which has been obtained illegally into legal businesses and bank accounts, so that they can hide it or use it. These activities are commonly referred to as money laundering. In January 1989 the Basle Statement of Principles on Money Laundering was circulated to all institutions authorised under the Banking Act. The Statement of Principles does not restrict itself to drug related money laundering, but extends to all aspects of laundering through the banking system, i.e. the deposit, transfer and/or concealment of money derived from illicit activities whether robbery, terrorism, fraud or drugs. The Statement of Principles seeks to deny to those involved in money laundering by the application of the following principles: (a) Know your customer - banks should make reasonable efforts to determine the customer's true identity and have effective procedures for verifying the bona fides of new customers, that is, they are who they say they are. (b) Compliance with laws - banks should ensure that business is conducted in conformity with high ethical standards and laws; that a service is not provided where there is good reason to suppose that transactions are associated with laundering activities. (c) Cooperation with law enforcement agencies - within any constraints imposed by rules relating to customer confidentiality, banks should co-operate fully with national law enforcement agencies including, where there are reasonable grounds for suspecting money laundering, taking appropriate measures which are consistent with the law.

## Vocabulary

<b>money laundering</b>	отмывание денег	çirkli pulların yuyulması
<b>laundered money</b>	отмытые деньги	yuyulmuş pul
<b>circulate/extend</b>	распространять	yaumaq, genişləndirmək
<b>authorize</b>	узаконить	qanuniləşdirmək
<b>restrict</b>	ограничивать	məhdudlaşdırmaq
<b>transfer</b>	перемещение	köçürmə
<b>concealment</b>	утаивание	gizlətmə, ört-bastır etmə
<b>illicit</b>	незаконный	qanunsuz
<b>deny</b>	не допускать	icazə verməmək
<b>reasonable</b>	разумный	ağıllı, düşünülmüş
<b>true</b>	подлинный	həqiqi, orijinal
<b>identity</b>	опознание	şəxsiyyətin tanınması
<b>verify</b>	личность	doğruluğu/həqiqəti təsdiqləmək
<b>bona fides</b>	удостоверять	vicdan, insaf, düzlük
<b>law compliance</b>	добросовестность	qanuna əməl etmə
<b>constraints</b>	соблюдение закона	məhdudluğu
<b>confidentiality</b>	ограничение	gizli, məxfilik
<b>consistent</b>	конфиденциальность	münasib, uyğun gələn
<b>mistaken identity</b>	согласующийся	bir insanı digəri ilə dəyişik salmaq
	принятие одного лица за другое	

### Exercise 1. Answer the Questions:

1. What is commonly referred to as money laundering?
2. What was circulated to all banks in 1989?
3. What does the Statement of Principles extend to?
4. How many principles are included in the Statement of Principles?

5. What is the first one?
6. What is the second one?
7. What is the third one?

**Exercise 2. Agree or disagree with the following statements.**

- 1) Banks should determine the customer's mistaken identity.
- 2) Banks should not check the bona fides of new customers.
- 3) If you check someone's bona fides, you check that they are who they say they are.
- 4) Banks should ensure that business is conducted in a way that obeys rules.
- 5) Banks should make it certain that a service is not provided where there are laundering activities.
- 6) Banks should disobey law enforcement agencies.
- 7) Banks should take correct or suitable measures against money laundering.

**Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English.**

Ошибочное опознание личности; применение; разумный; подлинный; опознание личности; удостоверить подлинность; добросовестность; соблюдение закона; обеспечивать; соответствие; предоставлять; предполагать; распространять; трансферт; утаивание; незаконный; мошенничество; искать; не допускать; сделка; отмывание денег; узаконить; отмытые деньги; ограничивать; ассоциироваться; полицейский орган; ограничения; конфиденциальность; согласующийся.

Отмытые деньги – это средства, посланные последовательно через большое число депозитарных институтов в попытке скрыть источник денег. Гангстеры отмывают деньги для придания видимости легальности нелегальным источникам своего обогащения.



şəxsiyyətin yanlış tanınması; tətbiq etmə/işlətmə; ağıllı; həqiqi; şəxsiyyətin müəyyən olunması; həqiqəti təsdiqləmək; düzlük; qanuna əməl etmə; təmin etmə; uyğun olaraq; vermək/həvalə etmə; zənn etmə; genişləndirmək; transfer; ört-bastır etmə; qanunsuz; fırıldaq/hiyləgərlik; axtarmaq; yol verməmək; alver; pulun yuyulması; qanuniləşdirmək; yuyulmuş pul; məhdudlaşdırmaq; assosiasiya edilmək; polis idarəsi (orqanı); məhdudiyyət; məxfilik; münasib.

Yuyulmuş pul – pulun mənbəyini gizlətmək məqsədilə çox sayda depozit təsisatlarından ardıcıl surətdə göndərilmiş vəsaitdir. Qanqsterlər (banditlər) özlərinin qeyri-qanuni varlanma mənbələrini qanuniləşdirmək məqsədilə pulları yuyurlar.

**Exercise 4. Complete the following statements. Choose one topic to speak about Money laundering a) its first principle b) its second principle; c) its third principle. Retell the text Money laundering.**

- 1) Criminals use...
- 2) These activities are referred to as...
- 3) ...was circulated to...
- 4) The Statement of Principles does not restrict... but extends to...
- 5) Banks should make...
- 6) Banks should have... for verifying...
- 7) Banks should ensure that business is...
- 8) Banks should ensure that a service is...
- 9) Banks should co-operate... including taking...

## Lesson II

## CREDIT

### UNIT 1

#### Credit and crediting

Credit - transactions between two parties in which one (the creditor or lender) supplies money, goods, services, or securities in return for a promised future payment by the other (the debtor or borrower). [Creditor is someone who money is owed to. Debtor is someone who owes money.] Credit given is an indication of trust in that person to pay for the goods given or money lent. Credit transactions normally include the payment of interest to the lender. Credit may be extended by public or private institutions to finance business activities, agricultural operations, consumer expenditures, or government projects. Most modern credit is extended through specialized financial institutions, of which commercial banks are the oldest and most important. The lender must judge each loan he makes on the basis of the character of the borrower (his intention to repay), his capacity to repay (based on his potential for earning income), and his collateral (property or other goods that you promise to give someone if you cannot pay back the money they lent you). [Loan is an amount of money that you borrow from a bank.] Customers and lenders may publicly regulate the terms of credit transactions to prevent abuses.

#### Vocabulary

<b>crediting</b>	кредитование	kreditləsmə
<b>securities</b>	ценный бумаги	qiymətli kağızlar
<b>in return</b>	взамен	əvəzində
<b>given</b>	предоставленный	təqdim olunmuş
<b>indication</b>	знак	işarə
<b>extend</b>	предоставлять	təqdim etmək

<b>finance</b>	финансировать	maliyyələşdirmək
<b>expenditures</b>	расходы	xərclər
<b>judge</b>	оценить	qiymətləndirmək
<b>capacity</b>	способность	bacarıq
<b>collateral</b>	залог	girov
<b>abuse</b>	злоупотребление	sui-stifadə
<b>imply</b>	подразумевать	nəzərdə tutmaq
<b>discharge of debt</b>	погашение долга	borcun ödənilməsi

### **Exercise 1. Answer the Questions:**

1. What is by the term “credit” meant ?
2. What does credit normally include?
3. What institutions may extend credit?
4. What may credit finance?
5. How is most modern credit extended?
6. How must the lender judge each loan?
7. What does the character of the borrower imply?
8. What is the debtor’s capacity to repay based upon?
9. What does the debtor’s collateral imply?
10. What may be publicly regulated?
11. Why may the terms of credit transactions be publicly regulated?

### **Exercise 2. Agree or disagree with the following statements.**

- 1) Credit is an arrangement with a shop, bank etc that makes it possible for you to buy something and pay for it later.
- 2) The lender supplies shares in return for a future payment by the borrower.
- 3) Credit doesn’t include the payment of interest to the lender.
- 4) Credit may sponsor consumer expenditures.
- 5) The lender must appreciate each loan.
- 6) The lender must estimate the character of the borrower.
- 7) The lender may not judge the borrower’s intention to repay.
- 8) The borrower must

judge the lender's capacity to repay. 9) The borrower's capacity to repay is based on his potential for making money. 10) The lender must judge the borrower's pledge. 11) The terms of credit can't prevent abuses by customers and lenders. 12) Customers and lenders may secretly correct the terms of credit transactions to prevent abuses.

### **Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English.**

Кредитование; акции; взамен; обещать; обещанный; долг; дебитор; облигации; занимать; знак; доверие; сделка; проценты; предоставлять; финансировать; потребитель; расходы; оценить; ссуда; способность; заработать; доход; залог; условия соглашения; публично; предотвратить; заказчик; подразумевать; кредитор; давать взаймы; ссудодатель; поставлять; ценные бумаги; предоставленный; злоупотребления; участвующее лицо.

Кредит – это ссуда в денежной или товарной форме на условиях возвратности. Кредитор – это один из участников кредитных отношений, выступающий как субъект, предоставляющий ссуду. Кредитором может быть государство, банк, предприятие или организация. Дебитор – это должник, юридическое или физическое лицо, имеющее денежную задолженность предприятию, организации, учреждению. Должник – это сторона в обязательстве, от которой другая сторона-кредитор вправе требовать передачи имущества, выполнения работы или уплаты денег в счет погашения долга.

Kredit vermə; səhm; əvəzində; vəd etmək; vəd edilmiş; borc; debitor; istiqraz vərəqəsi; borc almaq; işarə; inam/etibar; alver; faiz; vermək; maliyyələşdirmək; istehlakçı; xərc;

qiymətləndirmək; borc; qabiliyyət; qazanmaq; gəlir; girov; razılığın şərtləri; camaat qarşısında; qarşısını almaq (vaxtında); sifarişçi; zənn etmək; kredit verən; borc vermək; borc verən (şəxs və idarə); göndərmək; qiymətli kağızlar; verilmiş; sui-istifadə; iştirak edən şəxs.

Kredit – qaytarılma şərti ilə verilən pul və ya mal formasında olan borcdur. Kreditor – kredit münasibətlərin iştirakçılarından biri olub, subyekt kimi çıxış edən və krediti təqdim edən şəxsdir. Kreditor dövlət, bank, müəssisə və ya təşkilat ola bilər. Debitor –bu hüququ və ya fiziki şəxs olaraq müəssisələrə, təşkilatlara qurumlara pul borcu olan şəxsdir. Borclu – mülkiyyətin digər tərəfə verilməsi işin yerinə yetirilməsini və yaxud da borcun ödənilməsini tələb etmək hüququna malik olan kreditor qarşısında öhdəlik daşıyan tərəfdir.

**Exercise 4. Complete the following statements. Choose one topic to speak about a) credit, its transactions and its terms; b) the character of the borrower. Retell the text Credit and crediting.**

- 1) Credit means...
- 2) Credit given is...
- 3) Credit transactions include...
- 4) Credit may be...
- 5) Credit finance...
- 6) Most modern credit is extended...
- 7) The lender must judge...
- 8) Customers may regulate...

## UNIT 2

### Credit risk

Credit risk - in general, the risk that a lender will not be able to get the money loaned back from the borrower. To guard against this, the credit risk is assessed either by a lending manager at an interview, or by the submission of a specially prepared form which is designed to score the credit rating. Credit scoring is a method of measuring the risk factor in a personal lending situation. By using this computer method, the bank saves on management time, clerical costs, etc. The procedure only demands the time of a junior clerk to see that the customer completes the form correctly and such data as marital status, address, employment, income, etc. is fed into the computer and the answer is given. Should the answer be unreasonable, then the loan application can be referred to a senior official. Credit rating is a judgement made by a financial institution about how likely a person or business is to pay their debts. Credit rating is usually obtained through the banking system or through the credit analyst whose function is to research into the records / affairs of an individual or company to assess whether that person / entity has a degree of creditworthiness (creditworthy -considered to be able to repay debts).

#### Vocabulary

<b>credit risk</b>	кредитный риск	kredit riski
<b>interview</b>	деловое свидание	işgüzar görüş
<b>clerical</b>	канцелярский	dəftərxana
<b>refer</b>	направлять	istiqamətləndirmək
<b>credit rating</b>	рейтинг общей кредитоспособности заемщика	borc alanın kredit ödəmə qabiliyyəti reytinqi
<b>entity</b>	юридическое лицо	hüquqi şəxs

**judgement**

МНЕНИЕ

fikir, rəy

**Exercise 1. Answer the Questions:**

1. What is by the term “credit risk” meant?
2. What is to be done to guard against credit risk?
3. Who has the right to assess credit risk?
4. What is by the term “credit scoring” meant?
5. What does the bank save by using credit scoring?
6. What does the procedure of credit scoring demand?
7. What is fed into the computer?
8. When can the loan application be referred to a senior official?
9. What does credit rating inform?
10. How is credit rating usually obtained?
11. What is the function of credit analyst?

**Exercise 2. Agree or disagree with the following statements.**

- 1) A lending manager at an assignment assesses credit risk.
- 2) Credit risk might not be assessed.
- 3) Credit scoring is not a method of measuring risk factor.
- 4) The bank economizes clerical costs by using credit scoring.
- 5) The procedure demands the time of a senior clerk.
- 6) The customer completes the form untruthfully.
- 7) Such data as matrimonial status or address is fed into the computer.
- 8) The loan application can be referred to a junior official.
- 9) Credit rating is an estimation made by a financial institution.
- 10) Credit rating is derived through the banking system.
- 11) Credit rating is not obtained through the credit analyst.
- 12) Credit analyst studies the affairs of an individual in detail.
- 13) Credit analyst assesses whether that person has a degree of solvency.
- 14) Lender is a person that offers money to a borrower with the expectation that

repayment will be made with interest, either by installments or in one amount, by a specified date.

### **Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English.**

Юридическое лицо; риск неплатежа по кредиту; измерять; беречь; канцелярский; младший служащий; данные; брачный статус; питать; неразумный; прошение; направлять; старший; рейтинг общей кредитоспособности заемщика; мнение; представление документов; вероятный; исследовать; ссуда; оценивать; деловое свидание; система оценки потенциальных заемщиков; кредитоспособность.

Кредитоспособность определяется показателями, характеризующими заемщика: его аккуратностью при расчете по ранее полученным кредитам, его текущим финансовым положением, его способностью при необходимости мобилизовать денежные средства из различных источников. Кредитный риск – это вероятность неоплаты задолженности по платежам и обязательствам в установленный контрактом срок.

Hüquqi şəxs; kreditin ödənilməsi ilə bağlı risk; ölçmək; qorumaq; dəftərxana; kiçik qulluqçu; məlumat/rəqəmlər; bərcəniy status; təchiz etmək/yükləmək; düşünölməmiş bərcişlanma; istiqamətləndirmək; böyük; kredit ödəmə qabiliyyəti; fikir/rəy; sənədlərin təqdim edilməsi; inandırıcı; tədqiq etmək; qiymətləndirmək; işgüzar görüş; potensial bərc alanların kredit ödəmə qabiliyyətinin qiymətləndirilmə sistemi; kredit ödəmə qabiliyyəti.

Kredit ödəmə qabiliyyəti – bərc alanı xarakterizə edən göstəriciləri: onun əvvəlcə almış olduğu kreditin qaytarması ilə bağlı dəqiqliyini; onun cari maliyyə vəziyyətini, onun



zəruri olduqda müxtəlif mənbələrdən pul vəsaitlərini toplamaq qabiliyyətini və s. müəyyən edir.

Kredit riski – bu müqavilədə müəyyən olunmuş müddətdə öhdəliklər və ödənişlərlə bağlı borcun ödənilməsinin mümkün ola biləcəyini bildirir.

**Exercise 4. Complete the following statements. Choose one topic to speak about a) credit, its transactions and its terms; b) the character of the borrower. Retell the text Credit and crediting.**

1) Credit risk means... 2) Credit risk is assessed... 3) Credit scoring is... 4) The bank saves... by using... 5) Credit scoring demands... 6) Credit scoring includes such data as... 7) The loan application is referred... when... 8) Credit rating is... and is obtained through... 9) The function of credit analyst is...

## **UNIT 3**

### **Credit union**

A system, popular in North America, by which people with a common bond - membership of the same club, church, tenants' association or trade union - can collaborate to put their savings (all the money that one has saved, especially in a bank) into a joint fund. Members can then apply to borrow from the fund and make repayments at an annual rate of interest of 12 per cent. The loans are usually short-term consumer loans, mainly for automobiles, household needs, medical debts, and emergencies. In less developed countries these loans are particularly important, constituting the only credit source for many people, and are used primarily for farm production and small business enterprise. Credit unions generally operate

under government charter and supervision. At annual meetings, the members elect the directors, the credit committee, and the supervisory committee. The Credit Union Act 1979 included the following: 1. the minimum membership shall be 21 and the maximum 5000; 2. the maximum savings permitted per person to be 3000\$; 3. the unions must be non-profit making and the purpose is to provide a service to its members.

### Vocabulary

<b>credit union</b>	кредитный союз	kredit ittifaqı
<b>common bond</b>	общая связь	ümumi əlaqə
<b>savings</b>	сбережения	əmanət
<b>tenant</b>	арендатор	icarədar
<b>supervisory</b>	наблюдательный	nəzarətçi
<b>rate of interest</b>	процентная ставка	faiz dərəcəsi

### Exercise 1. Answer the Questions:

1. What people can put their savings into a joint fund?
2. Can the members of credit unions apply to borrow from the fund?
3. What repayments can the members make?
4. What loans can the members take?
5. What do these loans constitute?
6. What are these loans used for?
7. What do credit unions operate under?
8. What do the members do at annual meeting?
9. What is said about credit unions in the Credit Union Act 1979?

## **Exercise 2. Agree or disagree with the following statements.**

- 1) People can cooperate together to put their savings into a joint fund.
- 2) The members of credit unions can appeal to borrow from the fund.
- 3) The members of credit unions make repayments at a monthly rate of interest of 15 per cent.
- 4) The loans are usually long-term consumer loans.
- 5) These loans are not for emergencies.
- 6) These loans compose the only credit source for many people.
- 7) These loans are used primarily for major concerns.
- 8) Credit unions generally operate under Magna Charter.
- 9) Credit unions do not operate under government supervision.
- 10) Credit unions must be uncommercial organizations.
- 11) Credit union is not obliged to provide a service to its members.
- 12) Fund is an amount of money that is collected and kept for a particular purpose.
- 13) A non-profit making organization uses the money it earns to help people.
- 14) Repayment is an amount of money that you pay back.
- 15) Tenant is someone who lives in a house, room etc and pays rent to the person who owns it.
- 16) Loan is an amount of money that you borrow from a bank etc.
- 17) Consumer is someone who buys and uses products and services.
- 18) Charter is a signed statement from a government, which allows an organization to officially exist and have special rights.

## **Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English.**

Общая связь; избирать; учреждать; источник; предприятие; обычно; хартия; надзор; наблюдательный; разрешать; не ставящий себе целью извлечение прибыли; цель; членство; арендатор; союз; профсоюз; сотрудничать; сбережения; совместный; фонд; медицинский; обращаться; занимать;

погашение; годовой; процентная ставка; ссуда; краткосрочный; потребительский; главным образом; домашнее хозяйство; непредвиденный случай; особенно; включать; обеспечить; долг; развивающиеся страны.

Кредитные союзы – это финансовые кооперативные организации, объединяющие частные лица по какому-либо общему признаку (например, лица наемного труда или проживающие в одной местности). Принципы деятельности кредитных союзов те же, что и у акционерных обществ, они предоставляют своим членам потребительский кредит с условием погашения его в рассрочку.

Ümumi əlaqə, seçmək, əsasını qoymaq, mənbə, müəssisə, adətən, nizamnamə, nəzarət, müşahidəedici; həll etmək, mənfəət güdməyən, məqsəd, üzvlük, arendator, ittifaq, həmkarlar ittifaqı, əməkdaşlıq etmək; əmanət, müştərək, fond, tibbi nöqtəyi nəzərdən, dövr etmək; borc almaq; ödənilmə; illik, faiz dərəcəsi, kredit, qısa müddətli, istehlak(çı), başlıca olaraq, ailə təsərrüfatı, gözlənilməz hadisə, xüsusilə, daxil etmək; təmin etmək, borc, inkişaf edən ölkələr.

Kredit ittifaqları – ayrı-ayrı fərdlərin hər hansı bir ümumi əlamətlərinə görə birləşdirən, maliyyə kooperativ təşkilatıdır (məsələn eyni bir yerdə yaşayan şəxslər və s.) Kredit ittifaqlarının fəaliyyət prinsipləri səhmdar cəmiyyətlərinin fəaliyyət prinsipləri ilə eynidir, onlar öz üzvlərinə krediti müəyyən müddət ərzində hissə-hissə ödəmək şərtiylə verirlər.

**Exercise 4. Complete the following statements. Choose one topic to speak about a) credit union; b) credit union and its loans; c) Credit Union Act 1979. Retell the text Credit union.**

- 1) Credit union is...
- 2) People with a common bond are...
- 3) People can collaborate...
- 4) Members can apply...
- 5) Members make...
- 6) The loans are...
- 7) These loans constitute...
- 8) These loans are used...
- 9) Credit unions operate...
- 10) The members of credit unions elect...
- 11) The Credit Union Act included...

## **UNIT 4**

### **Credit card and credit cardholders**

Credit card is a piece of plastic about 85 mm by 54 mm, bearing the name and computer number of the holder and the period of availability. The holder must sign it. The best known cards in the UK are the VISA card and ACCESS; the American Express and Diner's Club (introduced by the Diner's Club, Inc., in 1950) are leisure or entertainment cards as no credit is permitted. VISA is an international credit card scheme which has worldwide representation. Major banks in a number of countries have issued cards through VISA. ACCESS is the name given to a credit card company jointly owned by three banks, namely, Lloyds, Midland and National Westminster. The American Express Company issues American Express card whose holders have no limit placed on the sum they spend, but all outstanding debts must be settled by a given date. Any creditworthy mature person can be a credit card holder. Before a card is issued, certain details are supplied and references (reference – a letter written by someone who knows you well, usually to a new employer, giving information about

you) given. On approval a credit card is given to the holder and the cardholder is at the same time notified of the maximum credit available to him / her. The credit card can be used at any retail outlet displaying the credit card company symbol. It is usual for settlement or partial settlement to be made by the credit cardholder within 25 days of receipt of the statement.

### Vocabulary

<b>credit card</b>	кредитная карточка	kredit kartı
<b>availability</b>	годность	yararlılıq
<b>access</b>	доступ	giriş
<b>outstanding</b>	неуплаченный	ödənilməyən
<b>mature</b>	зрелый	yetgin,
<b>retail outlet</b>	розничная торговая точка	pərakəndə ticarət mərkəzi
<b>settlement</b>	расчет	hesab
<b>receipt</b>	получение	alma, qəbul etmə
<b>statement</b>	отчет	hesabat

### Exercise 1. Answer the Questions:

1. What does credit card bear?
2. What must the holder sign?
3. What credit cards are the best known cards in the UK?
4. What credit cards are leisure cards and why?
5. What is known about ACCESS and VISA?
6. What is known about American Express card?
7. Who can be a credit card holder?
8. What is supplied and given before a card is issued?
9. What is the cardholder notified of?
10. Where can the credit card be used?
11. What is to be made by the cardholder within 25 days of receipt of the statement?

## **Exercise 2. Agree or disagree with the following statements.**

1) Credit card is a piece of wood. 2) Credit card bears the name of the owner. 3) Credit card bears the computer number of the possessor. 4) Credit card bears the period of serviceable life. 5) The holder must subscribe credit card. 6) Holders have limit placed on the sum they can spend. 7) All debts must be settled by a given date. 8) Any solvent person can be a credit card holder. 9) Recommendations are to be given before a card is issued. 10) The cardholder is announced of the minimum credit available to him. 11) The credit card can be used far and near. 12) Retailer is someone who sells things in a shop.

## **Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English.**

Доступ; досуг; извешать; доступный; розничная торговая точка; продемонстрировать; частичный; расчет; получение; зрелый; держатель; годность; развлечения; разрешать; неуплаченный; заслуживающий; кредитоспособность; отчет; пускать в обращение; снабжать; рекомендация; одобрение; подписывать.

Daxil olma (keçmə); asudə vaxt; köhnəlmək; keçilə bilən (yüngül, sadə); pərakəndə ticarət mərkəzi; nümayiş etdirmək; qismən; hesab; alma (qəbul etmə); yetgin; sahibkar; yararlılıq; əyləncə; icazə vermək (izn vermək); ödənilməmiş; dinləyən (qulaq asan); kredit ödəmə qabiliyyəti; hesabat; dövrüyyəyə buraxmaq; təchiz etmək; zəmanət; bəyənmə; imzalamaq.

**Exercise 4. Complete the following statements. Choose one topic to speak about a) credit card; b) the best known cards in the UK; c) credit cardholders. Retell the text Credit card and credit cardholders.**

- 1) Credit card is...
- 2) Credit card bears...
- 3) The holder must...
- 4) The best known cards in the UK are...
- 5) VISA is...
- 6) ACCESS is...
- 7) American Express card is known for its holders have...
- 8) Any creditworthy person can...
- 9) Before a card is issued...
- 10) The cardholder is notified of...
- 11) The credit card can be used...
- 12) The credit cardholder should make... within 25 days...



## Lesson III

## BANK

### UNIT 1

#### Bank and its classes

Bank – an institution that deals in money and its substitutes and provides other financial services. Banks accept deposits and make loans and derive a profit from the difference in the interest rates. They also have the power to create money. The two major classes of banks are commercial and central banks. Commercial banks accept savings deposits, make loans and other investments, and offer financial services that facilitate the exchange of funds among individuals and institutions. In addition to the profit derived from the difference in the interest rates, commercial banks charge fees for various services. Central banks are involved in the issue of money and maintain the country's foreign currency reserves. Central banks maintain the accounts of other banks and supervise their activities. Central banks act as bankers to governments, as the designers of monetary and credit policies, and as lenders of last resort to commercial banks in the case of a financial crisis. Central banks also play a significant psychological role as guarantors of the monetary system. Central banks may be nationalized organizations and are subject to government control, but some of them can have independence from governmental supervision.

#### Vocabulary

<b>deal in</b>	торговать	alver etmək
<b>deposit</b>	вклад в банк	banka yatırma
<b>derive a profit</b>	извлекать прибыль	gəlir əldə etmək

<b>savings deposit</b>	сберегательный вклад на неопределенный срок под процент	faiz ödəməklə müddətsiz əmanət qoyuluşu
<b>funds</b>	денежные средства	pul vəsaiti
<b>charge fees</b>	начислять комиссионные	komissyon hesablama
<b>lender of last resort</b>	последний кредитор в критической ситуации	çətin hallarda sonuncu kreditor
<b>monetary system</b>	денежная система	pul sistemi

### **Exercise 1. Answer the Questions:**

1. What is by the term “bank” meant?
2. What do banks accept?
3. What do banks make?
4. What do banks derive a profit from?
5. What are the two major classes of banks?
6. What do commercial banks accept?
7. What do commercial banks make?
8. What do commercial banks offer?
9. What are central banks involved in?
10. What do central banks maintain?
11. What do central banks supervise?
12. What do central banks act as?
13. What role do central banks play?
14. Are central banks subject to government control or not?

### **Exercise 2. Agree or disagree with the following statements.**

- 1) Bank trades in money. 2) Bank gives various financial services. 3) Banks receive deposits. 4) Banks don't make loans.

- 5) Banks derive a profit by skillfully deceiving people.
- 6) Commercial banks aid the exchange of funds among individuals and institutions.
- 7) Central banks act as bankers to organized crime.
- 8) Central banks act as the designers of default.
- 9) Central banks act as the designers of foreign policy.
- 10) Central banks act as lenders of last resort to counterfeiters.
- 11) Central banks play an important role as guarantors of the monetary system.
- 12) Central banks have the right to issue money.
- 13) Central banks keep the country's foreign currency reserves.
- 14) Central banks back up the accounts of other banks.
- 15) Central banks oversee the activities of other banks.
- 16) Central banks may be private owned organizations.
- 17) Central banks are subject to shadow ministers.
- 18) Central banks are totally dependent on their bank customers.

**Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English.**

Торговать; сберегательный вклад на неопределенный срок под процент; способствовать; денежные средства; начислять комиссионные; валютная политика; кредитная политика; последний кредитор в критической ситуации; денежная система; вклад в банк; ссуда; извлекать прибыль; процентная ставка.

- 1) Банк торгует деньгами и их заменителями.
- 2) Банк обеспечивает различные финансовые услуги.
- 3) Банк принимает депозиты.
- 4) Банки предоставляют займы.
- 5) Банки получают прибыль из разницы в процентных ставках.
- 6) Банки могут быть независимы от правительственного контроля.

Alver etmək; faiz ödəməklə müddətsiz əmanət qoyuluşu; kömək etmək; pul vəsaiti; komisyon haqlarının

hesablanması; valyuta siyasəti, kredit siyasəti, fəvqəladə hallarda son kreditor, pul sistemi, əmanət, ssuda (borc), gəlir əldə etmək, faiz norması.

Bank pul və pul əvəzediciləri ilə işləyir. 2) Bank müxtəlif maliyyə xidmətlərini təmin edir. 3) Bank depozitlər qəbul edir. 4) Banklar borc verir. 5) Banklar müxtəlif faiz qoyuluşlarından gəlir əldə edirlər. 6) Banklar dövlət nəzarətindən asılı olmaya bilərlər.

**Exercise 4. Complete the following statements. Choose one topic to speak about a) bank; b) commercial bank; c) central bank. Retell the text Bank and its classes.**

1) Bank deals in... 2) Bank provides... 3) Banks accept... 4) Banks make... 5) Banks derive... 6) Banks have... 7) The two major classes of banks are... 8) Commercial banks accept... 9) Commercial banks make... 10) Commercial banks offer... 11) Commercial banks charge... 12) Central banks are involved in... 13) Central banks maintain... 14) Central banks supervise... 15) Central banks act as... 16) Central banks play... 17) Central banks may be... 18) Central banks are subject to... 19) Central banks can have...

## UNIT 2

### **European Bank for Reconstruction and Development**

The European Bank, with its headquarters in London, was established in May 1990. It is the first international financial institution of the post-Cold War period, Its purpose is to foster the transition towards open market oriented economies and to promote private and entrepreneurial initiative in the

countries of central and Eastern Europe. The European Bank will endeavour to help the economies of these countries integrate into the international economy, with particular concern for strengthening democratic institutions, respect for human rights and for environmentally sound policies. In fulfilling its purpose, the Bank performs a wide range of functions designed to assist countries with operations to implement structural economic reforms, including demonopolization, decentralization and privatization. The European Bank has the following departments: merchant banking (merchant bank - a bank that provides banking services for business), development banking, finance, personnel and administration, project evaluation, secretary general, chief economist, communications and press, internal audit. The Bank has 59 members: 57 countries and two institutions - the European Investment Bank (EIB) and the Economic Community (EC), known as the European Economic Community or Common Market.

### Vocabulary

<b>foster</b>	благоприятствовать	şərait yaratmaq
<b>transition</b>	переход	keçid
<b>entrepreneur</b>	предприниматель	sahibkar
<b>endeavor</b>	пытаться	cəhd etmək
<b>environmentally</b>	относящийся к	ətraf mühitin
<b>sound</b>	борьбе с загрязнением окружающей среды	çirklənməsinə qarşı mübarizə
<b>range</b>	ряд	sıra
<b>implement</b>	осуществлять	həyata keçirmək
<b>demonopolization</b>	демонополизация	demonopoliya
<b>decentralization</b>	децентрализация	desentralizasiya
<b>privatization</b>	приватизация	özəlləşdirmə
<b>banking</b>	банковские услуги	bank xidməti
<b>personel administration</b>	управление кадрами	kadrlar idarəsi

**evaluation**

оценка

qiyमत

**internal audit**

внутренняя ревизия

daxili tæftiş

### **Exercise 1. Answer the Questions:**

1. When was the European Bank established?
2. Where is its headquarters?
3. What is its purpose?
4. What will do the European Bank endeavor?
5. What are the European Bank's requirements to integrate into the international economy?
6. What does the European Bank perform in fulfilling its purpose?
7. What departments does the European Bank have?
8. What member does the European Bank have?
- 9.

### **Exercise 2. Agree or disagree with the following statements.**

- 1) The European Bank's headquarters is in Paris.
- 2) The European Bank was founded in 1980.
- 3) The European Bank's ambition is to favour the transition to a planned economy.
- 4) The European Bank's aim is to promote business initiative.
- 5) The European Bank will help less developed countries join into the international economy.
- 6) Industrial nations should strengthen democratic institutions.
- 7) Commonwealth countries must respect human rights.
- 8) The countries of European Union have to conduct environmentally sound policies.
- 9) The European Bank brings the underdeveloped countries to ruin with privatization.
- 10) The European Bank assists the open market oriented economies with monopolization.
- 11) The European Bank lends the open market oriented economies a helping hand with centralization.

### Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English

Пытаться; оценка; особый; забота; укреплять; уважение; ряд; осуществлять; торговый; проект; благоприятствовать; частная инициатива; банковские услуги; экономическое развитие; штаб-квартира; учреждать; переход; ориентированный на; предприниматель; управление кадрами; внутренняя ревизия; относящийся к борьбе с загрязнением окружающей среды.

- 1) Европейский банк реконструкции и развития был учрежден в 1990 году.
- 2) Его цель состоит в том, чтобы благоприятствовать переходу к рыночной экономике.
- 3) Банк осуществляет множество функций.
- 4) Банк помогает странам осуществить приватизацию.
- 5) Банк имеет множество отделов.
- 6) Банк предоставляет долгосрочные кредиты развивающимся странам.

Cəhd etmək, qiymət, xüsusi; qayğı, möhkəmləndirmək; hörmət, sıra, həyata keçirmək; ticarət; layihə; şərait yaratmaq; şəxsi təşəbbüs; bank xidmətləri; iqtisadi inkişaf; mənzil-gərgah; əsasını qoymaq/yaratmaq; keçid; istiqamətləndirilmiş; sahibkar; kadrlar idarəsi; daxili təftiş; ətraf mühitin çirklənməsinə qarşı mübarizə.

- 1) Avropa bankının yenidən qurulması və inkişafı 1990-cı ildə təsdiq edilib.
- 2) Onun məqsədi odur ki, bazar iqtisadiyyatına keçid üçün müsbət təsir göstərsin.
- 3) Bank çoxlu funksiyalar həyata keçirir.
- 4) Bank ölkələrdə özəlləşmə prosesini həyata keçirməyə kömək edir.
- 5) Bankın bir çox şöbələri var.
- 6) Bank inkişaf etməkdə olan ölkələrə uzun müddətli kreditlər təqdim edir.

**Exercise 4. Complete the following statements. Choose one topic to speak about European Bank for Reconstruction and Development. a) its establishment and its headquarters; b) its purpose; c) its functions; d) its departments. Retell the text European Bank for Reconstruction and Development .**

1) The European Bank has its headquarters in... 2) It was established... 3) It is the first... 4) Its purpose is... 5) The European Bank will endeavour... 6) Its particular concern is... 7) The Bank performs... 8) These functions are designed to assist... 9) The European Bank has... departments and... members.

## **UNIT 3**

### **European Investment Bank**

The EIB was formed in 1958 with its headquarters in Luxembourg. It is administered by a Board of Governors which consists of a Minister (usually the Finance Minister) of each member country that lays down general directives on credit policy, approves the balance sheet, decides on capital increases and appoints directors and members of the management and audit committees. The Board of Directors has overall responsibility for deciding on loans and setting interest rates. The EIB makes loans for a wide range of projects. The pattern of lending depends on demand, the viability of the projects and their consistency with the European Economic Community's policies. Almost all the funds necessary to finance its lending operations are raised by borrowing on capital markets, mainly through public bond issues. While its traditional product is fixed rate loans, adjustable fixed - rate and variable – rate loans are also available. Maturities range between 4 - 20 or more



years with repayment of principal and interest normally in equal six – monthly installments. Depending on the borrower’s preferences and the EIB’s holdings, loans are disbursed in a single currency, such as the ECU (Euro), or the borrower’s own currency, or in a mix of several currencies. The European Investment Bank does not charge commitment, management or other fees.

### Vocabulary

<b>increase</b>	рост	artım
<b>viability</b>	жизнеспособность	həyat qabiliyyəti
<b>consistency</b>	согласованность	uyğunluq, müvafiq
<b>adjustable</b>	регулируемый	tənzimlənən
<b>variable</b>	переменный	dəyişkən
<b>maturities</b>	сроки платежа	ödəniş müddəti
<b>disburse</b>	платить	ödəmək
<b>charge</b>	требовать	tələb etmək
<b>commitment fee</b>	комиссия за обязательство предоставить кредит	iltizamlı kredit üçün komisiya

### Exercise 1. Answer the Questions:

1. When was the EIB formed?
2. Where is its headquarters?
3. What is it administered by?
4. Whom does the Board of Governors consist of?
5. What are the functions of the Board of Governors?
6. What does the Board of Directors have?
7. What does the EIB make?
8. What does the pattern of lending depend on?
9. Where does the EIB take its funds?
10. What loans are available by the EIB?

11. What do the EIB's maturities range?
12. How are the EIB's loans disbursed?
13. Does the EIB charge any fees?

**Exercise 2. Agree or disagree with the following statements.**

- 1) The Board of Directors formulates general directives on credit policy.
- 2) The Board of Directors sanctions the balance sheet.
- 3) The Board of Directors decides on capital decreases.
- 4) The Board of Directors ousts directors.
- 5) The Board of Directors doesn't assume responsibility for deciding on loans.
- 6) The EIB makes investments for a wide range of projects.
- 7) The EIB's pattern of lending depends on market.
- 8) Borrowing on capital markets cuts the EIB's funds?
- 9) The EIB's traditional product is variable-rate loans.
- 10) The EIB's loans are paid in a single currency.
- 11) The EIB charges commitment and management fees.

**Exercise 3. Translate the statements from Russian or Azerbaijani into English.**

Формулировать; жизнеспособность; согласованность; рынок капитала; облигация; эмиссия; кредит с фиксированной процентной ставкой; регулируемый; переменный; сроки платежа; колебаться в пределах; основная сумма; на которую начисляются проценты; очередной платеж при рассрочке платежа; предпочтения; вклады; платить; требовать; комиссия за обязательство предоставить кредит; указания; балансовый отчет; рост; все охватывающий; процентная ставка.

- 1) Европейский инвестиционный банк был создан в 1958 году.
- 2) Банк заимствовал средства на рынке капитала.
- 3) Банк субсидировал многие проекты.
- 4) Банк не требовал

комиссию за обязательство предоставить кредит. 5) Банк не требовал комиссию за обязательство предоставить менеджмент. 6) Кредит с фиксированной процентной ставкой означает заем с фиксированной ставкой процента, установленной на весь срок его действия, предоставляемый на фиксированный период времени.

Xulasə etmək; həyat qabiliyyəti, müvafiq; bazar kapitalı; istiqraz və rəqəsi; emissiya (qiymətli kağızlar, kağız pullar buraxılması), fiksə edilmiş faiz dərəcəsi ilə kredit; tənzimlənen (nizama salınan); dəyişən, ödəniş vaxtı; enib qalxmaq; əsas məbləğ; hansına ki, faiz hesablanır; möhlətlə ödəmədə növbəti ödəniş; üstünlük vermək; əmanət qoyuluşu; ödəmək; tələb etmək; iltizamlı kredit üçün komissiya; göstəriş verilmə; balans hesabatı; artım; hərtərəfli; faiz dərəcəsi.

1) Avropa investisiya bankı 1958-ci ildə yaradılmışdı. 2) Bank vəsaiti bazar kapitalından borc alıb. 3) Bank bir çox layihələrə maddi yardım göstərmişdi. 4) Bank kredit vermə ilə bağlı faiz tələb etmirdi. 5) Bank menecmentlə bağlı faiz tələb etmirdi. 6) Faiz norması təyin olunmuş kredit – əvvəlcədən müəyyən edilmiş müddət və vaxt ərzində verilən borcdur.

**Exercise 4. Complete the following statements. Choose one topic to speak about EIB. a) its establishment; b) its Board of Governors; c) its pattern of lending; d) its funds; e) its traditional product; f) its maturities; g) its currency; h) its fees. Retell the text The EIB .**

1) The EIB was formed... 2) Its headquarters is... 3) The EIB is administered by... 4) The Board of Governors lays down... 5) The EIB makes... 6) The EIB's pattern of lending depends on... 7) The EIB's funds are raised... 8) The EIB's traditional

product is... 9) The EIB's maturities range... 10) The EIB's loans are disbursed... 11) The EIB does not charge...

## UNIT 4

### Bank of England

The central bank in the UK is the Bank of England. Established in 1694 by Royal Charter, it had a capital of £ 1 200 000. This charter was renewed periodically and over the course of time, the Bank of England very gradually moved from being a commercial to being a central bank. Under the 1844 Bank Charter Act the Bank of England was divided into departments – the *Banking Department* and the *Issue Department*. Both these departments had to issue a balance sheet each week and still do. The Bank of England acquired the note issuing monopoly in England and Wales. Its present functions are (a) banker to the government; (b) banker's bank; (c) manages the Exchange Equalization Account [Exchange equalization account – an account held at the Bank of England for the Treasury that contains the country's foreign currency and gold reserves. This account is used to stabilize the value of sterling against other international currencies, so that if the Bank of England considers that sterling is drifting too low, it will buy sterling with funds from the account, or if sterling is becoming expensive the Bank of England will sell sterling and receive foreign currency and replenish the account]; (d) handles the issue of Treasury bills; (e) supervises the banking institutions in the UK; (f) maintains the sterling accounts of other central banks and international organizations; (g) lender of last resort; (h) the note issuing authority in England and Wales.

## Vocabulary

<b>banking</b>	банковские услуги	bank xidmətləri
<b>issue</b>	эмиссия	buraxma (emisiya);
<b>balance sheet</b>	балансовый отчет	balans hesabatı
<b>Exchange</b>	Фонд (счет)	Valyutanın stabit
<b>Equalization</b>	стабилизации	hesabı (qiyməti)
<b>account</b>	валюты (золотые и валютные резервы страны)	
<b>equalize</b>	уравнять	bərabərləşdirmək
<b>treasury bill</b>	казначейский вексель	xəzinə vekseli

### Exercise 1. Answer the Questions:

1. What bank is the central bank in the UK?
2. When was it established?
3. What was it established by?
4. What capital did it have?
5. How was that charter renewed?
6. How did the Bank of England move over the course of time?
7. How was the Bank of England divided?
8. What did those departments have to do?
9. What did the Bank of England acquire?
10. What are its present functions?

### Exercise 2. Agree or disagree with the following statements.

1) The Bank of England is one of the commercial banks in the UK. 2) The Bank of England is a borrowing bank from the government. 3) The Bank of England manages the gold and currency reserves of the nation. 4) The Bank of England handles the issue of long-term bills. 5) The Bank of England

supervises the educational institutions in the UK. 6) The Bank of England has nothing to do with the sterling accounts of other central banks. 7) The Bank of England can scarcely be a lender of last resort. 8) The Bank of England does not participate in banknote circulation in England. 9) The Treasury is a government department that controls the money that the country collects and spends.

**Exercise 3. Translate the following words, phrases and statements from Russian or Azerbaijani into English.**

Учреждать; приобретать; банкнот; королевская хартия; управлять; казначейство; полагать; обновлять; со временем; банковские услуги; эмиссия; балансовый отчет; дрейфовать; счет стабилизации валюты; уравнивать; казначейский вексель; последний кредитор в критической ситуации; снова наполнять.

1) Английский банк является центральным банком в Великобритании. 2) Банк Англии является банкиром правительства. 3) Английский банк обслуживает счета в фунтах стерлингов других стран. 4) Банк Англии выступает как последнее средство при получении кредита. 5) Этот банк является учреждением, которое уполномочено выпускать банкноты английской национальной валюты. 6) Английский банк не имеет право выпускать банкноты необеспеченные драгоценными металлами. 7) Общественность доверяет банкнотам, выпущенным в обращение Английским банком.

təsis etmək (yaratmaq); əldə etmək; banknot; kral fərmanı; idarə etmək; xəzinə, ehtimal etmək (zənn etmək); təzələmək; tədrisən; bank xidmətləri; buraxma (emisiya); balans hesabatı; aşağı qiymətə endirmək; valyutanın stabit hesabı

(qiyməti); bərabərləşdirmək; xəzinə vekseli; kritik vəziyyətdə son kreditor, yenidən doldurmaq.

- 1) İngiltərə bankı Böyük Britaniyanın mərkəzi bankıdır.
- 2) İngiltərənin bankı hökumətin bankıdır.
- 3) İngiltərə bankı başqa dövlətlərə hesabatları funt-sterlinqlə təqdim edir (xidmət göstərir).
- 4) İngiltərə bankı kreditlərin alınmasında son vasitə kimi çıxış edir.
- 5) Bu bank elə bir müəssisədir ki, ingilis xalqının milli valyutasının banknotlarını buraxır.
- 6) İngiltərə bankı qiymətli metallarla təmin olmayan banknot buraxmağa hüququ yoxdur.
- 7) İctimaiyyət İngiltərə bankının dövrüyyəyə buraxdığı banknotlara etibar edir.

**Exercise 4. Complete the following statements. Choose one topic to speak about the Bank of England. a) its establishment; b) its departments; c) its functions; d) its exchange equalization account. Retell the text Bank of England.**

- 1) The Bank of England is...
- 2) The Bank was established in ... by...
- 3) The Bank had...
- 4) The Bank moved from... to...
- 5) The Bank was divided into...
- 6) The Bank's departments had to...
- 7) The Bank acquired...
- 8) The Bank's present functions are...
- 9) The Exchange Equalisation Account is...

## **Lesson IV**

## **EXCHANGE**

### **UNIT 1**

#### **Stock exchange**

Stock exchange – organized market for the sale and purchase of securities such as shares (share – one of the equal parts into which the ownership of a company is divided) and bonds (bond – an official document promising that a government or company will pay back money that it has borrowed, often with interest). In developed capitalist countries, the stock exchange has important functions: as a ready market for securities, it ensures their liquidity (the state of being readily convertible into cash) and thus encourages people to channel savings into business; and, as a pricing mechanism, it determines prices that reflect the actual value of a company's stock (the capital of a company). Trading is done in various ways: it may occur on a continuous auction basis or it may involve brokers buying and selling shares in a company for other people. Membership requirements of the exchanges of different countries vary mainly with respect to the number of members and the rigour of the eligibility requirements. Membership requirements also differ in the degree to which government participates in their management. The London Stock Exchange, for example, functions as an independent institution, free from government legislation. In the United States, stock exchanges are subject to specific legislative regulation. In Europe, it is quite common for the members of the exchanges to be appointed by a government official and to have semi governmental status.



## Vocabulary

<b>stock exchange</b>	фондовая биржа	fond birjası
<b>sale</b>	продажа	satış
<b>purchase</b>	покупать	almaq
<b>securities</b>	ценные бумаги	qiymətli kağızlar
<b>bond</b>	облигация	istiqrar vəzəqəsi
<b>ready market</b>	большой спрос	böyük təlabat
<b>ensure</b>	обеспечивать	təmin etmək
<b>liquidity</b>	ликвидность	satılma, pula çevrilə bilmə qabiliyyəti
<b>encourage</b>	поощрять	həvəsləndirmək
<b>channel</b>	направлять в	istiqrarətləndirmək
<b>savings</b>	сбережения	saxlanma
<b>determine</b>	определять	müəyyən etmək
<b>actual value</b>	действительная стоимость	həqiqi dəyər
<b>continuous</b>	постоянный	daimi
<b>auction</b>	торг	ticarət
<b>vary</b>	изменяться	dəyişmək
<b>rigour</b>	строгость	ciddilik
<b>eligibility</b>	обладание правом в силу удовлетворения соответствующим установленным требованиям	qoyulmuş tələblərə uyğun hüquqa malik olmaq
<b>legislation</b>	законодательство	qanunvericilik
<b>legislative</b>	законодательный	qanunverici

### Exercise 1. Answer the Questions:

1. What is the term “stock exchange” meant by?
2. What functions does the stock exchange have?
3. How is trading done?

4. How do membership requirements of the exchanges of different countries vary?
5. What does the London Stock Exchange function as?
6. What are stock exchanges in the United States subject to?
7. Who appoints the members of the exchanges in Europe?
8. What is meant by the term “liquidity”?

**Exercise 2. Agree or disagree with the following statements.**

- 1) Stock exchange is a place where shares are bought and sold.
- 2) Stock exchange is not a ready market for securities.
- 3) Stock exchange keeps people from putting savings into business.
- 4) Stock exchange is a pricing device.
- 5) Stock exchange determines the exact value of a company’s stock.
- 6) Stock exchange trading might be based on an auction basis.
- 7) Stock exchange trading must not involve brokers.
- 8) Stock exchange may act as an independent institution.
- 9) Stock exchange stands upon government legislation.
- 10) Stock exchange might have semi-official status.

**Exercise 3. Translate the statements from Russian or Azerbaijani into English.**

1. Фондовая биржа – это организованный и регулярно функционирующий рынок по купле-продаже ценных бумаг.
2. Фондовая биржа мобилизует временно свободные денежные средства через продажу ценных бумаг.
3. Фондовая биржа устанавливает рыночную стоимость ценных бумаг.
4. Фондовая биржа осуществляет перелив капитала между компаниями, отраслями и сферами.
5. Биржа может функционировать как независимый институт.
6. Биржа может иметь

полуофициальный статус.7. Члены биржи назначаются правительственными чиновниками.

1. Fond birjası – qiymətli kağızların alqı-satqısı üzrə müntəzəm fəaliyyət göstərən və təşkil olunmuş bazardır.
2. Fond birjası – müvəqqəti sərbəst pul vəsaitlərinin satışı vasitəsilə əldə olunmuş qiymətli kağızları mobilləşdirir.
3. Fond birjası – qiymətli kağızların bazar qiymətini təyin edir.
4. Fond birjası – kompaniya, sahə və sferalarla kapital axınını həyata keçirir.
5. Birja müstəqil institut (qurum) kimi fəaliyyət göstərə bilər.
6. Birja yarım rəsmi statusa malik ola bilər.
7. Birja üzvləri hökumət məmurları tərəfindən təyin olunurlar.

**Exercise 4. Complete the following statements. Choose one topic to speak about stock exchange. a) its definition; b) its functions; c) its trading; d) its membership requirements. Retell the text Stock exchange.**

- 1) Stock exchange is...
- 2) As a ready market for securities, stock exchange ensures...
- 3) Stock exchange encourages...
- 4) As a pricing mechanism, stock exchange determines...
- 5) Stock exchange trading may occur...
- 6) Stock exchange trading may involve...
- 7) Membership requirements vary...
- 8) Membership requirements differ...
- 9) The London Stock Exchange functions...
- 10) In the United States, stock exchanges are...
- 11) In Europe, the members of the exchanges may be appointed by... and may have...

## UNIT 2

### New York Stock Exchange

NYSE - world's largest marketplace for securities. The exchange evolved from a meeting of 24 men under a plane tree in 1792 on what is now Wall Street in New York City. The present name was adopted in 1863. Membership, limited to 1,366 since 1953, is obtained by purchasing a seat from an existing member. Greater commercial activity in the United States after the War of 1812 and speculation in rail- road stocks in the 1830s increased demand for capital and stimulated trading at the New York Stock Exchange. After the Civil War, the exchange provided the capital for the accelerating industrialization of the United States. After the Panic of 1837, when many investors suffered heavy losses, the New York Stock Exchange began to demand that companies disclose to the public information about their finances as a condition of offering stock. The Stock Market Crash of 1929, which signaled the start of the Great Depression, led to investigation by the federal government and regulation by the Securities and Exchange Commission, which was authorized to provide supervision over buying and selling of securities. A corporation must meet certain requirements to be listed on the NYSE. These include that the company must earn \$2,500,000 (before taxes), have at least 1,000,000 outstanding shares, give common stockholders voting rights, and publish periodic financial statements.

#### Vocabulary

<b>securities</b>	ценные бумаги	qiymətli kağızlar
<b>evolve</b>	развиваться	artmaq, genişlənmək
<b>plane-tree</b>	платан	çinar ağacı, çinar
<b>adopt</b>	принимать	qəbul etmək

<b>purchase speculation</b>	покупать спекуляция	alış-veriş etmək spekulyasiya, alver
<b>stock accelerating</b>	акция; капитал ускоряющий	səhm, kapital sürətləndirmə, tezləşdirmə
<b>industrialization suffer</b>	индустриализация терпеть	sənayələşdirmə dözmək, tab gətirmək
<b>disclose</b>	раскрывать	açmaq, meydana çıxarmaq
<b>finances signal</b>	финансы дать сигнал	maliyyə mənbələri xəbər vermək, işarə etmək
<b>securities and exchange commission</b>	комиссия по ценным бумагам и биржам;	qiymətli kağızlar və birja komissiyası
<b>requirements</b>	требования	tələbatlar
<b>outstanding shares</b>	акции выпущенные в обращение	dövriyyəyə buraxılmış səhm
<b>stockholder</b>	владелец акций	səhmdar
<b>financial statement</b>	финансовый отчет	maliyyə hesabatı

### Exercise 1. Answer the Questions:

1. What is the NYSE?
2. What did it evolve from?
3. When was the present name adopted?
4. What is its membership limited to?
5. What is its membership obtained by?
6. What increased the demand for capital?
7. What did the exchange provide the capital for, after the Civil war?

8. What did the exchange begin to demand as a condition of offering stock?
9. What did the Stock Market Crash of 1929 lead to?
10. What must a corporation do to be listed on the NYSE?

**Exercise 2. Agree or disagree with the following statements.**

1. The NYSE deals with securities. 2. The NYSE was conceived in 1792. 3. Its present name was adopted in 1793. 4. Its membership was without restriction. 5. Its membership is obtained by borrowing a seat from an existing member. 6. The War of 1812 and currency speculation stimulated trading at the New York Stock Exchange. 7. The New York Stock Exchange provided the capital for the expansionism of the United States. 8. The New York Stock Exchange began to demand that companies conceal the information about their finances from the public. 9. A corporation is to satisfy certain requirements to be listed on the NYSE.

**Exercise 3. Translate the statements from Russian or Azerbaijani into English.**

1. Фондовая биржа – это рынок ценных бумаг. 2. Комиссия по ценным бумагам и биржам уполномочена осуществлять постоянный надзор за операциями купли/продажи ценных бумаг. 3. Спекуляция – это покупка-продажа биржевых ценностей (акций, облигаций, валюты) с целью получения прибыли от разницы между покупной и продажной ценой при перепродаже этих ценностей. 4. Крах фондовой биржи может случиться в любое время. 5. Брокер – это официальный посредник при заключении сделок между покупателями и продавцами ценных бумаг на фондовых биржах. 6. Брокер обладает местом на бирже. 7. Брокер заключает сделки от своего имени по поручению

и за счет клиентов. 8. Акционер – это совладелец акционерного предприятия. 9. Акционер имеет право на участие в управлении делами акционерного предприятия.

1. Fond birjası qiymətli kağızlar bazarıdır. 2. Qiymətli kağızlar və birjalar üzrə komissiyaya qiymətli kağızların alış və satış işlərinə daimi nəzarəti həyata keçirmək səlahiyyəti verilir. 3. Spekulyasiya qiymətli kağızların alınib satılması müddətində alış və satış qiymətləri arasındakı fərqdən gəlir əldə etmək məqsədilə birja sərəvətlərinin (səhm, istiqraz vərəqələri, valyuta) alış satışıdır. 4. Fond birjasının iflası istənilən vaxtda baş verə bilər. 5. Broker fond birjalarında qiymətli kağızların alıcıları və satıcıları arasında razılaşma (saziş) bağlanmasında rəsmi vasitəçidir. 6. Broker birjada yerlərə sahib olur. 7. Broker müştərinin göstərişi ilə öz adından müqavilə bağlayır. 8. Səhmdar səhm müəssisələrinin şərikidir (ortağdır). 9 Səhmdar səhm müəssisələrinin idarəetmə işlərində iştirak etmək hüququ var.

**Exercise 4. Complete the following statements. Choose one topic to speak about NYSE. a) its history; b) its membership and its requirements. Retell the text New York Stock Exchange.**

1.The NYSE is ... 2. The NYSE evolved from ... 3. Its membership is obtained ... 4. ... increased demand for capital and stimulated trading at the NYSE. 5. The NYSE provided the capital for ... 6. The NYSE began to demand ... 7. To be listed on the NYSE, a corporation must ...

## UNIT 3

### Commodity Exchange

**Commodity Exchange** – also called Futures Market, or Futures Exchange, organized market where futures contracts are traded. A futures contract represents a binding agreement to buy a commodity at a specified price on a specified future date. Thus it is possible for a trader to obtain a guarantee for the price he will have to pay for a commodity in the future. The method of obtaining a price is usually in open outcry in the commodity exchange. There are two basic types of traders in a futures market: hedgers and speculators. Both are necessary to the market in order to generate a sufficient volume of two-way business. Hedging – the process whereby a dealer or investor will seek to gain some protection against the possible loss of their investment owing to some sudden movement in the market. Hedgers seek to avoid or minimize the financial risks associated with their current commercial activity by taking out an insurance policy in the shape of a futures contract against adverse price or interest-rate movements. On the other hand, the speculator, in the expectation of making a profit, seeks risk by committing his funds to back his own view of higher or lower prices or interest rates. Speculation – a risk on the purchase of an asset (an item of property or value) that it will rise at some time in the near future and can be sold for a profit, or the sale of an asset on the assumption that its price will drop and it can be purchased at a lower price, hence make a profit.

#### Vocabulary

<b>commodity exchange</b>	товарная биржа	mal birjası
<b>futures market</b>	рынок сделок на срок	müddətli bazar alveri
<b>trade</b>	торговать	alver etmək



<b>binding specify</b>	обязывающий точно определять	minnətli, məcburi dəqiq müəyyənləşdirmək
<b>open outcry</b>	свободный биржевой торг	sərbəst birja ticarəti
<b>whereby / wherewith generate</b>	порождать посредством чего	nəyinsə vasitəsilə  səbəb olmaq, əmələ gətirmək
<b>two-way business</b>	двусторонние сделки	ikitərəfli ticarət
<b>owing to associate insurance interest rate expectation commit</b>	вследствие связывать страховой процентная ставка ожидание вверять	görə, nəticədə əlaqə yaratmaq sığorta faiz dərəcəsi gözləmə etibar etmək, inandırmaq
<b>speculation</b>	спекуляция, игра на бирже	alver, birjada oyun
<b>purchase asset on the assumption</b>	покупать; покупка имущество при условии, что	almaq, bazarlıq mülk, əmlak o şərtlə ki,

### Exercise 1. Answer the Questions:

1. Where are futures contracts traded?
2. What does a futures contract represent?
3. Wherewith can a trader obtain a guarantee for the price he is to pay for a commodity?
4. What is the method of obtaining a price in?
5. What dealers generate a sufficient volume of two-way business?

6. What do hedgers seek?
7. What do hedgers financial risks by minimize?
8. Why does the speculator seek risk?
9. What does the speculator seek risk by?
10. What is by the term “hedging” meant?
11. What is by the term “speculation” meant?

**Exercise 2. Agree or disagree with the following statements.**

1) A futures contract deals with a commodity at a specified price on a specified future date. 2) A futures contract is a contract to buy or to sell a specific amount of a named commodity or financial paper at an agreed price on a given future date. 3) There are three basic types of traders in a futures market. 4) Hedgers seek financial risks. 5) Hedgers seek to minimize financial risks. 6) Speculators seek to avoid financial risks. 7) Buying a house will be a hedge against inflation. 8) One may buy gold or diamonds as a hedge against inflation. 9) To speculate means to buy goods in a company hoping that you will make a large profit when you sell them.

**Exercise 3. Translate the statements from Russian or Azerbaijani into English.**

1. Фьючерский рынок имеет дело с фьючерскими контрактами. 2. Фьючерский контракт – это контракт, заключаемый по фиксируемой в момент заключения контракта цене с исполнением через определенный промежуток времени. 3. Хеджеры стремятся избегать финансовых рисков. 4. Спекулянты ищут финансовые риски. 5. Спекуляция – это купля-продажа биржевых ценностей с целью получения прибыли от разницы между покупной и продажной ценой при перепродаже этих ценностей.

1. Fyuçer bazarı fyuçer müqavilələri ilə işləyir. 2. Fyuçer müqaviləsi –müqavilə bağlandığı müddətdə təyin olunmuş qiymətin müəyyən vaxtdan sonra icra olunduğunu tələb edir. 3. Xecər maliyyə risklərindən uzaq olmağa çalışır. 4. Alverçilər maliyyə riskləri axtarırlar. 5. Spekulyasiya – qiymətli kağızların alınıb – satılması müddətində alış və satış qiymətləri arasındakı fərqdən gəlir əldə etmək məqsədilə birja sərvətlərinin alış-satışıdır.

**Exercise 4. Complete the following statements. Choose one topic to speak about stock exchange. a) futures contracts; b) hedgers; c) speculators; d) hedging; e) speculation. Retell the text Commodity Exchange.**

1) Commodity Exchange is... 2) A futures contract represents... 3) A futures contract allows a trader to obtain... 4) The method of obtaining a price is... 5) Hedgers and speculators are necessary to... 6) Hedgers seek... 7) In the expectation of... speculators seek... 8) Hedging is... 9) Speculation is...

## **UNIT 4**

### **Chicago Board of Trade**

The largest commodity exchange is the Chicago Board of Trade. The Board of Trade is the first grain futures exchange in the United States, organized in 1848 in Chicago. The Chicago Board of Trade began as a voluntary association of prominent Chicago grain merchants. Merchants in Chicago who bought wheat from outlying territories were not sure of the arrival time and quality of a delivery. The introduction of futures contracts enabled the sellers to get a better price for their product and

buyers to avoid serious price risk. In 1849 the Chicago Board of Trade received a charter from the Illinois legislature, and in 1859 it was incorporated by a special legislative act. At first grain was sold by sample (a small part or amount of something that is examined in order to find out something about the whole), but soon a system of inspection and grading was introduced to standardize the market and facilitate trading. By 1858 access to the trading floor, known as the "pit," was limited to members with seats on the exchange, who traded either for their own account or for their clients. The Chicago Board of Trade was eventually to become the largest of the world's futures markets in terms of volume and value of business. The Chicago Board of Trade trades in wheat, corn, oats, rye, soybeans, soybean oil, and soybean meal.

### Vocabulary

<b>Chicago board of trade</b>	Чикагская торговая палата	Çikaqonun ticarət palatası
<b>grain</b>	зерно	dən
<b>voluntary association</b>	добровольный союз	könüllü ittifaq
<b>prominent merchants</b>	выдающийся купцы	tanınmış tacirlər
<b>wheat</b>	пшеница	buğda
<b>outlying</b>	отдаленный	uzaqlaşmış
<b>enable</b>	давать возможность	imkan vermək
<b>avoid</b>	избегать	qaçmaq
<b>legislature</b>	законодательная власть	uzaqlaşmaq qanunverici hakimiyyət
<b>incorporate</b>	регистрировать как корпорацию	korporasiya kimi qeydiyyatdan keçmək
<b>legislative</b>	законодательный	qanunverici

<b>sell by sample</b>	продавать по образцам	nümunəyə əsasən satmaq
<b>grade</b>	сортировать	çəşidlərə / növlərə ayırmaq
<b>standardize</b>	стандартизировать	standartlaşdırmaq
<b>facilitate</b>	содействовать	təsir göstərmək
<b>access</b>	доступ	daxil olma (keçmə)
<b>trading floor</b>	операционный зал товарной биржи	əmtəə birjasının əməliyyat zalı
<b>pit</b>	яма	çökəklik, çala, çuxur
<b>account</b>	выгода	xeyir, mənfəət
<b>eventually</b>	со временем	bir müddətdən sonra
<b>corn</b>	кукуруза	qarğıdalı
<b>oats</b>	овес	yulaf
<b>rye</b>	рожь	çovdar
<b>soy-bean</b>	соевый боб	soya paxlası

### Exercise 1. Answer the Questions:

1. What is the Chicago Board of Trade?
2. When and where was it organized?
3. What did it begin as?
4. What did futures contracts enable the sellers and buyers to do?
5. What did it receive in 1849?
6. When and by what was it incorporated?
7. What was introduced to standardize the market and facilitate trading?
8. What does the Chicago Board of Trade trade in?

## **Exercise 2. Agree or disagree with the following statements.**

1) The Chicago Board of Trade is the third grain futures exchange in the US. 2) The Chicago Board of Trade was organized in 1847. 3) The Chicago Board of Trade began as a voluntary association of employees. 4) The Board of Trade refused to accept a charter from the Illinois legislature. 5) The Chicago Board of Trade was not incorporated by a special legislative act. 6) The Chicago Board of Trade became the smallest of the world's futures markets. 7) The Chicago Board of Trade grows fresh fruit for the market.

## **Exercise 3. Translate the statements from Russian or Azerbaijani into English.**

Чикагская торговая палата торговала зерном. 2. Чикагская торговая палата начинала как ассоциация купцов. 3. Чикагская торговая палата позволила продавцам получать более высокую цену за свои товары. 4. Чикагская торговая палата позволила покупателям избежать ценового риска. 5. Чикагская торговая палата торгует пшеницей, кукурузой и рожью. 6. Чикагская торговая палата специализируется на торговле серебром, золотом и ценными бумагами. 7. Чикагская торговая палата – это крупная биржа срочных сделок.

1) Çikaqo ticarət palatası dənli bitkilərlə alver edir. 2) Çikaqo ticarət palatası tacirlər asosasiyası kimi işə başlamışdır. 3) Çikaqo ticarət palatası satıcılarına öz mallarını yüksək qiymətə satmağa imkan yaratdı. 4) Çikaqo ticarət palatası öz alıcılarına qiymət riskindən uzaqlaşmağa imkan yaratdı. 5) Çikaqo ticarət palatası buğda, qarğıdalı və çovdar alveri edir. 6) Çikaqo ticarət

palatası gümüş, qızıl və qiymətli kağızların satışında ixtisaslaşır. 7) Çikaqo ticarət palatası böyük təcili sövdələşmə birjasıdır.

**Exercise 4. Complete the following statements. Choose one topic to speak about The Chicago Board of Trade. a) its start; b) its legal implementation; c) its trading floor; d) its range of commodities; . Retell the text The Chicago Board of Trade**

- 1) The largest commodity exchange is...
- 2) The Chicago Board of Trade is...
- 3) The Chicago Board of Trade was organized in...
- 4) The Chicago Board of Trade began as...
- 5) Merchants in Chicago bought...
- 6) Merchants in Chicago were not sure of...
- 7) ...enabled the sellers to get... and buyers to avoid...
- 8) The Chicago Board of Trade received...
- 9) The Chicago Board of Trade was incorporated by...
- 10) The Chicago Board of Trade became...
- 11) The Chicago Board of Trade trades in...

## Lesson V

## TAXATION

### UNIT 1

#### Objectives of taxation

Tax is a compulsory levy on individuals and companies by the state to meet the expenses of the government. Taxation is imposition of compulsory levies on persons or other entities by governments. Taxes are levied in almost every country of the world, primarily to raise revenue (money that a business or organization receives over a period of time, especially from selling goods or services) for government expenditures. One useful way to view the purpose of taxation is to distinguish between objectives of resource allocation, income redistribution, and economic stability. Economic growth or development and international competitiveness (the ability of a company or a product to compete with others) are sometimes listed as separate goals. In the absence of a strong reason for interference, such as the need to reduce pollution, the resource allocation objective is furthered if tax policy does not interfere with market determined allocations. The redistributive objective is to lessen inequalities in the distribution of income and wealth to the extent they are considered excessive and unjust. The stabilization objective is the maintenance of high employment and price stability.

#### Vocabulary

<b>objectives of taxation</b>	цели налогообложения	vergiqoyma məqsədləri
<b>impose</b>	облагать	vergi qoymaq, təyin etmək
<b>compulsory</b>	принудительный	məcburi



<b>levy</b>	сбор, взимать	yığma, toplama (vergi)
<b>entity</b>	юридическое лицо	hüquqi şəxs
<b>raise revenue</b>	увеличить доход	gəliri artırmaq
<b>expenditures</b>	расходы	xərc
<b>view</b>	узреть	görmək
<b>resource allocation</b>	распределение /размещение Ресурсов/	resursların bölüşdürülməsi yerləşdirilməsi
<b>income</b>	перераспределение	gəlirin yenidən
<b>redistribution</b>	дохода	bölüşdürülməsi
<b>competitiveness</b>	конкурентоспособность	rəqabətə qabiliyyətlik
<b>reduce</b>	понижать	aşağı salmaq
<b>pollution</b>	загрязнение окружающей среды	ətraf mühitin çirkləndirilməsi
<b>further</b>	продвигать	irəli sürmək
<b>lessen</b>	уменьшать	azaltmaq
<b>inequality</b>	неравенство	qeyri-bərabərlik
<b>to the extent</b>	до такой степени	o dərəcəyə, o həddə
<b>excessive</b>	чрезмерный	hədsiz, həddən artıq
<b>unjust</b>	несправедливый	ədalətsizlik
<b>stabilization</b>	стабилизация	stabilləşmə
<b>maintenance</b>	поддержание	dəstəkləmək
<b>employment</b>	занятость	məşğulluq
<b>tax evasion</b>	уклонение от уплаты налогов	vergi ödəmədən yayınmaq
<b>tax avoidance</b>	уход от налогового обложения	vergi vermədən yayınma

### Exercise 1. Answer the Questions:

1. What is the term "tax" meant by ?
2. What is by the term "taxation" meant?
3. Where are taxes levied?

4. What are taxes levied to do?
5. What is the first objective of taxation?
6. What is the second objective of taxation?
7. What is the third objective of taxation?
8. What is the fourth objective of taxation?
9. What is the one fifth?
10. What is the term "com-petitiveness" meant by?
11. When is the resource allocation objective furthered?
12. What is the redistributive objective to do?
13. What is the stabilization objective?

**Exercise 2. Agree or disagree with the following statements.**

1) Tax is an amount of money paid by citizens to the government. 2) Taxation is the system of charging taxes. 3) Taxes are charged to increase revenue for government expenses. 4) Taxation provides resource allocation. 5) Taxation ensures income redistribution. 6) Taxation provides economic instability. 7) Taxation provides economic regression. 8) Taxation provides economic stagnation. 9) Taxation fails to provide international competitiveness. 10) Tax evasion is illegal ways of paying less tax. 11) Tax avoidance is legal ways of paying less tax.

**Exercise 3. Translate the statements from Russian or Azerbaijani into English.**

1. Каждый человек должен платить налоги. 2. Налоги существуют во всех странах мира. 3. Налогообложение не должно вмешиваться в рыночное распределение ресурсов. 4. Налогообложение должно уменьшать неравенство в распределении дохода. 5. Налогообложение должно поддерживать стабильность цен.

1. Hər bir kəs vergi ödəməlidir. 2. Vergi dünyanın bütün ölkələrində mövcuddur. 3. Vergi (vergi qoyma) resursların bazar bölgüsü (bölüşdürülməsi) qarışdırılmamalıdır. 4. Vergi gəlirin bölüşdürülməsindəki bərabərsizliyi azaltmalıdır. 5. Vergi qiymətin stabil /sabit qalmasını müdafiə etməlidir.

**Exercise 4. Complete the following statements. Choose one topic to speak about taxation. a) its definition; b) its first objective; c) its second objective; d) its third objective; e) its fourth objective; f) its fifth objective. Retell the text Objectives of taxation**

1) Tax is... 2) Taxation is... 3) Taxes are levied in... 4) Taxes are levied to raise... 5) The first objective of taxation is... 6) The second objective of taxation is... 7) The third objective of taxation is... 8) The fourth objective of taxation is... 9) The fifth objective of taxation is... 10) Competitiveness is... 11) The resource allocation objective is furthered if... 12) The redistributive objective is to lessen... 13) The stabilization objective is the maintenance of...

## **UNIT 2**

### **Principles of taxation**

The 18<sup>th</sup>-century philosopher Adam Smith attempted to systematize the rules that should govern a rational system of taxation. In his books he set down three general canons. I. The subjects of every state ought to contribute towards the support of the government in proportion to their respective abilities, that is, in proportion to the revenue which they respectively enjoy under the protection of the state. II. The tax which each individual is bound to pay ought to be certain, and not

arbitrary. The time of payment, the manner of payment, the quantity to be paid, ought all to be clear and plain to the contributor, and to every other person. III. Every tax ought to be levied at the time, or in the manner, in which it is most likely to be convenient for the contributor to pay it. Although they need to be reinterpreted from time to time, these principles, especially the first, retain remarkable relevance. From the first can be derived both of the leading views of what is fair in the distribution of tax burdens among taxpayers. These are the belief that taxes should be based on the individual's ability to pay, known as the ability-to-pay principle, and the benefit principle, the idea that there should be some equivalence between what the individual pays and the benefits he derives from governmental activities.

### Vocabulary

<b>systematize</b>	систематизировать	sistemləşdirmək
<b>rational</b>	разумный	ağıllı
<b>canons</b>	критерии	meyar
<b>contribute</b>	жертвовать	fəda etmək, bağışlamaq
<b>respective</b>	соответственный	uyğun olmaq
<b>abilities</b>	платежеспособность	ödəmə qabiliyyəti
<b>revenue</b>	доход	gəlir
<b>arbitrary</b>	произвольный	inandırıcı olmayan
<b>clear</b>	недвусмысленный	tamamilə aşkar, müəyyən
<b>plain</b>	простой	sadə, başa düşülən
<b>levy</b>	сбор	yığma, toplama
<b>retain</b>	сохранять	saxlamaq, qorumaq
<b>relevance</b>	уместность	münasiblik
<b>derive</b>	извлекать	törəmək, hasil etmək
<b>fair</b>	справедливый	ədalətli
<b>tax burden</b>	налоговое бремя	vergi yükü

### **Exercise 1. Answer the Questions:**

1. Who was Adam Smith?
2. What did he attempt to do?
3. What did he set down in his books?
4. What was the first canon?
5. What was the second canon?
6. What was the third canon?
7. What are the two leading principles that taxes should be based on?

### **Exercise 2. Agree or disagree with the following statements.**

1) Adam Smith arranged the rules of taxation. 2) Adam Smith set down five general canons. 3) The subjects of the state ought to give money, help and ideas to the government in proportion to their abilities. 4) Each individual is not obliged to pay taxes. 5) The tax ought to be loose. 6) The tax ought to be arbitrary. 7) The time of payment ought to be incomprehensible to the contributor. 8) The manner of payment ought to be ambiguous to the contributor. 9) The quantity to be paid ought to be ambulatory to the contributor. 10) Every tax ought to be inconvenient for the contributor to pay it. 11) These principles of taxation are to be reinterpreted from time to time. 12) These principles of taxation retain remarkable irrelevance. 13) Taxes should be based on the individual's ability to make money. 14) Taxes should be based on the benefits the individual derives from governmental activities. 15) Tax haven is a place where people go to live to avoid paying high taxes in their own country. 16) Tax exile is someone who lives abroad in order to avoid paying high taxes in their own country.

**Exercise 3. Translate the statements from Russian or Azerbaijani into English.**

1. Вы должны платить налоги в соответствии со своей платежеспособностью. 2. Никто не любит платить налоги. 3. Надо сделать так, чтобы налоги было выгодно платить. 4. Налоги должны быть разумными. 5. Налоги должны быть уместными.

1. Siz vergini öz ödəmə qabiliyyətinizə uyğun ödəməlisiniz. 2. Heç kəs vergi (ödəməyi) verməyi xoşlamır. 3. Elə etmək lazımdır ki, vergi vermək (ödəmək) əlverişli olsun. 4. Vergilər düşünülmüş olmalıdır. 5. Vergilər yerli-yerində (münasib) olmalıdır.

**Exercise 4. Complete the following statements. Choose one topic to speak about the canons of Adam Smith. a) the first one; b) the second one; c) the third one. Retell the text Principle of taxation.**

1) Adam Smith attempted... 2) Adam Smith set down... 3) The subjects of every state ought to contribute... 4) The tax ought to be... 5) The time of payment ought to be... 6) The manner of payment ought to be... 7) The quantity to be paid ought to be... 8) Every tax ought to be levied... 9) The canons of Adam Smith need to be... but they retain... 10) The ability-to-pay principle is the belief that... 11) The benefit principle is the idea that...

## UNIT 3

### Tax return

Tax return is the form on which you have to give information so that your tax can be calculated. The definition of the amount subject to taxation requires an analysis of the taxpayer's situation and of the legal provisions that apply to him. With the income tax (and also some taxes on the transfer of property, such as the inheritance tax), the taxpayer submits a tax return providing information as to his occupation, his real and personal property, his professional expenditures, and other pertinent matters; a corporation supplies, additionally, copies of the balance sheet, profit and loss statement, and minutes of the general meeting that approved these financial reports. The return, with the attached reports and statements, is meant to provide such complete information that the assessing tax official (someone who works for the government, deciding how much tax a person or company should pay) can rely on it to compute the correct tax. In examining tax returns, the basic principle is that a return is assumed to be correct until the assessing official determines otherwise. In countries such as the United States, where the self-assessment method prevails (the income taxpayer's liability is computed by himself), a minority of returns is selected for audit; most of them are only checked as to timely arrival, inclusion of all required forms and attachments, and arithmetical accuracy.

### Vocabulary

<b>tax return</b>	налоговая декларация	vergi bəyamnaməsi
<b>legal provision</b>	правовая норма	hüquqi norma
<b>transfer of property</b>	передача собственности	mülkiyyətin verilməsi

<b>inheritance tax</b>	налог на наследство	mirasa qoyulmuş vergi
<b>real property</b>	недвижимость	daşınmaz əmlak
<b>personal property</b>	движимое имущество	daşınan əmlak
<b>pertinent</b>	имеющий отношение	əlaqəsi olan
<b>balance sheet</b>	балансовый отчет	balans hesabatı
<b>statement</b>	официальный отчет	rəsmi hesabat
<b>minutes</b>	протокол	protokol
<b>attach</b>	прикладывать	əlavə etmək
<b>compute</b>	подсчитывать	hesablamaq
<b>assume</b>	предполагать	ehtimal etmək
<b>otherwise</b>	иначе	başqa cür
<b>liability</b>	обязательство	öhdəlik
<b>minority</b>	меньшинство	azlıq
<b>audit</b>	ревизия	təftiş etmək
<b>timely</b>	своевременный	öz vaxtında
<b>arithmetical</b>	арифметический	hesab
<b>accuracy</b>	точность	dəqiqlik

### **Exercise 1. Answer the Questions:**

1. What is the term “tax return” meant by?
2. What does analysis the definition of the amount subject to taxation require?
3. What does the taxpayer submit?
4. What does a tax return provide?
5. What a corporation does supply?
6. What is the return to provide meant?
7. What is the basic principle in examining tax returns?
8. Where does prevail the self-assessment method?
9. What does the self-assessment method in countries such as the United States mean?



## **Exercise 2. Agree or disagree with the following statements.**

1) Tax return is a formal statement on a required legal form showing taxable income, allowable deductions and exemptions, and the computation of the tax due. 2) Taxation is required to analyse the taxpayer's situation. 3) Taxation is asked to analyse the legal norms that apply to the taxpayer. 4) The taxpayer is not bound to submit a tax return. 5) The taxpayer's return provides information of his intellectual facilities. 6) The corporation's return supplies copies of commercial secrets. 7) The assessing tax official cannot lean on a return to compute the correct tax. 8) The return is assumed to be proper until the assessing official determines otherwise. 9) Income tax is a tax on the net income of an individual or a business. 10) Inheritance tax is a tax on the money or property that you give to someone else after you die. 11) Real property is property in the form of land or houses. 12) Personal property is something that belongs to you. 13) Tax inspector is someone who works for the government, deciding how much tax a person or company should pay.

## **Exercise 3. Translate the statements from Russian or Azerbaijani into English.**

1.Налогоплательщик должен представить налоговую декларацию. 2. Налоговая декларация обеспечивает полную информацию. 3. Сборщик налогов доверяет налоговой декларации. 4. Налоговые декларации должны быть подвергнуты аудиту. 5. Налоговая декларация должна подаваться вовремя.

1.Vergiverən vergi bəyamnaməsini təqdim etməlidir.  
2.Vergi bəyamnaməsi bütöv informasiyanı təmin edir.  
3.Vergiyiğan vergi bəyamnaməsinə etibar edir.

4. Vergi bəyamnaməsi auditə (yoxlamaya) təqdim olunmalıdır. 5. Vergi bəyamnaməsi vaxtında verilməlidir.

**Exercise 4. Complete the following statements. Choose one topic to speak about a) what taxation requires; b) taxpayer's liability; c) corporation's ability; d) what a tax return is meant to provide; e) self-assessment method. Retell the text Tax return.**

1) Tax return is ... 2) Taxation requires ...  
3) The taxpayer submits ... 4) A corporation supplies ...  
5) The return is meant to provide ... 6) In examining tax returns, the basic principle is ... 7) The self-assessment method prevails in ... 8) In the United States, a minority of returns is selected for ... 9) In the United States, a majority of returns are checked as ...

## UNIT 2

### Classes of taxes

Taxes are most commonly classified as either direct or indirect, an example of the former type being the income tax (inheritance tax, real estate tax) and of the latter the sales tax (value-added tax, excise tax). Direct taxes are taxes on persons; they are aimed at the individual's ability to pay as measured by his income or his net wealth. Income taxes are levied on total personal net income in excess of some stipulated minimum. They are also adjusted to take into account the circumstances influencing the ability to pay of the individual, such as family status, number and age of children, and financial burdens resulting from illness. Income taxes are often levied at graduated rates, that is, at rates that rise as income rises.

Inheritance taxes are taxes on the money or property that you give to someone else after you die. Real estate taxes are taxes imposed upon immovable property consisting of land, any natural resources, and buildings. Indirect taxation is a system of collecting taxes by adding an amount to the price of goods and services that people buy. Sales tax is a tax that you have to pay in addition to the cost of something you are buying. Value-added taxes are taxes on the rise in value of a product at each stage of manufacture and marketing. Sales tax levied on the manufacture, purchase, sale, or consumption of a specific commodity is known as an excise tax.

### Vocabulary

<b>income tax</b>	подоходный налог	gəlir vergisi
<b>inheritance tax</b>	налог на наследство	miras üzərinə qoyulan vergi
<b>real estate</b>	налог на недвижимость	daşınmaz əmlak üzərinə qoyulan vergi
<b>sales tax</b>	налог с оборота	dövriyyə/tədavül vergisi
<b>sales</b>	сбытовые операции	satış işi
<b>value-added tax (VAT)</b>	налог на добавленную стоимость	əlavə dəyər vergisi
<b>excise tax</b>	акцизный налог	aksiz vergisi
<b>ability to pay</b>	платежеспособность	ödəmə qabiliyyəti
<b>net</b>	чистый	təmiz, sırf
<b>levy</b>	сбор; взимать	rüsum, vergi, vergi yığmaq
<b>in excess of</b>	сверх	xaric, artıq
<b>stipulate</b>	обуславливать	şərt qoymaq, asılı etmək
<b>adjust</b>	приспосабливать	uyğunlaşdırmaq, düzəltmək
<b>graduated</b>	прогрессивный	proqressiv gəlir

<b>income-tax</b>	подоходный налог	vergisi
<b>rate</b>	(налоговая) ставка	(vergi) dərəcəsi
<b>impose</b>	облагать	(vergi)qoymaq, təyin etmək
<b>consumption</b>	потребление	işlətmə, istehlak etmə

### **Exercise 1. Answer the Questions:**

1. What are taxes classified as?
2. What are direct taxes mentioned in the text?
3. What are indirect taxes mentioned in the text?
4. What are direct taxes aimed at?
5. What are income taxes levied on?
6. What are income taxes adjusted to?
7. What circumstances do the ability to pay of the individual influence?
8. What are income taxes levied at?
9. What is by the term "inheritance tax" meant?
10. What is by the term "real estate tax" meant?
11. What does indirect taxation collect taxes by?
12. What is by the term "sales tax" meant?
13. What is by the term "value-added tax" meant?
14. What is an excise tax known as?

### **Exercise 2. Agree or disagree with the following statements.**

- 1) Taxes may be either direct or indirect. 2) Inheritance taxes are indirect taxes. 3) Excise taxes are direct taxes. 4) Direct taxes are taxes on landowners. 5) Direct taxes are aimed at the individual's inability to pay. 6) The individual's ability to pay is measured by his gross profit. 7) Income taxes are imposed on total personal net income. 8) Income taxes have respect to the circumstances influencing the ability to pay of the individual. 9) Income taxes are progressive taxes. 10) Direct taxation collects

taxes by adding an amount to the price of goods and services. 11) Direct tax is a tax exacted directly from the taxpayer. 12) Indirect tax is a tax on a commodity which is collected from the manufacturer or supplier, but is ultimately paid by the consumer. 13) Income tax is a tax paid on the money that you earn. 14) Progressive tax is a tax that takes a larger percentage of money from people with higher incomes than from people with lower incomes.

### **Exercise 3. Translate the statements from Russian or Azerbaijani into English**

1. Налогі бываюу двух видов: прямые и косвенные. 2. Подоходным налогом облагається чистый личный доход человека. 3. Налог на добавленную стоимость – это система налогообложения продуктов на сумму стоимости, добавленной на каждом этапе их производства и обмена. 4. Налог с оборота – это налог с продаж товаров и услуг. 5. Налог с оборота – это косвенный налог.

1. Vergilər iki formada olur: vasitəsiz və vasitəli (istehlak şeylərindən alınan vergi). 2. Gəlir vergisi adamın sırf şəxsi gəlirindən tutulur. 3. Əlavə dəyər vergisi vergi qoyulan məhsulların dəyərinə hər istehsal və mübadilə mərhələsində əlavə olunan vergi sistemidir. 4. Tədavül vergisi mal və xidmətlərin satışına görə tutulan vergidir. 5. Tədavül vergisi vasitəli vergidir.

### **Exercise 4. Complete the following statements. Choose one topic to speak about a) direct taxes; b) indirect taxes; c) income taxes; d) sales taxes. Retell the text Classes of taxes.**

1) Taxes are classified as ... 2) Direct taxes include ... 3) Indirect taxes include ... 4) Direct taxes are taxes on ...

5) Direct taxes are aimed at ... 6) Income taxes are levied on ...  
7) Income taxes are adjusted ... 8) Income taxes are levied at ...  
9) Inheritance tax is ... 10) Real estate tax is ... 11) Indirect  
taxation is ... 12) Sales tax is ... 13) Value-added tax is ...  
14)... is known as an excise tax.

**UNIT 1****ENTREPRENEURS AND ENTRENEURSHIP**

Entrepreneur is someone who starts a company, arranges business deals, and takes risks in order to make a profit. Of course, to work for someone else is less trouble. Someone creates a job for you, gets orders, collects money from the clients and takes on the responsibility for making both ends meet. At night entrepreneur figures if he has enough money to write out your paycheque, pay the rent for the building, buy equipment and so on. On the other hand, entrepreneurship gives you an incomparable sense of personal freedom. The quality of entrepreneurship is seen by many economists as an important explanation of differences in the rate of technical progress between countries. It has been argued that two countries undertaking similar amounts of investment leading to more or less identical rates of growth in the fixed assets will not necessarily show the same rate of technical progress. In one country entrepreneurs may be undertaking enterprise investment that has as its aim the introduction of the most advanced types of production techniques, those that will lead to a rapid growth of labour productivity. In the other, because of hesitation or ignorance, the investment program may lead only to marginal changes in productive processes; the resulting growth in labour productivity and Gross National Product will be small.

**Vocabulary**

<b>entrepreneur</b>	предприниматель	sahibkar
<b>entrepreneurship</b>	предпринимательство	sahibkarlıq
<b>rate of economic growth</b>	темп экономического роста	iqtisadi inkişaf tempi

<b>argue</b>	спорить (с кем-либо, о чем-либо)	mübahisə etmək
<b>undertake</b>	брать на себя	öz üzərinə götürmək
<b>identical</b>	одинаковый	eyni, oxşar
<b>fixed assets</b>	основные фонды	əsas fond
<b>necessarily</b>	обязательно	mütləq,
<b>enterprise investment</b>	вложение капитала в предприятие	müəssisəyə qoyulan kapital
<b>introduction</b>	введение	təqdim etmə
<b>techniques</b>	технология	texnologiya
<b>labour productivity</b>	производительность труда	əmək məhsuldarlığı
<b>hesitation</b>	колебание	tərəddüd,
<b>marginal</b>	несущественный	əhəmiyyətsiz
<b>gross national product</b>	валовой национальный продукт	ümumi milli gəlir

### Exercise 1. Answer the Questions:

1. What is by the term "entrepreneur" meant?
2. What is less trouble and why?
3. What can entrepreneurship give you?
4. What is the quality of entrepreneurship seen as by many economists?
5. Are two countries undertaking similar amounts of investment to show the same rate of technical progress?
6. In what country will a rapid growth of labour productivity take place?
7. When will the resulting growth in labour productivity and Gross National Product be small?



## **Exercise 2. Agree or disagree with the following statements.**

1) Entrepreneur sets up a company. 2) Entrepreneur makes business deals. 3) Entrepreneur risks his neck in order to make a profit. 4) Entrepreneur introduces new types of legal techniques. 5) Entrepreneur leads his company to a slow growth of labour productivity. 6) Entrepreneur must not be doubtful or ignorant. 7) Investment is the money that people or organizations have put into a company, business, or bank in order to get a profit, or to make a business activity successful. 8) Labour productivity is the rate at which goods are produced, compared with the work, time, and money needed to produce them. 9) The GNP is the total value of all the goods and services produced in a country, including income from abroad.

## **Exercise 3. Translate the statements from Russian or Azerbaijani into English**

1. Предпринимательство – это форма деятельности в сфере производства товаров и предоставления услуг с целью получения прибыли? 2. Предприниматель – это человек, занимающийся любым видом экономической деятельности, приносящий прибыль? 3. Предприниматель рискует, чтобы получить прибыль? 4. Предприниматель применяет новые технологии производства? 5. Рост компании зависит от деловой активности предпринимателя? 6. Трудно ли быть предпринимателем?

1. Sahibkarlıq gəlir əldə etmək məqsədilə xidmət göstərmək və mal istehsal etmək sahəsində fəaliyyət formasıdır? 2. Sahibkar iqtisadi fəaliyyətin gəlir gətirən istənilən növü ilə məşğul olan insandır? 3. Sahibkar gəlir əldə etmək üçün risk edir (özünü təhlükə qarşısında qoyur)? 4. Sahibkar yeni istehsal texnologiyası işlədir (tətbiq edir)?

5. Kompaniyaların artması (inkışaf etməsi) sahibkarların işgüzar fəallığından asılıdır? 6. Sahibkar olmaq çətindir mi?

**Exercise 4. Complete the following statements. Choose one topic to speak about a) entrepreneurs; b) entrepreneurship; Retell the text Entrepreneurs and entrepreneurship.**

- 1) Entrepreneur starts ...
- 2) Entrepreneur arranges ...
- 3) Entrepreneur takes risks ...
- 4) Entrepreneur creates ...
- 5) Entrepreneur gets ...
- 6) Entrepreneur collects ...
- 7) Entrepreneur takes on ...
- 8) Entrepreneur writes out ...
- 9) Entrepreneur pays ...
- 10) Entrepreneur buys ...
- 11) Entrepreneurship gives...

## UNIT 2

### Company

Company is an organization that makes or sells goods or services in order to get money. Business enterprises usually take one of three forms: individual proprietorships, partnerships, or limited-liability companies. In the first form, a single person holds the entire operation as his personal property, usually managing it on a day-to-day basis. Most businesses are of this type. The second form, the partnership, may have from two to 50 or more members, as in the case of large law and accounting firms, brokerage houses (companies of brokers), and advertising agencies. This form of business is owned by the partners themselves; they may receive varied shares of the profits depending on their investment or contribution. Whenever a member leaves or a new member is added, the firm must be reconstituted as a new partnership. The third form, the limited-liability company, functions on the basis of limited liability.

Limited liability is the legal position under which the loss that an owner (shareholder) of a business firm may incur is limited to the amount of capital invested by him in the business and does not extend to his personal assets. Acceptance of this principle by business enterprises and governments was a vital factor in the development of large-scale industry, because it enabled business firms to mobilize large amounts of capital from a wide variety of investors who were understandably unwilling to risk their entire personal fortunes in their investments.

### Vocabulary

<b>enterprise</b>	предприятие	müəssisə
<b>individual proprietor</b>	единоличный собственник	fərdi mülkiyyət
<b>partnership</b>	товарищество	ortaqlıq, şəriklik
<b>limited liability company</b>	компания с ограниченной ответственностью	məhdud məsuliyyətli kompaniya
<b>brokerage house agency</b>	брокерская фирма агентство	birja/satış firması agentlik
<b>varied contribution</b>	разнообразный долевой взнос	müxtəlif, pulla ödəmə
<b>whenever constitute incur</b>	всякий раз когда учреждать подвергаться	nə vaxtsa, qurmaq, yaratmaq məruz qalmaq, uğramaq
<b>extend assets acceptance vital</b>	простираться имущество принятие жизненно важный	uzanmaq mülkiyyət qəbul etmə mühüm, əhəmiyyətli
<b>large-scale industry</b>	крупная промышленность	böyük sənaye
<b>enable</b>	дать возможность	ixtiyar vermək

**entire**  
**fortune**

цельный                      бүтөв, там  
судьба, богатство      бөхт, tale, var

### **Exercise 1. Answer the Questions:**

1) What is by the term "company" meant? 2) What do forms business enterprises usually take? 3) What is by the "term" individual proprietorship" meant? 4) What is by the term "partnership" meant? 5) What is the third form of business enterprises? 6) What is by the term "limited liability" meant?

### **Exercise 2. Agree or disagree with the following statements.**

1) Company makes or sells goods or services in order to get profit. 2) Proprietor is an owner of a business. 3) Individual proprietor keeps the entire operation as his rented property. 4) Individual proprietor manages his personal property on a from time to time basis. 5) Partnership is a business owned by two or more partners who share the profits and losses. 6) Partners share the profits and losses according to their investment or contribution. 7) Whenever a partner leaves or a new partner is added, the firm must be reconstituted as a new partnership. 8) Sleeping (silent) partner is someone who owns part of a business but is not actively involved in operating it. 9) Limited liability company is a company whose owners only have to pay a limited amount if the company gets into debt. 10) Limited liability is the legal position of being responsible for paying only a limited amount of debt if something bad happens to yourself or your company.

### Exercise 3. Translate the statements from Russian or Azerbaijani into English

Предприятие, единоличный собственник, товарищество, компания с ограниченной ответственностью, брокерская фирма, агентство, разнообразный, долевой взнос, всякий раз когда, учреждать, подвергаться, простираться, имущество, принятие, жизненно важный, крупная промышленность, дать возможность, целый; судьба, богатство.

1. Компания продаёт товары и услуги, чтобы заработать деньги, не так ли? 2. Компанией может владеть индивидуальный собственник, не так ли? 3. Компания может быть собственностью товарищества, не так ли? 4. Компания с ограниченной ответственностью функционирует на основе принципа ограниченной ответственности, не так ли? 5. Ограниченная ответственность – это ограничение возмещения убытков от хозяйственной деятельности суммой вложенного капитала?

Müəssisə; fərdi mülkiyyət; ortaqlıq/şəriklik; məhdud məsuliyyətli kompaniya; birja/satış firması; agentlik; müxtəlif; pulla ödəmə; nə vaxtsa; yaratmaq; məruz qalmaq; uzanmaq; mülkiyyət; qəbul etmə; əhəmiyyətli; böyük sənaye; ixtiyar vermək; bütöv; bəxt/tale; var-dövlət.

1. Kompaniya pul qazanmaq üçün mal və xidmətləri satır, elə deyilmi? 2. Kompaniya şəxsi (fərdi) mülkiyyətə sahib ola bilər, elə deyilmi? 3. Kompaniya xüsusi mülkiyyətə şərik ola bilər, elə deyilmi? 4. Məhdud məsuliyyətli kompaniya məhdud məsuliyyət prinsipi əsasında işləyir, elə deyilmi? 5. Məhdud məsuliyyət - qoyulmuş kapitaldan israfə yol vermədən itkilərin ödənilməsinə qoyulan məhdudiyətdir?

**Exercise 4. Complete the following statements. Choose one topic to speak about a) individual proprietorships; b) partnerships; c) limited-liability companies. Retell the text Company.**

1) Company is ... 2) Business enterprises take ... 3) The first form of business is ... 4) The second form of business is ... 5) The third form of business is ... 6) Individual proprietor holds ... 7) Individual proprietor manages ... 8) Partners receive ... 9) Whenever a partner leaves ... 10) Limited-liability company functions ... 11) Limited liability is ... 12) Limited liability enables business firms to ... 13) Investors are understandably unwilling to ...

## **UNIT 3**

### **Holding company**

**Holding company** is a company that owns enough voting stock (a controlling number of the shares) in one or more other companies to exercise control over them. A company that exists exclusively for this purpose is called a pure holding company, while one that also engages in a business of its own is called a holding-operating company. A holding company typically owns a majority of stock in a subsidiary (a company that is owned or controlled by another company), but if ownership of the remaining shares is widely diffused, even minority ownership may suffice to give the holding company control. A holding company provides a means of control of several companies with a minimum amount of investment. The use of a holding company is legally simpler and less expensive than other means of gaining control of another company, such as, for example, merger (the act of joining together two or more

companies to form a single enterprise). A holding company is able to reap the benefits of a subsidiary's goodwill (the success of a company, and its good relationship with its customers, calculated as part of its value when it is sold) and reputation, yet its liability is limited to the proportion of the subsidiary's stock that it owns. These and other factors make holding companies an effective form of organization on both national and international levels.

### Vocabulary

<b>holding company</b>	ХОЛДИНГ КОМПАНИЯ	xoldingq kompaniyası
<b>stock</b>	акции	səhm
<b>exercise</b>	выполнять	yerinə yetirmək
<b>exclusively</b>	исключительно	istisna, yalnız,
<b>engage</b>	заниматься	məşğul olmaq
<b>majority</b>	большинство	çoxu, əksəriyyəti
<b>subsidiary</b>	ПОДКОНТРОЛЬНАЯ КОМПАНИЯ	nəzarət altında olan kompaniyalar
<b>ownership</b>	владение	sahiblik
<b>diffuse</b>	распространять	genişləndirmək, yaumaq
<b>suffice</b>	хватать	tutmaq, yarışmaq, götürmək
<b>gain</b>	добывать	əldə etmək
<b>merger</b>	поглощение, слияние,	udma, birləşmə birləşdirmə
<b>reap</b>	пожинать плоды	bəhrəsini görmək
<b>goodwill</b>	престиж фирмы	nüfuzlu firmalar
<b>liability</b>	денежные обязательства	pul öhdəliyi

### **Exercise 1. Answer the Questions:**

1. What is by the term "holding company" meant?
2. What is by the term "voting stock" meant?
3. What company is called a pure holding company?
4. What company is called a holding-operating company?
5. What is by the term "subsidiary" meant?
6. What stock does the holding company give to control over its subsidiary?
7. What company provides a means of control of several companies with a minimum amount of investment?
8. What is the simplest way to gain control of another company?
9. What is by the term "merger" meant?
10. What is by the term "goodwill" meant?
11. What is a holding company able to get?
12. What is a holding company's liability limited to?
13. What is an effective form of organization on both national and international levels?

### **Exercise 2. Agree or disagree with the following statements.**

1) Holding company is a company that holds a control packet of shares in other companies. 2) Controlling interest is ownership of more than 50 per cent of a business. 3) If you have a controlling interest in a company, you own enough shares to be able to make decisions about what happens to the company. 4) Holding company controls the composition of the board of directors of the subsidiary company. 5) Goodwill is the favor or prestige that a business has acquired beyond the mere value of what it sells. 6) Holding company is an inefficient form of organization.



### **Exercise 3. Translate the statements from Russian or Azerbaijani into English**

1. Холдинг - компания - это компания, владеющая контрольным пакетом акций других компаний с целью осуществления контроля над их операциями?  
2. Контрольный пакет акций – это доля акций, сосредоточенная в руках одного владельца и дающая возможность осуществлять фактический контроль над акционерным обществом?  
3. Гуд-вилл – это условная стоимость деловых связей фирмы?  
4. Гуд-вилл – это престиж торговых марок, опыт деловых связей, устойчивая клиентура, не так ли?  
5. От чего зависит престиж компании?  
6. От чего может пострадать репутация компании?

1. Holding şirkəti başqa şirkətlərin işlərinə nəzarət etmək məqsədilə onların səhm paketinə sahib olurlar?  
2. Səhm nəzarət paketi bir sahibkarın əlində cəmləşən və səhmdarlar cəmiyyətinə faktiki nəzarət etməyə imkan verən səhm puludur?  
3. Qudvil firmanın işgüzar əlaqələrinin şərti dəyəridir?  
4. Qudvil işgüzar əlaqələr təcrübəsi və müştəri baxımından zəngin olan nüfuzlu ticarət markasıdır, elə deyilmi?  
5. Şirkətin nüfuzu nədən asılıdır?  
6. Şirkətin adına nə ziyan gətirə bilər?

### **Exercise 4. Complete the following statements. Choose one topic to speak about a) pure holding company; b) holding – operating company; c) the use of a holding company; d) company’s goodwill; e) subsidiary company. Retell the text Holding company.**

1) Holding company is ... 2) ... is called a pure holding company. 3) ... is called a holding-operating company. 4) A holding company typically owns ... 5) Minority ownership

may ... if ... 6) A holding company provides ... 7) The use of a holding company is ... 8) A holding company is able to ... 9) A holding company's liability is limited to...

## UNIT 4

### **Bankruptcy**

**Bankruptcy** - the status of a debtor who has been declared by judicial process to be unable to pay his debts. Although sometimes used indiscriminately to mean insolvency, the terms have distinct legal significance. Insolvency, as used in most legal systems, indicates the inability to meet debts. Bankruptcy, on the other hand, results from a legal adjudication that the debtor has filed a petition or that creditors have filed a petition against him. Bankruptcy laws were enacted to provide and govern an orderly and equitable liquidation of the estates of insolvent debtors. This purpose has remained an important aim of bankruptcy legislation since the Middle Ages. Because in the past bankruptcy was coupled with the loss of civil rights and imposition of penalties upon fraudulent debtors, the designation bankrupt came to be associated with dishonesty, casting a stigma on persons who were declared bankrupts. Eventually, however, bankruptcy legislation was extended to provide procedures for the adjustment of debts so as to avoid liquidation and for the rehabilitation of insolvent debtors. Modern bankruptcy laws include the salvage of an enterprise in financial difficulties. It has become the principal focus of bankruptcy legislation with particular concern for the maintenance of employment opportunities and the protection of members of the labour force.

## Vocabulary

<b>judicial process</b>	судебная процедура	məhkəmə üsulu
<b>indiscriminately</b>	неразборчиво	dolaşıq, qarışıq
<b>insolvency</b>	неплатежеспособность	borcunu ödəyə bilməyən
<b>meet debts</b>	оплачивать долги	borcu ödəmək
<b>adjudication in</b>	объявление банкротом	məhkəmə qarşısında
<b>bankruptcys</b>	по суду	müflis olmanı elan etmə
<b>file a petition</b>	подать петицию	ərizə vermək
<b>enact</b>	вводить закон	qanun tətbiq etmək
<b>orderly</b>	аккуратный	müntəzəm
<b>equitable</b>	беспристрастный	qərəzsiz, ədalətli
<b>estate</b>	имущество	mülkiyyət
<b>insolvent debtor</b>	несостоятельный должник	kasıb, yoxsul borclu
<b>couple</b>	связывать	əlaqələndirmək
<b>impose</b>	налагать	qoymaq (cərimə)
<b>fraudulent debtors</b>	должники, дающие ложные сведения о своем имущественном положении	öz əmlakı barədə yalan məlumat verən borclular
<b>designation</b>	называние	adlandırma,
<b>stigma</b>	клеймо, репутация преступника	cinayətkarın adı, damğası
<b>eventually</b>	со временем	müvəqqəti olaraq
<b>adjustment</b>	улаживание	qaydaya qoyma, nizama salınma
<b>rehabilitation</b>	восстановление в правах	hüquqlarını bərpa etmə

<b>salvage</b>	спасение имущества	əmlakın azad olması, xilas olması
<b>labour force</b>	рабочая сила	işçi qüvvəsi

### **Exercise 1. Answer the Questions:**

1. What is by the term "bankruptcy" meant?
2. What does insolvency indicates?
3. What does bankruptcy result from?
4. What were bankruptcy laws enacted to do?
5. What was bankruptcy coupled with in the past?
6. What did the designation bankrupt come to be?
7. What was bankruptcy legislation extended to do?
8. What do modern bankruptcy laws include?
9. What is the particular concern of bankruptcy legislation?

### **Exercise 2. Agree or disagree with the following statements.**

- 1) Bankruptcy is the state of being unable to pay your debts.
- 2) Insolvency indicates the ability to meet debts.
- 3) Bankruptcy laws provide a disorderly liquidation of the estates of solvent debtors.
- 4) Bankruptcy laws govern a prejudicial liquidation of the estates of insolvent debtors.
- 5) Bankruptcy was linked with the loss of civil liberties.
- 6) Bankruptcy inflicted punishment upon fraudulent debtors.
- 7) Bankruptcy legislation may include settlement of debts.
- 8) The designation bankrupt was connected with unfairness.
- 9) Bankrupt is someone who has officially said that they cannot pay their debts.
- 10) Bankrupt is an insolvent person who has been adjudicated bankrupt by the court.

### **Exercise 3. Translate the statements from Russian or Azerbaijani into English**

1. Банкрот не способен платить свои долги?
2. Неплатежеспособность – это финансовое положение фирмы, при котором она не может своевременно выполнять свои финансовые обязательства?
3. Неплатежеспособность необязательно означает банкротство, не так ли?
4. Кредитор может подать заявление в суд на должника?
5. Законы о банкротстве ликвидируют имущество неплатежеспособных должников?
6. Банкротство связано с потерей гражданских прав?
7. Как называются должники, дающие ложные сведения о своем имущественном положении?

1. Müflis olan şəxs borcunu ödəməyə qadir deyil?
2. Borcu ödəyə bilməmə müntəzəm olaraq öz maliyyə öhdəliyini yerinə yetirə bilməyən firmanın maliyyə vəziyyətidir?
3. Borcu ödəyə bilməmə müflisləşmə deyil, elə deyilmi?
4. Kreditor məhkəməyə borclu barədə ərizə verə bilər?
5. Müflisləşməyə dair qanunlar borcunu ödəyə bilməyənlərin əmlakını ləğv edir (müsadirə edir)?
6. Müflisləşmə mülki hüququn itirilməsiylə əlaqələndirilir?
7. Öz əmlakı barədə yalan məlumat verən borclular necə adlandırılırlar?

### **Exercise 4. Complete the following statements. Choose one topic to speak about a) insolvency in comparison with bankruptcy; b) bankruptcy legislation in the past; c) modern bankruptcy laws. Retell the text Bankruptcy.**

- 1) Bankruptcy is.....
- 2) Insolvency indicates ....
- 3) Bankruptcy results from ...
- 4) Bankruptcy laws were enacted ...
- 5) Bankruptcy was coupled with ...
- 6) The designation bankrupt came to be ...
- 7) Bankruptcy legislation was extended ...
- 8) Modern bankruptcy laws include ... with particular concern for ...

## **Lesson VII          Accounting**

### **UNIT 1**

#### **Accounting and its financial statements**

Accounting is the systematic development and analysis of information about the economic affairs of an organization. This information may be used in a number of ways: by the organization's managers to help them plan and control the organization's operations; by owners and legislative bodies to help them appraise the organization's performance and make decisions as to its future; by owners, lenders, suppliers, employees, and others to help them decide how much time or money to devote to the organization; by governmental bodies to determine how much tax the organization must pay; and by customers to determine the price to be paid. Accounting provides information for all these purposes through the maintenance of files of data, analysis and interpretation of these data, and the preparation of various kinds of reports. These reports are called financial statements. Three financial statements will be discussed: the balance sheet, the income statement, and the statement of cash flows. Accountant is a professionally qualified person who is able to record, keep, check, and prepare financial statements.

#### **Vocabulary**

<b>accounting</b>	бухгалтерское дело	mühasibat işi
<b>legislative body</b>	законодательный орган	qanunverici orqan
<b>appraise</b>	оценивать	qiymətləndirmək
<b>performance</b>	показатели работы	işin göstəriciləri

<b>devote</b>	уделять	ayırmaq (pul)
<b>data</b>	данные	məlumat, faktlar
<b>financial statement</b>	финансовый отчет	maliyyə hesabatı
<b>balance sheet</b>	балансовый отчет	balans hesabatı
<b>income statement</b>	отчет о доходах	gəlir hesabatı
<b>cash flow statement</b>	баланс оборотных средств	dövriyyə hesabatı balansı
<b>financial situation</b>	финансовое положение	maliyyə vəziyyəti

### **Exercise 1. Answer the Questions**

1. What is by the term "accounting" meant?
2. What people deal with accounting and why?
3. What does accounting provide its information through?
4. What financial statements are mentioned in the text?
5. What is by the term "accountant" meant?

### **Exercise 2. Agree or disagree with the following statements.**

1) Accounting is the systematic analysis of illegal ways of paying less tax. 2) The organization's managers to plan and control the organization's operations use intercom. 3) Owners to appraise the organization's performance use illegal tapping. 4) Lenders to decide how much time or money to devote to the organization use the newspapers that print shocking stories about people's personal lives. 5) Governmental bodies to determine how much tax, the organization must pay use tax legislation. 6) Customers to determine the price to be paid use their common sense. 7) Accounting provides its information through Internet. 8) Accounting provides its information through the preparation of various kinds of statements. 9) Balance sheet is a statement of how much money a business has earned and how much money it has paid for goods and services. 10) Cash flow

is the movement of money coming into a business as income and going out as wages, materials etc. 11) Income is a gain or recurrent benefit usually measured in money that derives from capital or labour. 12) It's only reasonable that people on a high income should pay more tax. 13) Accountant is a professionally qualified person who is able to find legal ways of paying less tax. 14) Accountant is someone who does his best to conceal unlawful income.

### **Exercise 3. Translate the statements from Russian or Azerbaijani into English**

1. Бухгалтерское дело – это систематический анализ информации об экономическом положении организации?  
2. Финансовый отчет – это отчет о финансовом положении организации?  
3. Документами финансового отчета являются: балансовый отчет, отчет о доходах и баланс оборотных средств, не так ли?  
4. Балансовый отчет – это доклад о финансовом положении организации на определенную дату?  
5. Отчет о доходах – это документ о денежных или материальных ресурсах, поступающих государству, предприятию, учреждению или отдельному лицу в процессе распределения национального дохода?  
6. Баланс оборотных средств – это доклад об изменениях в финансовом положении организации?

1. Mühasibat işi təşkilatın iqtisadi vəziyyətinə dair məlumatların sistemətik şəkildə analizidir?  
2. Maliyyə hesabatı təşkilatın maliyyə vəziyyətinə dair hesabatıdır?  
3. Maliyyə hesabatına aid olan sənədlər: gəlir və tədavül haqqında olan balans hesabatıdır?  
4. Balans hesabatı təşkilatın müəyyən tarixdə maliyyə vəziyyətini göstərən sənəddir?  
5. Gəlir haqqında hesabat milli gəlirlərin bölüşdürülməsi müddətində hökumətə, müəssisəyə, idarəyə və yaxud ayrı-ayrı şəxslərə ayrılmış pul və yaxud maddi



resurslar barədə sənəddir? 6. Tədavül balansı təşkilatın maliyyə vəziyyətindəki dəyişikliklər barədə hesabatdır?

**Exercise 4. Complete the following statements. Choose one topic to speak about a) what people use accounting and why; b) three financial statements. Retell the text Accounting and its reports.**

1) Accounting is ... 2) Accounting is used by managers to ... 3) Accounting is used by legislative bodies to ... 4) Accounting is used by lenders and employees to ... 5) Accounting is used by governmental bodies to ... 6) Accounting is used by customers to ... 7) Accounting provides ... 8) Three financial statements are...

## **UNIT 2**

### **Balance sheet**

A balance sheet describes the resources that are under a company's control on a specified date and indicates where these resources have come from. Any balance sheet consists of three major sections: (1) the assets: material values and money resources owned by the company; (2) the liabilities: the funds that have been provided by outside lenders and other creditors in exchange for the company's promise to make payments or to provide services in the future; and (3) the owners' equity: the funds that have been provided by the company's owners or on their behalf. The list of assets shows the forms in which the company's resources are kept; the lists of liabilities and the owners' equity indicate where these same resources have come from. The balance sheet, in other words, shows the company's resources from two points of view, and the following relationship

must always exist: total assets are total liabilities plus total owners' equity. This same identity is also expressed in another way: total assets minus total liabilities equals total owners' equity. In this form, the equation emphasizes that the owners' equity in the company is always equal to the net assets (assets minus liabilities). Any increase in one will inevitably be accompanied by an increase in the other, and the only way to increase the owners' equity is to increase the net assets.

### Vocabulary

<b>balance sheet</b>	балансовый отчет	balans hesabatı
<b>assets</b>	активы	aktiv
<b>liabilities</b>	обязательства	öhdəlik, təəhhüd
<b>in exchange for</b>	в обмен на	əvəzində (nəyinsə)
<b>equity</b>	собственные средства чистая стоимость капитала компании	xüsusi vəsait, kompaniya kapitalının təmiz (sıf) dəyəri
<b>on behalf</b>	от имени кого-либо	kiminsə adından
<b>identity</b>	тождество	oxşarlıq, bənzərlik
<b>equation</b>	уравнение	bərabərlik
<b>inevitably</b>	неизбежно	mütləq, istər-istəmə
<b>accompany</b>	сопровождать, сопутствовать	müşayiət etmək, yola salmaq
<b>current assets</b>	оборотный капитал	dövriyyə kapitalı
<b>fixed assets</b>	основной капитал	əsas kapital
<b>in tangible assets</b>	нематериальные активы	qeyri-maddi aktiv
<b>real estate</b>	недвижимость	daşınmaz əmlak
<b>trademark</b>	торговая марка	ticarət nişanı
<b>goodwill</b>	репутация компании	kompaniyanın adı, şöhrəti

## **Exercise 1. Answer the Questions**

1. What does a balance sheet describe?
2. What does a balance sheet indicate?
3. What does sections any balance sheets consist of?
4. What is by the term "assets" meant?
5. What is by the term "liabilities" meant?
6. What does the owners' equity include funds?
7. What does the list of assets show?
8. What do the lists of liabilities and the owners' equity indicate?
9. What must the balance sheet show?
10. What does this equation emphasize?
11. What is the only way to increase the owners' equity?

## **Exercise 2. Translate the statements from Russian or Azerbaijani into English**

1. Как называется документ бухгалтерского учета, который в денежном выражении дает представление о состоянии дел фирмы на определенную дату?
2. Как называется часть бухгалтерского баланса, отражающего на определенную дату все принадлежащие данному предприятию материальные ценности и денежные средства?
3. Активы компании – это оборотный капитал компании, основной капитал компании и нематериальные активы компании?
4. Оборотный капитал компании – это наличные деньги и сырье, не так ли?
5. Основной капитал компании – это недвижимость, машины и оборудование, не так ли?
6. Нематериальные активы компании – это патенты, репутация и торговая марка, не так ли?

1. Müəyyən bir müddətdə firmanın pul sahəsindəki vəziyyəti barədə məlumat verən mühasibat sənədləri necə

adlanır? 2. Müəyyən bir müddətdə müəssisənin maddi dəyəri və pul vəsaitilə əlaqədar bütün məlumatları əks etdirən mühasibat balansının bir hissəsi necə adlanır? 3. Kompaniyanın dövriyyə kapitalı, əsas kapitalı və qeyri maddi aktivi kompaniyanın aktividir? 4. Kompaniyanın dövriyyə kapitalı nəğd pul və xammalıdır, elə deyilmi? 5. Kompaniyanın əsas kapitalı daşınmaz əmlak, maşınlar və avadanlıqdır, elə deyilmi? 6. Patentlər, reputasiya və ticarət nişanı kompaniyanın qeyri maddi aktividir, elə deyilmi?

**Exercise 3. Analyse the table “Balance Sheet” and retell the text of the same name.**

Assets		Liabilities and owners' equity	
Current assets		Current liabilities	
Cash	\$100	Wages payable	\$20
Marketable securities	50	Accounts payable	160
Accounts receivable	150	Total current liabilities	\$180
Inventories	180		
Total current assets	\$480	Deferred taxes	10
		Long-term bonds payable	70
Long-term investments	70	Total liabilities	\$260
Plant and equipment		Owners' equity	
Original cost	\$300	Common stock	\$250
Less: accumulated depreciation	110	Retained earnings	230
		Total owners' equity	\$480
Total assets	\$740	Total liabilities and owners' equity	\$740

## UNIT 3

### Income statement

The company uses its assets to produce goods and services. The company's success depends on whether it is wise or lucky in the assets it chooses to hold and in the ways it uses these assets to produce goods and services. The company's success is measured by the amount of profit it earns. Net income is the accountant's term for the amount of profit that is reported for a particular time period. The company's income statement for a period of time shows how the net income for that period was derived. The first line in the company's income statement shows the company's net sales revenues for the period: the assets obtained from customers in exchange for the goods and services. The second line summarizes the company's revenues from other sources. The income statement next shows the expenses of the period: the assets that were consumed while the revenues were being created. The expenses are usually broken down into several categories (cost of merchandise sold, salaries of employees, depreciation, and etc.) indicating what the assets were used for. The income statement shows only a single number, the net gain on the sale. If net income is negative, it is referred to as a net loss.

#### Vocabulary

<b>income statement</b>	отчет о доходах	gəlir hesabatı
<b>assets</b>	активы	aktiv
<b>net income</b>	чистый доход	təmiz (sırf) gəlir, mədaxil
<b>sales revenue</b>	доходы от запродаж	satışdan gələn gəlir
<b>obtain</b>	получать	almaq, əldə etmək
<b>consume</b>	расходовать	xərcləmək, sərf etmək
<b>cost of merchandise</b>	стоимость	satılmış malların

<b>sold</b>	реализованных товаров	dəyəri
<b>depreciation</b>	амортизация	amortizasiya
<b>net gain / income</b>	чистая прибыль	sırf qazanc, mənfiyyət
<b>net loss</b>	чистый убыток	sırf (təmiz) itki
<b>interest revenues</b>	доходы от процентов	faizdən gələn gəlir
<b>expenses</b>	расходы	xərclər
<b>interest expense</b>	расходы на выплату процентов	faiz ödənişindəki xərclər

### Exercise 1. Answer the Questions

1. What does the company's income statement show?
2. What does the first line in the company's income statement show?
3. What does the second line in the company's income statement summarize?
4. What expenses does the income statement show?
5. What number does the income statement show?
6. What is a net loss referred to?

### Exercise 2. Translate the statements from Russian or Azerbaijani into English

1. Чистый доход – это доход после уплаты всех налогов?
2. Чистый убыток – это когда расходы превышают доходы?
3. Что включает в себя понятие «стоимость»?
4. Что включает в себя понятие «издержки»?
5. Зарплата работающих по найму отражена в отчете о доходах?
6. Амортизация – это постепенное снижение ценности основных фондов вследствие их изнашивания?
7. Амортизация – это постепенное перенесение стоимости основных фондов на вырабатываемую продукцию с целью накопления средств для их обновления?

1. Təmiz gəlir bütün vergiləri ödədikdən sonra qalan gəlirdir? 2. Təmiz itki xərc gəliri ötür keçdikdə baş verir? 3. Dəyər hansı mənəni verir? 4. «İzafi» sözünün mənası nədir? 5. İşləyən işçilərin əmək haqqı gəlir hesabatında əks olunur? 6. Amortizasiya əsas fondun (avadanlığın) qiymətinin onların köhnəlməsi nəticəsində tədricən aşağı düşməsidir? 7. Amortizasiya əsas fondun (avadanlığın) dəyərinin tədricən onları yeniləşdirmək üçün vəsait yığılmasından ibarətdir.

**Exercise 3. Complete the following statements. Choose one topic to speak about a) the company's success; b) the company's income statement.**

1) The company uses ... 2) The company's success depends on ... 3) The company's success is measured by ... 4) Net income is ... 5) The company's income statement shows ... 6) The first line in the company's income statement shows ... 7) The second line in the company's income statement summarizes ... 8) The income statement next shows ... 9) The expenses are broken down into ... and indicate ... 10) The income statement shows only ...

**Exercise 4. Analyses the table “Income Statement” and retell the text of the same name.**

Net sales revenues		\$ 800
Interest and other revenues		14
Total revenues		\$ 814
Expenses		
Cost of merchandise sold	\$492	
Salaries of employees	116	
Depreciation	30	
Interest expense	4	
Other expenses	125	767
Net income		\$ 47

## UNIT 4

### Cash flow statement

Companies also prepare a third financial statement, the statement of cash flows. Cash flows result from three major groups of activities: (1) operating activities, (2) investing activities, and (3) financing activities.

Cash balance; cash flow statement; investing activities; purchase of equipment; financing activities; issuance of bonds; bond; cash flow; cash; operating activities; net income; depreciation; deferred taxes; monetary assets; gain on sale of investment; cash dividend.

#### **Exercise 1. Translate the following words and phrases from Russian or Azerbaijani into English and vice versa.**

Баланс оборотных средств, прибыль от торговли инвестициями, инвестиционная деятельность, покупка оборудования, финансовая деятельность, выпуск облигаций, облигация, денежный дивиденд, остаток кассы, движение наличных средств, денежная наличность, текущая (эксплуатационная) деятельность, чистый доход, амортизация, отсроченные налоги, валютные активы.

Tədavül (dövriyyə) balansı; investisiya satışından gələn qazanc (mənfəət); investisiya qoyma fəaliyyəti; avadanlıq alma; maliyyə fəaliyyəti; istiqraz buraxılışı; istiqraz; pul dividendi; kassa kəsiri (qalıǵı); nəǵd vəsaitin qalxıb-düşməsi; pul haqq-hesabı; cari (istismar) fəaliyyəti; təmiz (sırf) gəlir; amortizasiya; vaxtı uzadılmış vergi; valyuta aktivi;



**Exercise 2. Translate the following statements from English into Russian or Azerbaijani**

1) Cash is money in the form of coins or notes rather than cheques, credit cards etc. 2) Cash flow is the movement of money coming into a business as income and going out as wages, materials etc. 3) A net amount of money is the amount that remains after everything has been taken away from it. 4) A gross amount of money is the total amount before any tax or costs have been taken away. 5) Income is the amount of money (usually annual) accruing as payment, profit, interest, etc., from labour, business, professions or property. 6) Net income is a person's total income after deduction of income tax. 7) Depreciation is the measure of wearing out of a fixed asset arising from use, effluxion of time or obsolescence through technological or market changes. 8) To defer means to delay something until a later date. 9) Tax is a compulsory levy on individuals and companies by the state to meet the expenses of the government. 10) Assets are the things that a company owns, that can be sold to pay debts. 11) Gain is the increase of resources, due to profitable trading. 12) Sale is the act of giving property, food, or other goods to someone in exchange for money. 13) Investment is the money that people or organizations have put into a company, business, or bank in order to get a profit, or to make a business activity successful. 14) Equipment is all the special tools, machines, clothes etc. that you need for a particular activity. 15) Bond is an official document promising that a government or company will pay back money that it has borrowed, often with interest. 16) Dividend is a part of a company's profit that is divided among the people who have shares in the company.

**Exercise 3. Complete the following statements.**

- 1) Deferred taxes are ... 2) Monetary assets are ...  
 3) Cash dividends are ... 4) Cash balance is ... 5) Cash from operating activities includes ... 6) Cash for investing activities consists of ... 7) Cash from financing activities comprises ...

**Exercise 4. Analyses the table “Statement of Cash Flows” and make up a story or dialogue to say where cash flows result from.**

<i>Cash from operating activities:</i>		
Net income	\$ 52	
Depreciation	30	
Deferred taxes	3	
Increase in monetary assets other than cash	2	
Gain on sale of investment	(5)	\$82
<i>Cash for investing activities:</i>		
Purchase of equipment	\$ (41)	
Sale of investment	19	(22)
<i>Cash from financing activities:</i>		
Issuance of bonds	\$ 10	
Cash dividends	(35)	(25)
Increase in cash balance		\$ 35

## **Lesson VIII      Advertising**

### **UNIT 1**

#### **Advertising and its history**

To advertise means to tell people publicly about a product or service in order to persuade them to buy it. Advertising - the techniques and practices used to bring products, services or opinions to public notice for the purpose of persuading the public to respond in a certain way toward what is advertised. Most advertising involves promoting a good that is for sale, but similar methods are used to encourage people to drive safely, to support various charities, or to vote for political candidates. In many countries advertising is the most important source of income for the media through which it is conducted. The media are all the organizations, such as television, radio, and the newspapers, that provide information for the public. In the ancient and medieval world such advertising as existed was conducted by word of mouth. The first step toward modern advertising came with the development of printing in the 15th and 16th centuries. In the 17th century weekly newspapers in London began to carry advertisements, and by the 18th century such advertising was flourishing. The great expansion of business in the 19th century was accompanied by the growth of an advertising industry; it was that century, primarily in the United States, that saw the establishment of advertising agencies. Advertising agency is a company that designs and makes advertisements for other companies. By the 1920s advertising agencies could plan and execute complete advertising campaigns.

## Vocabulary

<b>techniques</b>	технические приемы	texniki (qəbul) üsul, yol
<b>persuade</b>	убедить	inandırmaq
<b>respond</b>	реагировать	cavab vermək, reaksiya etmək
<b>charities</b>	благотворительные дела	xeyrliyyə işi
<b>media</b>	средства массовой информации	kütləvi informasiya vasitələri
<b>by word of mouth</b>	устно	şifahi
<b>flourish</b>	процветать	çiçəkləmək, inkişaf etmək
<b>primarily</b>	главным образом	əsasən, xüsusilə
<b>execute</b>	осуществлять	həyata keçirmək, yerinə yetirmək

### Exercise 1. Answer the Questions

1. What is by the term "advertising" meant?
2. What does most advertising involve?
3. Where is advertising used?
4. What is the most important source of income for the media?
5. How was advertising in the ancient and medieval world conducted?
6. What was the first step toward modern advertising?
7. Who began to carry advertisements in the 17th century in London?
8. What was the great expansion of business in the 19th century accompanied by?

## **Exercise 2. Agree or disagree with the following statements.**

I) To advertise means to make an announcement, for example in a newspaper or on a poster, that a job is available. 2) Advertisement is a picture, set of words, a film etc that is used to advertise a product or service. 3) Advertising is used to bring its preconceived opinions to public notice. 4) Advertising promotes unsaleable goods for sale. 5) Advertising encourages people to make traffic violations. 6) Advertising discourages people to back up various charities, 7) Advertising has the purpose of persuading the public that charity begins at home. 8) Advertising encourages people to vote for political candidates holding extreme views in politics. 9) Advertising encourages people to hold a candle to the devil. 10) Advertising is something that gives people what they want knowing it is not good for them. II) Advertising is the most important source of income for the gutter press. 12) Advertising tuckers any man of sense out. 13) Advertising makes anyone extremely angry or annoyed.

## **Exercise 3. Translate the following questions from Russian or Azerbaijani into English**

1. Реклама используется для того, чтобы привлечь внимание публики к определенным товарам?  
2. Реклама убеждает нас осторожно водить автомобиль?  
3. Реклама поддерживает благотворительные дела?  
4. Реклама призывает нас голосовать за политических кандидатов? 5. Реклама процветает?

1. İctimaiyyətin diqqətini müəyyən bir mala yönəltmək üçün reklamdan istifadə olunur? 2. Reklam bizi məşını ehtiyatla idarə etməyə əmin edir? 3. Reklam xeyriyyə işini

dəstəkləyir? 4. Reklam bizi siyasi namizədlərə səs verməyə çağırır? 5. Reklam tərəqqi (inkişaf) edir?

**Exercise 4. Complete the following statements. Choose one topic to speak about advertising a) its definition; b) its usage; c) its mutual relations with the media; d) its existence far back in the past; e) its agencies. Retell the text Advertising and its history.**

1) To advertise means ... 2) Advertising is ... 3) ... is the action of calling something to the attention of the public especially by paid announcements. 4) Most advertising involves ... 5) Advertising encourages ... 6) Advertising supports ... 7) Advertising helps people to vote ... 8) The most important source of income for the media is ... 9) Advertising is conducted through ... 10) Advertising was conducted by ... in the ancient and medieval world. 11) Modern advertising came with ... 12) Weekly newspapers in London began ... 13) ... was accompanied by ... 14) The United States saw ... 15) Advertising agencies could ...

## UNIT 2

### Advertising and its media

There are some principal media for advertising. Newspapers can offer advertisers large circulations (circulation - the average number of copies of a newspaper or magazine that are usually sold each day, week, month etc) and the opportunity to alter their advertisements frequently and regularly.

Magazines may be of general interest or they may be aimed at specific audiences (such as people interested in

computers or literature) and offer the manufacturers of products of particular interest to such people the chance to make contact with their most likely customers. The most pervasive (existing or spreading everywhere) media are television and radio. Advertisers can buy short "spots" of time to promote their products or services. Advertising spots are broadcast between or during regular programs. For advertisers the most important facts about a given television or radio program are the size and composition of its audience. The size of the audience determines the amount of money the broadcaster can charge an advertiser, and the composition of the audience determines the advertiser's choice as to when a certain message, directed at a certain segment of the public, should be run. The other advertising media include direct mail, outdoor billboards, posters, and etc. Advertising is on some occasions too intrusive (affecting someone's private life or interrupting them in an unwanted and annoying way).

### Vocabulary

<b>medium</b>	средство	vasitə
<b>the media</b>	средства массовой информации	kütləvi informasiya vasitələri
<b>circulation</b>	тираж	tiraj, nüsxə
<b>likely</b>	вероятный	mümkün olan, həqiqətə uyğun
<b>pervasive</b>	всюду проникающий	hər yerdə yayılmış, yayılan
<b>spot</b>	место	yer, məkan
<b>composition</b>	состав	heyvət, tərkib
<b>charge</b>	запросить	soruşmaq, istəmək, tələb etmək
<b>segment</b>	сектор	sektor, bölmə
<b>direct</b>	направлять	istiqamətləndirmək, yönəltmək

<b>billboards</b>	рекламные щиты	reklam lövhəsi
<b>poster</b>	плакат, афиша	afişa, plakat
<b>intrusive</b>	назойливый, навязчивый	usandırmaq, bezikdirmək, zəhlətökən

### **Exercise 1. Answer the Questions**

1. What can newspapers offer advertisers?
2. What may magazines be aimed at?
3. What may magazines offer the manufacturers?
4. What are the most pervasive media?
5. What and why can advertisers buy?
6. When are advertising spots broadcast?
7. What are facts the most important for advertisers?
8. What does the size of the audience determine?
9. What does the composition of the audience determine?
10. What do the other advertising media include?
11. Do you find advertising too intrusive?

### **Exercise 2. Agree or disagree with the following statements.**

- 1) Newspapers can offer advertisers small circulations.
- 2) Newspapers can offer advertisers the opportunity to buy printing machines.
- 3) Magazines may help the manufacturers of products to foist their substandard goods upon their customers.
- 4) The most pervasive media are old wives' tales.
- 5) Advertisers can buy television and radio to promote their products or services.
- 6) The term "direct mail" means advertisements that are sent by post to many people.
- 7) Billboard is a large sign used for advertising.
- 8) Poster is a large printed notice, picture, or photograph, used to advertise something or as a decoration.
- 9) Audience is a group of people who watch and listen to someone speaking or performing in public.
- 10) Audience is the number or kind of people who regularly watch or listen to a



particular programme. 11) Target audience is the kind of people that a programme, advertisement etc. is supposed to attract.

**Exercise 3. Translate the following questions from Russian or Azerbaijani into English**

1. Почему размещать рекламу в газетах выгодно?
2. Журналы предлагают производителям установить контакты с потенциальными покупателями их товаров?
3. Телевидение и радио проникают повсюду? 4. Рекламу можно назвать «навязчивой»? 5. Реклама полезна всем?

1. Nəyə görə qəzetdə reklam yerləşdirmək əlverişlidir?
2. Jurnallar istehsalçılara onların mallarını alan potensial alıcılarla müqavilə bağlamağı təklif edir. 3. Televiziya və radio hər tərəfdə yayımlanır. 4. Reklamı zəhlə tökən adlandırmaq olar? 5. Reklam hamıya sərfəlidir?

**Exercise 4. Complete the following statements. Choose one topic to speak about a) advertising in newspapers; b) advertising in magazines; c) advertising by television and radio; d) the other advertising media. Retell the text Advertising and its media.**

- 1) Newspapers can offer ... 2) Magazines may be ...
- 3) Magazines may offer ... 4) The most pervasive media are ...
- 5) Advertisers can buy ... 6) Advertising spots are broadcast ...
- 7) For advertisers ... are ... 8) The size of the audience determines ...
- 9) The composition of the audience determines ...
- 10) The other advertising media include ... 11) Advertising on some occasions affects ...
- 12) ... is the kind of people that an advertisement is expected to attract. 13) ... is the number or kind of people who at regular times watch or listen to a peculiar

programme. 14) ... is a large photograph used to advertise something. 15) ... is a large signboard used for advertising.

## UNIT 3

### Advertising and its effectiveness

There is no serious disagreement over the power of advertising to inform consumers of what products are available (can easily be bought or found). In a free-market economy effective advertising is extremely important and necessary to a company's survival, for unless consumers know about a company's product they are unlikely to buy it. For an advertisement to be effective its production and placement must be based on a knowledge of the public and a skilled use of the media. A career in advertising is a difficult one. Good advertisers are in great demand. Advertising agencies serve to organize complex advertising campaigns. The effectiveness of advertising campaigns is based on research into consumer behaviour and demographic analysis of the market area. [Demography is the study of human populations and the ways in which they change.] Advertisers combine creativity in the production of the advertising messages with canny scheduling and placement, so that the messages are seen by, and will have an effect on, the people advertisers most want to address. Given a fixed budget, the advertiser faces a basic choice: he can have his message seen or heard by many people fewer times, or by fewer people many times.

#### Vocabulary

<b>power</b>	способность	qabiliyyət, istedad, bacarıq
<b>unless</b>	пока не	(bağlayıcı) са,сə, кан,кəп
<b>unlikely</b>	вряд ли	çətin (ki), güman etmirəm

<b>advertisement</b>	рекламное объявление	reklam, reklam xarakterli elan
<b>placement</b>	размещение	yerləşdirmə, paylaşdırma
<b>skilled</b>	искусный	mahir, məharətli, qabil, usta
<b>research</b>	исследование	tədqiqat, axtarış
<b>creativity</b>	творчество	yaradıcılıq
<b>canny</b>	хитрый	hiyləgər, bacarıqlı, məharətli
<b>schedule</b>	планировать	planlaşdırmaq
<b>thing of naught</b>	ненужная вещь	lazımsız

### Exercise 1. Answer the Questions

1. Does advertising gain its point or not?
2. Why is effective advertising extremely important and necessary to a company's survival?
3. What must done for an advertisement to be effective?
4. A career in advertising is a difficult one, isn't it?
5. Good advertisers are in great demand, aren't they?
6. What do advertising agencies do serve to?
7. What is the effectiveness of advertising campaigns based on?
8. Why advertisers do combine?
9. What budget is the advertiser given?
10. What does the advertiser face?

### Exercise 2. Agree or disagree with the following statements.

- 1) There is no dispute over the power of advertising to inform consumers of what products are available.
- 2) Free market is a market in which prices are not controlled or limited in any way.
- 3) Effective advertising is essential to a company's survival.
- 4) Consumer is someone who buys and uses products and

services. 5) As soon as consumers know about a company's product they are likely to buy it. 6) A career in advertising is an easy one. 7) Good advertisers are in good demand. 8) Advertising agencies serve to organize whispering campaigns. 9) Whispering campaign is an attack on someone that is made by privately spreading criticism about them. 10) The effectiveness of advertising campaigns is based on research into consumer private life. 11) Advertisers have to be clever, careful, and not easily deceived, especially in business or politics. 12) Advertisers are given a permanent budget. 13) Advertisers play the fool with consumers.

### **Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English**

Разногласия, служить, спрос, рекламное агентство, распространение ложных слухов про своего противника, частным образом, распространять, научное исследование, частная жизнь, обманывать, перманентный, валять дурака, рекламировать, информировать, потребитель, имеющийся в распоряжении, свободный рынок, цена, контролировать, ограничивать, эффективный, существенный.

Fikir ayrılığı; xidmət etmək; tələbat; reklam agentliyi; öz rəqibləri haqqında yalan şayiələr yayma; xüsusi qaydada; elmi tədqiqat araşdırma; şəxsi həyat; aldatmaq; fasiləsiz; özünü gicliyə qoymaq; reklam etmək; məlumat vermək; istehlakçı; sərəncamında/ təbəçiliyində olma; azad bazar; qiymət; nəzarət etmək; məhdudlaşdırmaq; təsirli / effektiv; əhəmiyyətli/vacib.

**Exercise 4. Translate the following questions from Russian or Azerbaijani into English**

1. Реклама создает спрос на товары и услуги? 2. Вы любите рекламу? 3. Что есть хорошая реклама? 4. Что есть плохая реклама? 5. Вы купите товар, если у него плохая реклама? 6. Может ли хорошая реклама убедить покупателя купить ненужный ему товар?

1. Reklam mal və xidmətlərə olan tələbatı təşkil edir? 2. Siz reklamı sevirsiniz/xoşlayırsınız? 3. Yaxşı reklam var? 4. Pis reklam var? 5. Pis reklamı olan malı alırsınızmı? 6. Ola bilərmi ki, yaxşı reklam istehlakçı ona lazım olmayan malı almağa inandırсын?

**Exercise 4. Complete the following statements. Choose one topic to speak about a) effective advertising; b) advertisers; c) advertising agencies and campaigns. Retell the text Advertising and its effectiveness.**

1) Effective advertising is ... 2) Unless consumers know ... 3) For an advertisement to be effective ... 4) A career in advertising is ... 5) Good advertisers are ... 6) Advertising agencies serve ... 7) The effectiveness of advertising campaigns is based on ... 8) Advertisers, combine ... so that ... 9) Advertisers are given ... 10) Advertisers face ...

## **UNIT 4**

### **Advertising, its cost and its influence**

In criticism of advertising it has been argued that the consumer must pay for the cost of advertising in the form of

higher prices for goods; against this point it is argued that advertising enables goods to be mass marketed, thereby bringing prices down. It has been argued that the cost of major advertising campaigns is such that few firms can afford (to have enough money to buy or pay for something) them, thus helping these firms to dominate (to have power and control over) the market; on the other hand, whereas smaller firms may not be able to compete (to try to be more successful) with larger ones at a national level, at the local level advertising enables them to hold their own. Finally, it has been argued that advertisers exercise an undue (more than is reasonable, suitable, or necessary) influence over the regular contents of the media they employ - the editorial stance (an opinion that is stated publicly) of a newspaper or the subject (the thing one is talking about or considering in a conversation, discussion, book, film etc.) of a television show. In response it has been pointed out that such influence is counteracted, at least in the case of financially strong media firms, by the advertiser's reliance on the media to convey his messages; any compromise (an agreement between two contracting parties that is achieved by both of them accepting less than they wanted at first) of the integrity of a media firm might result in a smaller audience (the persons reached by a publication, radio, TV, etc.) for his advertising.

### Vocabulary

<b>market</b>	сбывать	ticarət, satış, satmaq
<b>thereby</b>	таким образом	bələliklə, demək
<b>whereas</b>	тогда как	halbuki, hərçənd ki, bahmayaraq
<b>hold one's own</b>	сохранять свои позиции	öz mövqeyini, vəziyyəitini saxlamaq
<b>exercise</b>	использовать	istifadə etmək, işlətmək

<b>undue</b>	чрезмерный	hədsiz, həddən artıq, son dərəcə
<b>editorial stance</b>	редакторская позиция	redaktor mövqeyi
<b>counteract</b>	нейтрализовать	bitərəfləşdirmək, neytrallaşdırmaq
<b>reliance</b>	зависимость	asılılıq, tabelik
<b>convey</b>	сообщать	bildirmək, xəbər vermək
<b>contracting parties</b>	договаривающиеся стороны	saziş bağlayan tərəflər
<b>integrity</b>	неприкосновенность	toxunulmazlıq
<b>break</b>	прерывать	fasilə etmək
<b>preserve one's existence</b>	выжить	sağ qalmaq, yaşamaq
<b>go without</b>	обойтись без	keçinmək
<b>forceless</b>	бессильный	gücsüz, qüvvətsiz, aciz

### **Exercise 1. Answer the Questions**

1. What is the first point at issue in criticism of advertising?
2. What is the second matter of dispute in criticism of advertising?
3. What is the third subject of controversy in criticism of advertising?

### **Exercise 2. Agree or disagree with the following statements.**

- 1) The advertiser must pay for the cost of advertising.
- 2) Advertising enables goods to be mass marketed.
- 3) Advertising brings prices up.
- 4) The cost of major advertising campaigns is such that few firms can have enough money to pay for them.
- 5) Advertising helps only very large companies to

have power and control over the market. 6) Smaller firms are not successful in comparison with larger ones at a national level. 7) Advertising enables smaller firms to flourish at the local level. 8) Advertisers exercise an unreasonable influence over the editorial stance of a newspaper. 9) Advertisers exercise an excessive influence over the subject of a television show. 10) The advertiser's influence is neutralized by the advertiser's reliance on the media to convey his messages. 11) The media are completely subject to the advertiser's ill will.

**Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English**

Рекламодатель, немногие, рынок, в сравнении с, удачный, на национальном уровне, процветать, распространенный в отдельных местах, непомерный, влияние, нейтрализовать, сообщение, всецело, подвластный, платить, стоимость, массовый, влечь за собой, рекламная компания, злой умысел.

Reklam verən (idarə, şəxs); bəzi adamlar; bazar; nisbətən/müqayisə etdikdə; uğurlu/müvəffəqiyyətli; milli səviyyəyə görə; inkişaf etmək; ayrı-ayrı yerlərdə genişləndirmək; həddən artıq; təsir; neytrallaşdırmaq; məlumat; tamamilə; tabe olan /asılı; ödəmək; dəyər; kütləvi; səbəb olmaq, nəticələnmək; reklam kompaniyası; pis niyyət.

**Exercise 4. Translate the following questions from Russian or Azerbaijani into English**

1. Потребитель должен платить за рекламу? 2. Вам нравится, когда фильм прерывается рекламой?
3. Телевидение проживёт без рекламы? 4. Вы верите



рекламе? 5. Какой товар может обойтись без рекламы?  
6. Средства массовой информации бессильны перед злой волей рекламодателя?

1. İstehlakçı reklam üçün ödəniş etməlidir? 2. Film reklama görə kəsiləndə (dayananda) xoşunuza gəlir? 3. Televiziya reklamsız yaşayar (fəaliyyət göstərir)? 4. Siz reklama inanırsınız? 5. Hansı mal reklamsız keçinə bilər? 6. Kütləvi informasiya vasitələri reklam verənlərin pis təsiri qarşısında gücsüzdür?

**Exercise 4. Complete the following statements. Choose one topic to speak about advertising a) its cost; b) its influence. Retell the text Advertising and its power.**

1) The consumer must pay ... 2) Advertising enables ...  
3) Few firms can afford ... 4) Advertising helps large companies to dominate ... 5) Small firms can't compete ...  
6) Advertising enables small firms ... 7) Advertisers exercise ...  
8) The advertiser's influence is counteracted by ...  
9) Any compromise ... might... 10)... an agreement between two parties achieved by both of them accepting less than they wanted at first.

# Lesson IX                    INSURANCE

## UNIT 1

### Insurance, the insurer and the insured

To insure means to, buy insurance to protect yourself against something bad happening to you, your family or your possessions. The insurer is a person or company that provides insurance. The insured is the person or people who are insured. Insurance is a contract in writing between an insurance company and the insured, whereby the insurance company will pay the insured a stated sum of money on the happening of a stated event. [Frequently the word insurance and 'assurance' are used in the same way.] In return for a specified consideration, the insurer undertakes to pay the insured some specified amount in the event that the insured suffers loss through the occurrence of a contingent event covered by the insurance contract (insurance policy). By pooling the financial contributions of a large number of policyholders, the insurer is usually able to absorb losses incurred over any given period much more easily than would the uninsured individual. While the destruction of an automobile in a traffic accident imposes a heavy financial loss on an individual, for example, one such loss is of relatively small consequence to an insurer who is collecting sufficient premiums (insurance premium is the money that you pay regularly to an insurance company) on a large number of automobiles.

### Vocabulary

<b>insurance</b>	страхование	sıǵorta
<b>the insurer</b>	страховщик	sıǵorta edən idarə
<b>the insured</b>	страхователь	sıǵortacı, sıǵorta edən
<b>insure</b>	страховать(ся)	sıǵorta etmək (etdirmək)

<b>consideration</b>	компенсация	kompensasiya (əvəz, qarşılıq)
<b>suffer losses</b>	терпеть убытки	itkiyə məruz qalmaq
<b>occurrence</b>	происшествие	hadisə, əhvalat
<b>incur</b>	навлечь на себя	səbəb olmaq, düçar etmək, törətmək, (özünə qarşı)
<b>contingent</b>	непредвиденный	gözlənilməyən
<b>insurance policy</b>	страховой полис	sığorta işi (siyasəti)
<b>absorb</b>	амортизировать	amortizasiya etmək
<b>insurance premium</b>	страховой взнос	sığorta haqqı

### **Exercise 1. Restore the word order in the following statements.**

1) To yourself against something bad happening to insure means to buy insurance to protect you. 2) The insurance insurer is a person who provides. 3) The who is insured insured is a person. 4) Insurance an insurance company and the is a contract in writing between insured.

### **Exercise 2. Agree or disagree with the following statements.**

1) Insurance is a contract for reducing losses from accident incurred by an individual party through a distribution of the risk of such losses among a number of parties. 2) Insurance is an arrangement with a company in which you pay them money each year and they pay the costs if anything bad happens to you, such as an illness or an accident. 3) To insure means to sell insurance to protect yourself against something bad happening to you. 4) The insurer is a person who plays a confidence trick on you in order to get your money. 5) The insurer is someone who deceives people to gain money. 6) The insured is a victim of insurance fraud. 7) The insurer takes responsibility for paying the insured some specified amount when the insured incurs losses. 8) The insurer is able to make up losses much

more easily than would the uninsured individual. 9) To incur means to put yourself in an unpleasant situation by your own actions.

### **Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English**

Посредством чего; установленный; несчастный случай; в обмен; точно определять; брать на себя обязательства; в случае; охватывать; объединять в общий фонд; разрушение; налагать; относительно; последствие; достаточный; договор страхования; уменьшать; сторона в договоре; распределение; соглашение; случаться; злоупотребление доверием; обманывать; заработать; жертва; мошенничество при страховании; ответственность; терпеть убытки; возместить убытки; неприятная ситуация; страхование; страховщик; страхователь; страховать; издержки; компенсация; происшествие; навлечь на себя; непредвиденный; страховой полис; взнос; амортизировать; страховой взнос.

Vasitəsilə (nəyinsə); quraşdırılmış; bədbəxt hadisə; əvəzində/müqabilində; dəqiq müəyyənləşdirmək; öhdəliyi öz üzərinə götürmək; təsadüfən; əhatə etmək; birgə fondda birləşdirmək; dağılma/viran edilmə; qoymaq (cərimə); dair; nəticə; kifayət qədər; sığorta müqaviləsi; azaltmaq; müqaviləyə qoşulan tərəflər; bölüşdürmə; razılıq; baş vermək; inamdan sui-istifadə; aldatmaq; qazanmaq; qurban/tələfat; sığorta qabağı dələduzluq; məsuliyyət; itkiyə tab gətirmək; zərərin yerini doldurmaq; xoşagəlməz vəziyyət; sığorta; sığorta edən idarə; sığorta edən; sığorta etmək; məsarif/xərc; kompensasiya; hadisə/əhvalat; özünə qarşı; gözlənilməyən; sığorta polisi; ödəmə; amortizasiya etmək; sığorta haqqı.

**Exercise 4. Complete the following statements. Choose one topic to speak about a) insurance contract; c) the insurer; c) insured. Retell the text Insurance, the insurer and the insured.**

1) ... means to buy insurance to protect yourself against something bad happening to you. 2) ... is a person or company that provides insurance. 3) ... is the person or people who are insured. 4) ... is a contract in writing between an insurance company and the insured. 5) ... will pay the insured a stated sum of money on the happening of a stated event. 6) The insurer undertakes to pay ... in return for ... 7) The insurer is able ... by pooling ... 8) ... is the money that you pay regularly to an insurance company.

## **UNIT 2**

### **The insurer and an insurable risk**

Insurance relies heavily on the "law of large numbers." In large homogeneous groups of population it is possible to estimate the normal frequency of common events such as deaths and accidents. Losses can be predicted with reasonable accuracy, and this accuracy increases as the size of the group expands. From a theoretical standpoint, it is possible to eliminate all pure risk if an infinitely large group is selected. From the standpoint of the insurer, an insurable risk must meet the following requirements: 1. The objects to be insured must be numerous enough and homogeneous enough to allow a reasonably close calculation of the probable frequency and severity of losses. 2. The insured objects must not be subject to simultaneous destruction. For example, if all the buildings insured by one insurer are in an area subject to flood, and a flood occurs, the loss to this insurer may be catastrophic. 3. The possible loss

must be accidental in nature, and beyond the control of the insured. If the insured could cause the loss, the element of randomness and predictability would be destroyed. 4. There must be some way to determine whether a loss has occurred and how great that loss is. This is why insurance contracts specify very definitely what events must take place, what constitutes loss, and how it is to be measured.

### Vocabulary

<b>groups of population</b>	слои общества	əhali, insan təbəqəsi
<b>reasonable</b>	разумный	ağıllı, şüurlu, ağlabatan
<b>expand</b>	расширяться	genişləndirmək
<b>eliminate</b>	исключить	çıxarmaq, kənar etmək, xaric etmə
<b>infinitely</b>	бесконечно	sonsuz (olaraq), son dərəcə
<b>insurable risk</b>	страхуемый риск	sığortalana bilən risk
<b>insurable</b>	могущий быть предметом страхования	sığortalana bilən şey
<b>numerous</b>	многочисленный	çox, çoxlu
<b>homogeneous</b>	однородный	həmcins, eyni, oxşar
<b>severity</b>	жестокость	rəhimsizlik, zalımlıq
<b>severe losses</b>	большие убытки	böyük, çoxlu itki
<b>occur</b>	происходить	baş vermək
<b>catastrophic</b>	катастрофический	fəlakətli, təcili, ağır
<b>accidental</b>	случайный	təsadüfən, bilmədən
<b>randomness</b>	случайность	təsadüfilik, təsadüf

<b>predictable</b>	предсказуемый	qabaqcadan xəbər verilə bilən
<b>specify</b>	точно определять	dəqiq müəyyən etmək
<b>constitute</b>	составлять	tərtib etmək, təşkil etmək, yaratmaq

**Exercise 1. Restore the word order in the following statements.**

1) The and homogeneous enough to estimate the objects to be insured must be numerous enough normal frequency of common events. 2) The be subject to simultaneous insured objects must not destruction. 3) The be beyond the control of possible loss must the insured, 4) There to determine whether a must be some way loss has occurred and how great that loss is.

**Exercise 2. Agree or disagree with the following statements.**

1) The objects to be insured must be small in numbers and heterogeneous to estimate the probable frequency and severity of losses. 2) The insured objects must be subject to simultaneous destruction. 3) The possible loss must be non-random in nature. 4) The possible loss must be within the control of the insured. 5) If the insured could cause the loss, the element of randomness and predictability would be completely useless. 6) The insured must be morally, legally, or officially allowed to cause the loss. 7) If the insured causes the loss, he has to repair damage on his own account. 8) Insurance contracts state in an exact and detailed way what events must pass, what forms loss, and how it is to be estimated.

**Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English**

Слои общества; подверженный; одновременный; разрушение; наводнение; происходить; случайный; вне; вызывать; случайность; предсказуемый; определять; оценить; предсказывать; разумный; расширяться; исключить; бесконечно; страхуемый риск; могущий быть предметом страхования; точка зрения; требование; многочисленный; однородный; разумно; частота; большие убытки; точно определять; определено; составлять; измерять.

Əhali təbəqələri; meyilli; eyni vaxtda; dağılma; daşqın; baş vermək; təsadüfən; kənar/xaric; səbəb olmaq; təsadüfilik; qabaqcadan xəbər verilən; müəyyən etmək; qiymətləndirmək; qabaqcadan xəbər vermək; ağıllı; genişləndirmək; istisna etmək; sonsuz; sığorta riski; sığorta oluna bilən şeylər; nöqtəyi nəzərdən; tələbat; çox/çoxlu; oxşar; ağıllı/məntiqli; sıxlıq; böyük itki; dəqiq müəyyənləşdirmək; müəyyənləşmiş; tərtib etmək; ölçmək

**Exercise 4. Complete the following statements. Choose one topic to speak about a) the “law of large numbers”; b) the first requirement an insurable risk must meet; c) the second requirement an insurable risk must meet; d) the third requirement an insurable risk must meet; e) the fourth requirement an insurable risk must meet. Retell the text the insurer and an insurable risk.**

- 1) Insurance relies ...
- 2) It is possible to estimate ...
- 3) Losses can be ...
- 4) Reasonable accuracy increases ...
- 5) It is possible to eliminate ...
- 6) The objects to be insured must be ... to allow...
- 7) The insured objects must not be ...
- 8) The possible loss must be ...
- 9) The element of randomness



and predictability would be ... if ... 10) There must be some way ... 11) Insurance contracts specify very definitely ...

## UNIT 3

### The insured and an insurable risk

From the viewpoint of the insured person, an insurable risk is one for which the probability of loss is not so high as to require excessive premiums (premium - the cost of insurance, especially the amount to pay each year). What is "excessive" depends on individual circumstances, including the insured's attitude toward risk. What is "excessive" stands upon insurance adjusters who are employed by an insurance company to decide how much to pay people who have had an accident. At the same time, the potential loss must be severe enough to cause financial hardship if it is not insured against. Insurable risks include losses to property resulting from fire, explosion, windstorm, burglary, etc.; losses of life or health; and the legal liability arising out of use of automobiles, occupancy of buildings, employment, or manufacture. Uninsurable risks include losses resulting from price changes and competitive conditions in the market. Political risks such as war, cabinet crisis, monetary crisis or deepening economic crisis are usually not insurable by private insurance companies but may be insurable by governmental institutions. Very often insurance contracts can be drawn in such a way that an "uninsurable risk" can be turned into an "insurable" one.

#### Vocabulary

<b>excessive</b>	чрезмерный	hədsiz, həddən artıq, sonsuz
<b>premium</b>	страховой взнос	sığorta haqqı

<b>insurance adjuster</b>	оценщик размера страхового убытка	itkinin sığorta dərəcəsinə tənzimləyən şəxs
<b>severe losses</b>	большие убытки	böyük itki
<b>financial hardship</b>	финансовые трудности	maliyyə çətinliyi
<b>windstorm</b>	буря	tufan, boran, fırtına
<b>burglary</b>	ночная кража со взломом	(sındırmaqla), gecə oğurluğu
<b>legal liability</b>	юридическая ответственность	hüquqi məsuliyyət
<b>occupancy</b>	владение	torpaq, yiyələnmə mülk
<b>competitive insurable</b>	конкурирующий могущий быть предметом страхования	rəqabət (etmə) sığorta oluna bilən əşya, şey
<b>draw</b>	составлять	tərtib etmək

**Exercise 1. Restore the word order in the following statements.**

- 1) Insurable property resulting from risks include losses to fire.
- 2) Insurable health risks include losses of life or.
- 3) Insurable include legal liability for risks damage or injury.
- 4) Uninsurable from price changes in the risks include losses resulting market.
- 5) Political by private parties risks are not insurable.
- 6) Political may be insurable by risks governmental institutions.

**Exercise 2. Agree or disagree with the following statements.**

- 1) Risk is a person or business judged according to the danger involved in giving them insurance or lending them money.
- 2) Risk is the possibility that something bad, unpleasant, or dangerous may happen.
- 3) Risk management is a system to

prevent or reduce dangerous accidents or mistakes. 4) Loss adjuster is someone who is employed by an insurance company to decide how much should be paid to people who make claims on their insurance. 5) Insurable risks include losses to property resulting from debauchery. 6) Insurable risks include financial losses and fraud losses. 7) Insurable risks include legal responsibility for paying money that is owed, or for damage or injury. 8) Uninsurable risks include losses resulting from a violent and sudden event or change, such as a serious flood or earthquake. 9) Political risks include losses resulting from opinions, ideas, and actions that most people think are unreasonable and unacceptable.

### **Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English**

Составлять контракт; большие убытки; быть причиной; финансовые трудности; собственность; взрыв; буря; юридическая ответственность; возникать; точки зрения; страхователь; страхуемый риск; вероятность; ущерб; требовать; чрезмерный; страховой взнос; разумный; необходимый; зависеть от; обстоятельства; включать; отношение к; оценщик размера страхового убытка; взять на работу; страховая компания; несчастный случай; потенциальный; владение; занятость; конкурирующий; могущий быть предметом страхования; правительственный кризис; денежный кризис.

Müqavilə tərtib etmək; böyük itki; səbəb olmaq; maliyyə çətinliyi; xüsusi mülkiyyət; partlayış; tufan; hüquqi məsuliyyət; baş vermək/əmələ gəlmək; nöqtəyi nəzərdən; sığorta edənlər; sığorta riski; ehtimal; zərər/ziyan; tələb etmək; həddindən artıq; sığorta haqqı; ağıllı; vacib; asılı olmaq; şərait/vəziyyət; daxil etmək; haqqında/barəsində; sığorta

itkisinin miqdarını ölçən; işə götürmək; sığorta kompaniyası; bədbəxt hadisə; potensial; mülk / malikanə; məşgulluq; rəqabət edən; sığortalana bilən şey; hökumət böhranı; pul böhranı

**Exercise 4. Complete the following statements. Choose one topic to speak about a) an insurable risk from the viewpoint of the insured person; b) insurable risks; c) uninsurable risks; d) political risks. Retell the text the insured and an insurable risk.**

1) An insurable risk is ... from the viewpoint of ... 2) What is "excessive" depends on ... 3) Insurance adjusters are ... 4) The potential loss must be ... to cause ... 5) Insurable risks include ... 6) Uninsurable risks include ... 7) Political risks are ... 8) Insurance contracts can be drawn ...

## **UNIT 2**

### **Kinds of insurance**

Life insurance is a contract in writing whereby the insured person will pay the insurance company stated premiums, so that he / she will receive a certain sum of money with or without bonuses on reaching a certain age or at death, whichever is the sooner. Property insurance is used to insure against loss from accidental destruction of property. Marine insurance contracts are written to cover (1) the vessel, (2) the cargo, (3) the freight revenue to be received by the ship owner, and (4) legal liability for negligence of the shipper or the carrier. There are at least four major types of liability insurance contracts: (1) liability arising out of the use of automobiles, (2) liability arising out of the conduct of a business,

(3) liability arising from professional negligence (applicable to doctors, lawyers, etc.), and (4) personal liability. The insurance covers all acts of stealing. Aviation insurance covers physical damage to the aircraft and legal liability arising out of its ownership and operation. Workers' compensation insurance, sometimes called industrial injury insurance, compensates workers for losses suffered as a result of work-related injuries. Industrial injury insurance is a contract whereby payments are made regardless of negligence. Credit insurance covers the risk of bad debts from insolvency (that is, the inability of a person or company to pay their debts as they fall due), death, and disability. Also, credit insurance covers the risk of loss of savings from bank failure and the risk of loss from export credit because of war or other political causes.

### Vocabulary

<b>premium</b>	страховой взнос	sığorta haqqı
<b>bonus</b>	премиальная надбавка	əlavə pul mükafatı
<b>whichever</b>	какой бы ни	hansı olursa, nə olursa
<b>accidental</b>	случайный	təsadüf, təsadüfən
<b>marine</b>	морской	dəniz
<b>vessel</b>	корабль	gəmi
<b>cargo</b>	груз	yük
<b>freight revenue</b>	выручка от перевозки грузов	yük daşımadan gələn gəlir
<b>legal liability</b>	юридическая ответственность	hüquqi məsuliyyət
<b>negligence</b>	небрежность	diqqətsizlik, laqeyidlik, etinasızlıq
<b>shipper</b>	грузоотправитель	yük göndərən

<b>carrier</b>	транспортная компания	yük daşınma, kompaniyası
<b>liability insurance</b>	страхование ответственности	sığorta etmə məsuliyyəti
<b>conduct</b>	ведение	aparma, aparılma bilmə, xəbərdar olma
<b>applicable</b>	применимый	tətbiq edilə bilən, işlədilə bilən
<b>aviation</b>	авиация	aviasiya
<b>physical damage</b>	материальный ущерб	maddi ziyan, zərər
<b>insolvency</b>	неплатежеспособность	borcunu ödəyə bilməmə
<b>disability</b>	нетрудоспособность	bacarıqsız, qabiliyyətsiz

**Exercise 1. Restore the word order in the following statements.**

1) Life insurance regular payments so that when he dies his family will receive is a contract whereby someone makes money. 2) Property from accidental destruction of property insurance insures against loss. 3) Marine negligence of the shipper or the insurance covers legal liability for carrier. 4) Liability insurance personal liability covers. 5) Theft insurance all covers acts of stealing. 6) Aviation damage to the aircraft insurance covers physical. 7) Workers' compensation for losses suffered as a result of work-related injuries insurance compensates workers. 8) Credit of bad debts from insurance covers the risk insolvency.

## **Exercise 2. Agree or disagree with the following statements.**

1) Life insurance is a type of insurance that someone makes regular payments into so that when they die their family will receive money. 2) Bonus is money added to someone's wages, especially as a reward for good work. 3) Property insurance is used to insure against loss from burglary. 4) Marine insurance covers personal liability for negligence of the shipper. 5) Liability insurance covers liability arising out of the use of motorcycles and bicycles. 6) Theft insurance covers all acts of cheating. 7) Aviation insurance covers aviation accidents. 8) Industrial injury insurance compensates workers for losses suffered as a result of lateness and non-attendance. 9) Credit insurance doesn't cover the risk of bad debts from disability.

## **Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English**

Неплатежеспособность; нетрудоспособность; страховой взнос; премиальная надбавка; выручка от перевозки грузов; юридическая ответственность; грузоотправитель; транспортная компания; страхование ответственности; безнадежный долг; экспортный кредит; страхование жизни.

Borcunu ödəyə bilməyən; qabiliyyətsiz; sığorta haqqı; əlavə pul mükafatı; yük daşınmadan gələr gəlir; hüquqi məsuliyyət; yük göndərən; yük daşıma kompaniyası; sığorta etmə məsuliyyəti; çarəsiz / ödənilə bilməyən borc; eksport / ixracat krediti; sığorta həyatı.

**Exercise 4. Complete the following statements. Choose one topic to speak about a) life insurance; b) property insurance; c) marine insurance; d) liability insurance; e) theft insurance; f) aviation insurance; g) workers' compensation insurance; h) credit insurance. Retell the text Kinds of insurance.**

- 1) Life insurance is ...
- 2) Property insurance is used ...
- 3) Marine insurance covers ...
- 4) Liability insurance covers ...
- 5) Theft insurance covers ...
- 6) Aviation insurance covers ...
- 7) Industrial injury insurance compensates ...
- 8) Credit insurance covers ...



## Lesson X

## Marketing

### UNIT 1

#### Marketing and its functions

Marketing is the ability to assess, by whatever means, the needs of the consumer, then using the available resources, design, produce, advertise, and deliver the goods at the right time and at the right place and price to the customer. Marketing's principal function is to promote and facilitate exchange. Through marketing, individuals and groups obtain what they need and want by exchanging products and services with other parties. Such a process can occur only when there are at least two parties, each of whom has something to offer. In addition, exchange cannot occur unless the parties are able to communicate about what they offer and to deliver what they offer. Marketing is not a coercive process: all parties must be free to accept or reject what others are offering. So defined, marketing is distinguished from other modes of obtaining desired goods, such as through self-production, begging, theft, or force. Marketing is not confined to any particular type of economy, because goods must be exchanged and therefore marketed in all economies and societies except perhaps in the most primitive one. Furthermore, marketing is not a function that is limited to profit-oriented business; even such institutions as hospitals, schools, and museums engage in some forms of marketing.

#### Vocabulary

**marketing**  
**assess**  
**consumer**

маркетинг  
оценивать  
потребитель

marketing  
qiymətləndirmək  
istehlakçı

<b>available</b>	имеющийся в распоряжении	mövcud olan
<b>occur</b>	происходить	baş vermək
<b>unless</b>	если не	əgər (yox)
<b>communicate</b>	сообщать	xəbər vermək, məlumat vermək
<b>coercive mode</b>	принудительный способ	məcburi, icbari üsul, qayda, tərz
<b>begging</b>	нищенство	dilənçilik, son dərəcə yoxsulluq
<b>confine</b>	ограничивать	məhdud etmək, məhdudlaşdırmaq
<b>market</b>	купить или продать на рынке	bazarda alıb satmaq
<b>furthermore</b>	кроме того	bundan başqa
<b>engage</b>	вовлекать	çəkmək, cəlb etmək, daxil etmək

### **Exercise 1. Restore the word order in the following statements.**

1) Marketing assess the needs of the is the ability to consumer.  
 2) Marketing the available resources is the ability to use.  
 3) Marketing goods is the ability to design the. 4) Marketing the goods is the ability to produce. 5) Marketing advertises the goods at the right time is the ability to and at the right place and price. 6) Marketing at the right place and price to the customer is the ability to deliver the goods at the right time and.

### **Exercise 2. Agree or disagree with the following statements.**

1) Marketing is the sum of activities involved in directing the flow of goods and services from producers to consumers. 2) Marketing is the activity of trying to sell a company's products by advertising, using attractive packages etc. 3) Marketing helps exchange to develop

and be successful. 4) Marketing is to facilitate exchange. 5) Through marketing, individuals obtain needless and unwanted products. 6) Marketing is a compulsory process. 7) Through marketing, consumers obtain desired goods. 8) Museums do not take part in some forms of international marketing. 9) Hospitals become involved in some forms of marketing.

### **Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English**

Маркетинг; принять; отвергать; давать определение; проводить различие; способ; желать; изготовление для себя; нищенство; просить подаяния; кража; принуждение; ограничивать; особый тип экономики; следовательно; купить или продать на рынке; исключая; ориентированный на прибыль; бизнес; способность; оценивать; любые средства; потребности; потребитель; доступный; ресурсы; проектировать; производить; рекламировать; доставлять; товары; заказчик; содействовать; способствовать; обмен; приобретать; участвующее лицо; происходить; предложить; быть в состоянии; сообщать; принудительный; вовлекать.

Marketing; qəbul etmək; rədd etmək; tərif vermək; dəyişikliklər tətbiq etmək; üsul/qayda; arzulamaq; özü üçün istehsal etmə/ hazırlama; son dərəcə yoxsulluq; sədəqə istəmək; oğurluq; məcbur etmə/məcburiyyət; məhdud etmək; iqtisadiyyatın əsas forması; bu səbəbdən; bazarda alıb-satmaq; müstəsna olmaqla; mənfəətə yönəldilmiş; biznes; qabiliyyət; qiymətləndirmək; istənilən vəsait; tələbat; istehlakçı; mümkün; resurslar; layihələşdirmək; istehsal etmək; reklam etmək; çatdırmaq; mal; sifarişçi; yardım etmək / kömək etmək; imkan yaratmaq; mübadilə; almaq (pul ilə); iştirakçı; baş vermək; təklif etmək; imkan olmaq; xəbər vermək; məcburi; cəlb etmək.

**Exercise 4. Complete the following statements. Choose one topic to speak about a) what marketing is; b) marketing's principal function; c) whether marketing is a coercive process; d) marketing and other modes of obtaining goods. Retell the text Marketing and its functions.**

1) Marketing is ... 2) Marketing's principal function is ...  
3) Through marketing, individuals obtain ... 4) Exchange of products and services can occur ... 5) Exchange of products and services cannot occur ... 6) Marketing is not... 7) Marketing is distinguished from ... 8) Marketing is not confined to ... 9) Marketing is not a function ... 10) Hospitals, schools, and museums engage in...

## **UNIT 2**

### **Marketing strategy**

The marketing process is divided into a strategic and a tactical phase. The strategic phase has three components segmentation, targeting, and positioning (STP). The organization must distinguish among different groups of customers in the market (segmentation) and choose which groups it can serve effectively (targeting). A key step in marketing strategy, known as positioning, involves creating and communicating a message that clearly positions the company or its brand in relation to competitors. Thus, Volvo (Sweden) has positioned its automobile as the "safest," and Daimler-Benz (Germany), manufacturer of Mercedes-Benz vehicles, has positioned its car as the best "engineered." Some products may be positioned as "outstanding" in two or more ways. However, claiming superiority along several dimensions may hurt a company's credibility because consumers will not believe that some company can do better than others in all dimensions.

Furthermore, although the company may communicate a particular position, customers may perceive a different image of the company as a result of their actual unpleasant experiences with the company's product or through word of mouth.

### Vocabulary

<b>strategy</b>	стратегия	strateqiya
<b>strategic</b>	стратегический	strateji
<b>segmentation</b>	сегментация	seqmentasiya
<b>targeting</b>	определение цели	məqsədin müəyyən olunması
<b>positioning</b>	позиционирование	pozisiya
<b>communicate</b>	сообщить	məlumat vermək
<b>position</b>	занять позицию	mövqe tutmaq
<b>engineer</b>	проектировать	layihə hazırlamaq, çəkmək
<b>superiority</b>	превосходство	üstünlük
<b>dimension</b>	измерение	ölçmə, ölçülmə,
<b>credibility</b>	правдивость	doğruluq, düzlük
<b>perceive</b>	воспринимать	başə düşmək, qavramaq
<b>by words of mouth</b>	устно	şifahi
<b>superiority</b>	мания величия	Allahlıq iddiası

### Exercise 1. Restore the word order in the following statements.

1) Segmentation different groups of customers in the is the act of distinguishing among market. 2) Targeting of customers the organization can serve is the act of choosing which groups effectively. 3) Positioning clearly positions the company in relation to competitors is the act of creating and communicating a message that.

## **Exercise 2. Agree or disagree with the following statements.**

1) Strategy is a well-planned series of actions for achieving an aim, especially success against an opponent. 2) The marketing process is not divided into any phases. 3) The strategic phase has two components. 4) Segmentation is the act of dividing something into smaller parts. 5) Target is an object, person, or place that is deliberately chosen to be attacked. 6) Position is the place where someone or something is, especially in relation to other objects and places. 7) Credibility is the quality of deserving to be believed and trusted. 8) Claiming superiority along several dimensions may hurt a company's honesty because consumers will not believe that some company can exceed the rest in all dimensions. 9) Although the company may state a particular position, customers may receive a different image of the company as a result of their real experiences with the company's product or through word of mouth.

## **Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English.**

Маркетинг; конкурент; таким образом; проводить различие; воспринимать; отличающийся; лицо репутация; результат; самый безопасный; производитель; автотранспортное средство; проектировать; выдающийся; несмотря на это; предъявлять претензию; превосходство; измерение; повредить; правдивость; потребитель; стратегия; ход развития; делиться на; фаза; составная часть; сегментация; покупатель; рынок; выбирать; обслуживать; эффективно; включать в себя; создание; послать сообщение; недвусмысленно; занять позицию; фабричная марка; по отношению к; полагать; кроме того;

несмотря на то, что; определение цели; позиционирование; фактически существующий.

Marketing; rəqib; beləliklə; fərqləndirmək; dərk etmək; fərqlənən; şəxs/ad/san; nəticə; ən təhlükəsiz, istehsalçı; avtonəqliyyat vasitəsi; layihələşdirmək, görkəmli; buna baxmayaraq; etirazını bildirmək; üstünlük; ölçü; zədələmək/ziyan etmək; düzgünlük; istehlakçı; strategiya; inkişaf yolu; bölünmək(nəyəsə); faza; tərkib hissəsi; siqmentasiya; alıcı; bazar; seçmək; xidmət etmək; təsirli/ effektiv; daxil etmək; tərtib etmə; xəbər göndərmək; bir mənalı; mövqə tutmaq; fabrikin nişanı; bu baxımdan; zənn etmək; bundan başqa; buna baxmayaraq; məqsədin müəyyən edilməsi; mövqeyi müəyyən etmək; faktiki mövcud olan.

**Exercise 4. Complete the following statements. Choose one topic to speak about speak about a) segmentation; b) targeting; c) positioning; d) company's superiority complex. Retell the text Marketing strategy.**

1) The marketing process is divided into ... 2) The strategic phase has ... 3) Segmentation is ... 4) Targeting is ... 5) Positioning involves ... 6) Some products may be positioned as ... 7) Claiming superiority may ... because ... 8) Customers perceive ... as a result of...

## UNIT 3

### Marketing tactics

Having developed a strategy, a company must then decide which tactics will be most effective in achieving strategy goals. Tactical marketing involves creating a marketing mix of three main components - product, price and place. Before assembling a

product, the marketer's role is to communicate customer desires to the engineers who design the product. This is in contrast to past practice, when engineers designed a product based on their own preferences, interests, or expertise and then expected marketers to find as many customers as possible to buy this product. The second marketing-mix element is price. A Mercedes-Benz vehicle is generally considered to be a high-quality automobile, and it therefore can command a high price in the marketplace. On the other hand, in order to gain market share, some companies have moved to "more for the same" or "the same for less" pricing, which means offering prices that are lower than those of their competitors. Place, or where the product is made available, is the third element of the marketing mix. When a product moves along its path from producer to consumer, it is said to be following a channel of distribution including, for example, food-processing plants, warehouses, wholesalers, and supermarkets. Because of this, some marketers may decide to skip steps in the channel and instead market directly to buyers through direct mail (advertisements that are sent by post to many people), telemarketing (a method of selling things in which you telephone people to see if they want to buy something), door-to-door selling (visiting each house in a street or area, to sell something), shopping via television, or factory outlets.

### Vocabulary

<b>goal</b>	цель	məqsəd
<b>marketer</b>	торговец	satıcı
<b>preferences</b>	предпочтения	üstünlük
<b>expertise</b>	знания, опыт	təcrübə, bilik
<b>expect</b>	ожидать, рассчитывать	gözləmək, nəzərə almaq, (hesablamaq)



<b>channel of distribution</b>	канал товародвижения	əmtəə, mal bölüşdürmə yolları
<b>processing</b>	переработка	işləyib hazırlama, yenidən işləmə
<b>skip</b>	перескакивать	keçmək, ötmək,
<b>market</b>	сбывать	almaq, satmaq
<b>outlet</b>	торговая точка	ticarət məntəqəsi

**Exercise 1. Restore the word order in the following statements.**

1) Tactical deals marketing with product. 2) Tactical marketing with price deals. 3) Tactical marketing with deals place. 4) Engineers a product based on their own preferences, interests, or expertise design. 5) Marketers customer desires to the engineers who design the product are to communicate. 6) Engineers expect marketers as many customers as possible to buy to find their product.

**Exercise 2. Agree or disagree with the following statements.**

1) Salesmen employ all sorts of tricky and fraudulent tactics to try and persuade customers. 2) Tactical marketing creates intentionally false information about products and prices. 3) Marketers' role in the marketplace is to hide the truth or confuse people. 4) Marketers deliberately intend to deceive people. 5) Marketers are to express customer desires to the engineers who design the product. 6) Engineers should not design a product based on their own preferences, interests, or expertise. 7) Engineers expect marketers to find as many customers as possible to buy their product. 8) High-quality products can command a high price in the marketplace. 9) Companies have to offer lower prices than their competitors to gain market share.

**Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English.**

Стратегия; создавать; главный; составной элемент; изделие; цена; место; собирать изделие; торговец; роль; сообщать; следовать; канал товародвижения; переработка; завод; товарный склад; универсам; перескакивать; вместо; сбывать; почта; рекламное объявление; продавать; посещение магазинов с целью покупки; тактика; развивать; решать; покупатель; желание; инженер; конструировать; контраст; предпочтение; интерес; знания; опыт; ожидать; находить; рассматривать; качество; следовательно; рынок; приобретать долю на рынке; предлагать; конкурент; доступный; эффективный; достигать цель; тактический; маркетинг; включать в себя; торговая точка.

Strateqiya; tərtib etmək; əsas; tərkib hissəsi (elementi); məmulat; qiymət; yer/ məkan; məmulat toplamaq; ticarətçi; rol; məlumat vermək; əməl etmək; mal daşınma kanalı; təkrar istehsal; zavod; mal anbarı; universam; aşmaq / keçmək; yerinə / əvəzinə; satış; poçt; elan; satmaq; alış-veriş etmək məqsədilə mağazaya baş çəkmək; taktika; inkişaf etdirmək; qərara almaq; alıcı; istək; mühəndis; qurmaq; ziddiyyət; üstün tutmaq; maraq; bilik, təcrübə; gözləmək; tapmaq; nəzərdən keçirmək; keyfiyyət; nəticə etibarilə; bazar; bazarda öz payını əldə etmək; təklif etmək; rəqib; mümkün, effektiv; nail olmaq / çatmaq; məqsəd; taktiki olaraq; marketing; daxil etmək; ticarət məntəqəsi;

**Exercise 4. Complete the following statements. Choose one topic to speak about a) marketing & product; b) marketing & price; c) marketing & place; d) channels of distribution. Retell the text Marketing tactics.**

- 1) Tactical marketing involves ...
- 2) Nowadays the marketer's role is ...
- 3) It is now a thing of the past, when engineers designed ... and then expected ...
- 4) The second marketing-mix element is ...
- 5) ... is generally considered to be ...
- 6) A Mercedes-Benz vehicle can command ...
- 7) In order to gain market share, some companies offer ...
- 8) Place is ...
- 9) Channels of distribution include ...
- 10) Direct mail is ...
- 11) Telemarketing is ...
- 12) Door-to-door selling is ...
- 13) Shopping via television is ...
- 14) Factory outlet is...

## **UNIT 4**

### **Marketing, its customers, distributors, and facilitators**

The elements that play a role in the marketing process can be divided into three groups: customers, distributors, and facilitators. In order to understand customers, certain questions must be answered: Who constitutes the market segment? What do they buy and why? And how, when, and where do they buy? Thus, a remotely situated wholesale store may use discounted prices to lure customers away from the more conveniently located shops. Customers can be divided into two categories: consumer customers, who purchase goods and services for use by themselves and by those with whom they live; and business customers, who purchase goods and services for use by the organization for which they work. Four major types of factors influence consumer buying behaviour: cultural, social, personal, and psychological. Many producers do not sell products or services directly to consumers and instead use marketing intermediaries, such as middlemen (wholesalers, retailers, agents, and brokers) and distributors. Distributor is a company or person that makes wholesale purchases from the producers of finished products to become available for people to buy. It is quite a

large company having its own warehouses and establishing active contractual relations with manufacturers. Because marketing functions require significant expertise, it is often both efficient and effective for an organization to use the assistance of independent marketing facilitators. These are organizations and consultants whose sole or primary responsibility is to handle marketing functions. There are four major types of marketing facilitators: advertising agencies, market research firms, transportation firms, and warehousing firms.

### Vocabulary

<b>distributor</b>	фирма-дистрибьютор	firma, distributor
<b>intermediary/ middleman</b>	посредник	vasitəçi
<b>remotely</b>	отдаленно	uzaqdan
<b>wholesale</b>	оптовая торговля	topdan satış
<b>discounted price</b>	цена со скидкой	endirimlə olan qiymət
<b>lure</b>	соблазнять	həvəsləndirmək
<b>conveniently</b>	удобно	rahat, rahatca
<b>psychological</b>	психологический	psixoloji
<b>retailer</b>	розничный торговец	pərakəndə satışla məşğul olan şəxs
<b>significant</b>	важный	əhəmiyyətli, lazımlı
<b>expertise</b>	знания опыт	təcrübə, bilik
<b>efficient</b>	целесообразный	məqsədəuyğun, faydalı
<b>consultant</b>	консультант	konsultant, məsləhətçi
<b>sole</b>	единственный	yeganə, tək

**Exercise 1. Restore the word order in the following statements.**

- 1) Distributor supplies is a company that shops with goods.
- 2) Facilitator helps is someone who a process to take place effectively.
- 3) Middleman business deals for other helps to arrange people.
- 4) Agent represents is a person that another person in business.
- 5) Broker buys and sells is someone who shares for other people.

**Exercise 2. Agree or disagree with the following statements.**

- 1) Facilitators play a leading role in the marketing process.
- 2) Consumer customers purchase goods and services for use by the organization for which they work.
- 3) Business customers purchase goods and services for use by themselves and by those with whom they live.
- 4) Cultural and social factors influence consumer buying behaviour.
- 5) Personal and psychological factors don't influence consumer buying behaviour.
- 6) Many producers sell products or services directly to consumers.
- 7) Many producers use marketing intermediaries to sell products to consumers.
- 8) Wholesaler is someone who sells goods wholesale.
- 9) Retailer is someone who sells things in a shop.
- 10) Distributor is to establish active contractual relations with wholesalers.
- 11) Marketing facilitators are to handle marketing functions.

**Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English.**

Расположенный; оптовая торговля; склад; цена со скидкой; располагать в определенном месте; потребитель; покупать; товары и услуги; оказывать влияние; поведение; производитель; продавать; маркетинг; покупатель; дистрибьютор; способствовать; посредник; оптовый

торговец; розничный торговец; знания опыт; управлять; рекламное агентство; готовая продукция; устанавливать деятельные контрактные отношения с промышленниками; исследование рынков сбыта.

Yerləşmiş; topdan satış; anbar; endirimli qiymət; müəyyən yerdə yerləşmək; istehlakçı; almaq; mal və xidmətlər; təsir etmək; davranış; istehsalçı; satmaq; marketing; alıcı; distribyutor; vasitəçi; topdan satan; pərakəndə satıcı; bilik, təcrübə; idarə etmək; reklam agentliyi; hazır məhsul; istehlakçılarla işgüzar əlaqələr qurmaq; bazarın tədqiqi.

**Exercise 4. Complete the following statements. Choose one topic to speak about a) customers; b) distributors; c) facilitators. Retell the text Marketing and its customers, distributors and facilitators.**

- 1) The elements that play a role in the marketing process are ...
- 2) Consumer customers purchase ... for use by ...
- 3) Business customers purchase ... for use by ...
- 4) Consumer buying behaviour is influenced by ... factors.
- 5) Many producers do not sell... and instead use ...
- 6) Middlemen are ...
- 7) Distributor is ...
- 8) It is effective for an organization to use ...
- 9) Facilitators are ...
- 10) Marketing facilitators include ...

## **Lesson XI**

## **Contract**

### **UNIT 1**

#### **Contract law**

Contract is a promise enforceable in law. The promise may be to do something or to refrain from doing something. The making of a contract requires the mutual assent of two or more persons, one of them usually making an offer and another accepting. If one of the parties fails to keep the promise, the other is entitled to legal recourse. The law of contracts considers such questions as whether a contract exists, what the meaning of it is, whether a contract has been broken, and what compensation is due the injured party. Contract law is the product of a business civilization. It will not be found, in any significant degree, in precommercial societies. Most primitive societies have other ways of enforcing the commitments of individuals; for example, through ties of kinship or by the authority of religion. In an economy based on barter (exchanging goods and services for other goods and services without using money), most transactions are self-enforcing because the transaction is complete on both sides at the same moment.

Problems may arise if the goods exchanged are later found to be defective, but these problems will be handled through property law - with its penalties for taking or spoiling the property of another - rather than through contract law. Traditional contract law developed rules and principles controlling the voluntary assumption of obligations, regulating the performance of obligations so assumed, and providing sanctions for failure to perform.

## Vocabulary

<b>contract law enforceable in law</b>	договорное право могущий быть принудительно осуществленным по закону	müqavilə hüququ qanunda əks etdirilmiş
<b>refrain</b>	воздерживаться	özünü saxlamaq, çəkinmək
<b>mutual assent legal recourse</b>	обоюдное согласие обращение в суд	qarşılıqlı razılıq məhkəməyə müraciət etmək
<b>injured party</b>	потерпевшая сторона	zərərçəkən tərəf
<b>commitments kinship</b>	обязательства родство	öhdə(çi)lik qohumluq, yaxınlıq
<b>complete</b>	законченный	tamamlanmış, başa çatmış
<b>handle property law voluntary assumption</b>	регулировать право собственности добровольный принятие на себя	tənzimləmək mülkiyyət hüququ kəonüllü öz üzərinə götürmə (öhdəliyi)
<b>assume</b>	принимать на себя	məsuliyyəti öz üzərinə götürmək
<b>contractual</b>	договорный	(razılıq) müqavilədə göstərilmiş
<b>performance failure</b>	выполнение провал	yerinə yetirmə iflas, iflasa uğrama



### **Exercise 1. Restore the word order in the following statements.**

1) Contract in law is a promise enforceable. 2) The making of a the mutual assent of two or more contract requires persons. 3) Most a simple nature and involve contracts are of an offer and an acceptance and a consideration must pass between the two parties. 4) A contract verbally or in can be made writing.

### **Exercise 2. Agree or disagree with the following statements.**

1) Contract is a formal written agreement between two or more people, which says what each person must do for the other. 2) To barter means to give anything but money in exchange for some other commodity. 3) Barter is a characteristic of a primitive community. 4) Today barter is accepted on an international scale to facilitate trading with countries of the Eastern bloc and others which are short of hard, convertible currencies. 5) Contract law governs the voluntary assumption of contractual obligations. 6) Contract law adjusts the performance of contractual obligations. 7) Contract law secures sanctions for a lack of success in performing contractual obligations. 8) Contract law is to enforce the commitments of individuals through ties of kinship. 9) Contract law is to enforce the commitments of individuals by the authority of religion.

### **Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English.**

Потерпеть неудачу; родство; сделки; законченный; регулировать; право собственности; обещание; принудительно применять; воздерживаться; требовать; обоюдное согласие; обычно; принимать; портить; добровольный; власть; принятие на себя; договорное право; принимать на себя; выполнение; обеспечить;

провал; выполнять; санкция; дефектный; возникать; рассматривать; цивилизованный мир; давать право; обращение в суд; существовать; потерпевшая сторона; контрактные обязательства; компенсация; могущий быть; принудительно осуществленным по закону.

Müvəffəqiyyətsizliyə uğramaq; oxşarlıq; sövdələşmə; başa çatmış; tənzimləmək; mülkiyyəiçilik hüququ; vəd; məcburi tətbiq etmək; çəkinmək, özünü saxlamaq; tələb etmək; ikitərəfli razılaşma; adətən; qəbul etmək; xarab etmək; könüllü hakimiyyət; üzərinə götürmə; müqavilə hüquqi; öz üzərinə götürmək; yerinə yetirmə; təmin etmək; iflas; yerinə yetirmək; qadağa; xarab; meydana gəlmək; nəzərdən keçirmək; sivil dünyaya; ixtiyar vermək; məhkəməyə müraciət etmək; mövcud olmaq; zərərçəkmiş tərəf; müqavilə öhdəliyi; kompensasiya/güzəşt; qanuna görə məcburən yerinə yetirilə bilər.

**Exercise 4. Complete the following statements. Choose one topic to speak about a) contract; b) contract law and primitive societies; c) traditional contract law. Retell the text Contract law.**

1) Contract is ... 2) Contract may be ... 3) The making of a contract requires ... 4) If one of the parties fails ... the other is entitled ... 5) Contract law considers ... 6) Contract law is ... 7) Contract law will not be found in ... 8) Most primitive societies enforced ... through ... or by ... 9) Barter is a system of... 10) Contract law controls ... 11) Contract law regulates ... 12) Contract law provides...

## UNIT 2

### The assumption of contractual obligations

Much of the law of contract is concerned with ensuring that agreements are arrived at in a way that meets at least minimum standards respecting both parties' understanding of, and freedom to decide whether to enter into, the transactions. Such provisions include rules that void contracts made under duress (illegal or unfair threats) or that are unconscionable bargains. Contract law holds protection for minors and incompetents. [Minor is someone who is below the age at which they become legally responsible for their actions. Incompetent is someone not having the ability or skill to do their job properly.] Contract law contains formal requirements protecting against the ill-considered (have not been carefully thought about) assumption of obligation. Thus, section 138 of the German Civil Code considers void any contract "whereby a person profiting from the distress, irresponsibility, or inexperience of another" obtains a disproportionately advantageous bargain. [Distress is a feeling of extreme worry and unhappiness. Irresponsibility is the state of doing careless things without thinking or worrying about the possible bad results. Inexperience is lack of experience.] By the law of contract certain agreements are illegal, for example, an agreement to commit a civil wrong or the assumption of a legally binding obligation to confer a gift of money upon another. Contractual obligations must not include or encourage secret illicit services.

#### Vocabulary

<b>contractual</b>	контрактные	müqavilədə
<b>obligations concerned</b>	обязательства	göstərilmiş
	имеющий	öhdəliklər
	отношение	aid olan, əlaqədar

<b>arrive at an agreements</b>	прийти к соглашению	razılığa gəlmək
<b>provisions</b>	положения	şərtlər
<b>void</b>	аннулировать, недействительный	ləğv etmək, qüvvəsini itirmiş
<b>consider void</b>	считать не имеющим силы	qüvvəsini itirmiş hesab etmək
<b>duress</b>	принуждение	məcbur etmə, məcburiyyət
<b>unconscionable bargain</b>	незаконная сделка	qanunsuz alver, satış
<b>minor</b>	несовершеннолетний подросток	həddi-buluğa çatmayan yeniyyət
<b>ill-considered</b>	необдуманный	düşünmədən edilən
<b>profit</b>	получить прибыль	gəlir, mənfəət
<b>distress</b>	несчастье	bədbəxtlik, fəlakət
<b>irresponsibility</b>	безответственность	məsuliyyətsizlik
<b>inexperience</b>	неопытность	təcrübəsiz
<b>disproportionately</b>	непропорциональный	qeyri-profesional
<b>advantageous</b>	выгодный	xeyirli, mənfəətli
<b>civil wrong</b>	гражданский вред	mülkü ziyan, zərər
<b>cofer</b>	даровать	hədiyyə etmək
<b>illicit</b>	незаконный	qanunsuz

### **Exercise 1. Restore the word order in the following statements.**

1) Contract law contracts made under voids duress. 2) Contract law unconscionable voids bargains. 3) Contract protects law minors. 4) Contract law incompetents protects. 5) Contract protects law against the ill-considered assumption of contractual obligation. 6) Contract voids contracts to commit a civil law wrong.

## **Exercise 2. Agree or disagree with the following statements.**

- 1) Contract law annuls contracts made under compulsion.
- 2) Contract law cancels contracts made under legal or fair threatening.
- 3) Contract law encourages corrupt bargains.
- 4) Contract law protects those who do a lot of complicated, of ten dishonest deals, especially in business or politics.
- 5) Contract law protects double-dealers.
- 6) Contract law requires protection against the deliberate assumption of obligation.
- 7) Contract law considers legally valid any contract whereby a person profiting from the distress of another obtains a disproportionately advantageous bargain.
- 8) Contract law forbids bribes.
- 9) Contract law stimulates givers of bribes and takers of bribes.
- 10) Minor is someone who is legally responsible for his or her actions.
- 11) Incompetent is someone not having the ability or skill to do their job properly.
- 12) Competence is a skill needed to do a particular job.
- 13) Distress is the state of being happy.
- 14) Responsibility is a duty to be in charge of or look after something, so that you make decisions and can be blamed if something bad happens.

## **Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English.**

Совершать; гражданский вред; юридически обязательный; даровать; контрактные обязательства; имеющий отношение к; обеспечивать; прийти к соглашению; уважать; положения; аннулировать; недействительный; несовершеннолетние подростки; некомпетентный; необдуманый; принятие на себя; посредством чего; получить прибыль; считать не имеющим силы; принуждение; незаконная сделка; несчастье;

безответственность; неопытность; получать; несомерно;  
выгодный; незаконный.

Baş vermək; mülki ziyan; hüquqi öhdəlik;  
mükafatlandırmaq / bağışlamaq; müqavilə öhdəliyi; aid  
olmaq (nəyəsə); təmin etmə; razılığa gəlmək; hörmət etmək;  
vəziyyət; ləğv etmək; etibarsız/həqiqi olmayan; həddi buluğa  
çatmamış yeniyetmələr; bacarıqsız təcrübəsiz; lazımınca  
düşünülməmiş; öz üzərinə götürmək; nəyinsə nəticəsində;  
gəlir əldə etmək; məcburiyyət; qanunsuz sövdələşmə;  
bədbəxtlik / fəlakət; məsuliyyətsizlik; təcrübəsizlik; əldə  
etmək; qeyri – uyğun bir şəkildə; əlverişli; qanunsuz.

**Exercise 4. Complete the following statements. Choose one topic to speak about a) what contracts contract law voids b) whom contract law protects. Retell the text The assumption of contractual obligations.**

- 1) Contract law is concerned with ...
- 2) Contract law voids contracts ...
- 3) Contract law holds ...
- 4) Contract law contains ...
- 5) Contract law considers void ...
- 6) Contract law voids an agreement ...
- 7) Contract law voids the assumption of ...
- 8) Contractual obligations must not include or encourage ...

## UNIT 3

### The performance of contractual obligations

Contract law allows contractual relations to be adjusted when they have been thrown out of balance by unforeseen circumstances. The task of adjustment is relatively easy in cases in which both parties made a mistake. The problem of mistake becomes more intractable when the error is chargeable to only

one party. Catastrophic events such as inflation, political upheaval, or natural disasters may upset the economy of a contract. [Political upheaval is a very big change connected with the government or public affairs of a country that often causes problems.] In the case of natural catastrophes, relief is frequently available under theories of force majeure and "act of God". [Force majeure is an event that cannot be reasonably anticipated or controlled. Act of God is an event that is caused by natural forces, such as a storm, flood, or fire, which you cannot prevent or control.] When the circumstances are economic in their nature, as with severe inflation or deflation, a solution is difficult to find. [Inflation is an increase in the volume of money in circulation relative to available goods and services resulting in a continuing rise in the general price level. Deflation is the process of reducing the amount of money in circulation in order to lower or keep steady the prices of goods.] A party who benefits from inflation in one contractual relation may suffer from it in another. A general readjustment in contracts would be enormously complicated and time-consuming and would interject an undesirable element of uncertainty into business activity. Only under exceptional circumstances - usually in the form of special legislation - are contractual relations readjusted.

### Vocabulary

<b>performance</b>	выполнение	yerinə yetirilmə
<b>contractual</b>	договорный	müqavilədə göstərilmiş
<b>overbalance/ unbalance</b>	вывести из равновесия	müvazinətdən çıxarmaq
<b>intractable</b>	неподатливый	güçətməz, çətin
<b>chargeable</b>	относимый на счет	hesaba dair
<b>natural disasters</b>	стихийные бедствия	təbii fəlakət
<b>economy</b>	структура	struktur, quruluş

<b>catastrophe</b>	катастрофа	qəza, bədbəxt hadisə
<b>relief</b>	освобождение от обязанностей	qurtuluş, borcdan, vəzifədən azad olma
<b>anticipate</b>	предвидеть	qabaqcadan görmək
<b>relative to</b>	относительно	haqqında, barəsində, dair
<b>benefit</b>	извлекать пользу	xeyir, mənfiət götürmək
<b>interject</b>	вставлять	daxil etmək, yerləşdirmək

**Exercise 1. Restore the word order in the following statements.**

1) Contractual obligations of balance by unforeseen may be thrown out circumstances. 2) Contract law contractual obligations to be allows readjusted. 3) Only are contractual obligations under exceptional circumstances readjusted. 4) Contractual obligations in the form of special legislation are usually readjusted.

**Exercise 2. Agree or disagree with the following statements.**

1) Contract law allows contractual relations to be adjusted when they have been overbalanced by unforeseen circumstances. 2) The task of adjustment is relatively difficult in cases in which both parties made a mistake. 3) The problem of mistake becomes more flexible when the error is chargeable to only one party. 4) Bad relationship between two parties may upset the economy of a contract. 5) When the circumstances are natural, a solution is difficult to find. 6) Only under usual circumstances are contractual relations readjusted.



**Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English.**

Относимый на счет, непредвиденное обстоятельство, контрактные обязательства, сторона в договоре, политический переворот, стихийные бедствия, расстраивать, структура, доступный, форс-мажор, предвидеть, естественные силы, предотвращать, инфляция, освобождение от обязанностей, страдать от, переделка, отнимающий много времени, вставлять, нежелательный, неуверенность, контрактные отношения, денежное обращение, выполнение, договорный, приводить в порядок, вывести из равновесия, урегулирование, относительно, неподатливый, ошибка, деловая активность, исключительное обстоятельство, законодательство, переделывать, дефляция, решение, относительно, иметь своим результатом, продолжающийся рост, уровень цен, извлекать пользу.

Hesaba aid; gözlənilməyən öhdəliklər; müqavilə öhdəlikləri; müqaviləyə qoşulan tərəflər; siyasi çevriliş; təbii fəlakət; pozmaq /dağıtmaq; struktur; mümkün; fəvqəladə vəziyyət; qabaqcadan görmək; təbii qüvvə/güc; qarşısını almaq (vaxtında); inflyasiya; bərcədan azad olma; zərər çəkmək (nədənsə) / ziyana düşmək; dəyişdirmə /düzəltmə; çox vaxtını almaq; daxil etmək; arzu edilməz; inanmama; müqavilədə göstərilmiş əlaqələr; pul dövriyyəsi; yerinə yetirmə; müqavilədə göstərilmiş; qaydaya salmaq; əsəbləşdirmək/müvazinətdən çıxarmaq; tənzimləmə; dair / bərəsində; gücətməz/sərt; səhv /yanlış; işgüzar fəaliyyət; müstəsna hal; qanunvericilik; düzəltmək (təzədən); deflyasiya; qərar/həll etmə; dair; öz nəticəsi olmaq; inkişaf edəndə artım; qiymət səviyyəsi; mənfəət götürmək.

**Exercise 4. Complete the following statements. Choose one topic to speak about a) contractual obligations and the problem of mistake; b) contractual obligations and catastrophic events; c) contractual obligations and economic circumstances. Retell the text The performance of contractual obligations.**

1) Contract law allows ... 2) The task of adjustment is ...  
3) The problem of mistake becomes ... 4) Catastrophic events are ...  
5) Catastrophic events may upset... 6) In the case of ... relief is ...  
7) When the circumstances are ... a solution is ...  
8) A party who benefits from ... 9) A general readjustment in contracts would be ... and would interject ...  
10) Contractual relations are readjusted only under ... and in the form ...

## **UNIT 4**

### **Sanctions for non-fulfillment of contractual obligations**

Another branch of contract law deals with the sanctions that are made available to a contracting party when the other party fails to perform his contractual obligations. These sanctions usually take the form of money damages. In case of delay in the fulfillment of contractual obligations or erasure in the fulfillment of contractual obligations a damaged party can bring an action of damages against the responsible party. The court imposes damages as compensation in money for detriment sustained by a plaintiff. The purpose of damages is to place the person in the same position before the action occurred. Damages may be classified as nominal, where no actual damage has been suffered, or substantial which represents compensation for actual loss suffered. Damages can also be punitive. Punitive damages are damages imposed by the court as a punishment of

the defendant rather than compensating the plaintiff. Money damages are generally awarded under contract law. When one party to a contract fails to perform his obligation, the other can seek damages by two ways: (1) restitution, which restores to him whatever goods, services, or money he has given the breaching party, (2) expectancy, which rewards him as if the contract had been fully performed; expectancy includes profits anticipated on the contract. Contract law seeks a sanction against contracting parties for non-fulfillment of contractual obligations.

### Vocabulary

<b>make available</b>	предоставлять	öhdəsinə buraxmaq
<b>fail to perform</b>	не удаваться совершить	yerinə yetirə bilməmək
<b>money damage</b>	денежная компенсация ущерба	ziyanın pulla kompensasiyası
<b>erasure</b>	уклонение	uzaqlaşma, kənara çıxma
<b>damages</b>	компенсация за убытки	zərəgə görə kompensasiya
<b>sustain detriment occur</b>	понести ущерб происходить	ziyana düşmək baş vermək
<b>punitive award</b>	карательный присуждать	cəza, cəzalandırıcı hökmlər vermək
<b>seek damages</b>	требовать возмещения убытков	ziyanın ödənilməsini tələb etmək
<b>restitution</b>	возвращение утраченного	dəymiş ziyanın ödənilməsi
<b>breach</b>	нарушать	pozmaq, əməl etməmək
<b>expectancy reward</b>	ожидание вознаграждать	gözləmə mükafatlandırmaq

<b>anticipate</b>	предвидеть	qabaqcadan görmək
<b>seek a sanction</b>	требовать применения санкции	sanksiya tətbiq etməyi tələb etmək

**Exercise 1. Restore the word order in the following statements.**

1) Contract law with sanctions deals. 2) Sanctions the form of money take damages. 3) In case of delay an can bring action of in the fulfillment of contractual obligations a damaged party party damages against the responsible. 4) In case of a damaged party party can bring an action of damages erasure in the fulfillment of contractual obligations against the responsible. 5) Restitution to the party damaged party money he has given the breaching restores. 6) Expectancy the damaged party as if the contract had been fully rewards performed.

**Exercise 2. Agree or disagree with the following statements.**

1) Contract law deals with damaged parties and responsible parties. 2) When one party to a contract fails to perform his obligation, the other is not to seek damages. 3) In case of delay in the fulfillment of contractual obligations a responsible party can bring an action of damages against the damaged party. 4) In case of erasure in the fulfillment of contractual obligations a responsible party can bring an action of damages against the damaged party. 5) Expectancy restores to the damaged party money he has given the breaching party. 6) Restitution rewards the damaged party as if the contract had been fully performed.

**Exercise 3. Translate the following words and phrases from Russian or Azerbaijani into English.**

Потерпевшая сторона; предъявить иск за убытки; виновная сторона; компенсация за убытки; понести ущерб; истец; происходить; номинальные убытки; фактические убытки; карательный; ответчик; присуждать; договорное право; требовать возмещения убытков; реституция; нарушать; ожидание; вознаграждать; предвидеть; требовать применения санкции; санкции за невыполнение контрактных обязательств; договаривающиеся стороны; денежная компенсация ущерба; задержка в выполнении контрактных обязательств; уклонение от выполнения контрактных обязательств.

Zərərçəkmiş tərəf; itkiyə görə iddia irəli sürmək; günahkar tərəf; itkiyə görə kompensasiya; zərər çəkmək; iddiaçı; baş vermək; nominal ziyan / itki; həqiqi itki; cəza / cəzalandırıcı; cavabdeh; hökm vermək/kəsmək; müqavilədə göstərilmiş hüquq / ixtiyar; ziyanın əvəzini ödəməyi tələb etmək; restitusiya (pozulmuş hüququ bərpa etmə və zərərlərini ödəmə; pozmaq; gözləmə; mükafatlandırmaq, qabaqcadan görmək; sanksiya tətbiq etməyi tələb etmək; yerinə yetirilməyən müqavilə öhdəliklərinə görə sanksiya; razılığa gələn tərəflər; ziyanın pulla kompensasiyası; müqavilə öhdəliklərinin yerinə yetirilməsində gecikmə; müqavilə öhdəliklərini yerinə yetirməkdən boyun qaçırmaq.

**Exercise 4. Complete the following statements. Choose one topic to speak about a) damages; b) restitution; c) expectancy. Retell the text Sanctions for non-fulfilment of contractual obligations.**

- 1) Contract law deals with ... when ...
- 2) Sanction's usually take ...
- 3) In case of ... a damaged party can ...
- 4) The court

imposes ... 5) The purpose of damages is ... 6) Damages may be ... 7) Punitive damages are ... 8) Money damages are awarded under ... 9) When one party to a contract fails ... the other can ... 10) Restitution restores ... 11) Expectancy rewards ... 12) Expectancy includes... 13) Contract law seeks...

## Lesson XII

## PANIC

### UNIT 1

#### Problems of capitalism

**Panic** - in economics, acute financial disturbance, such as widespread bank failures, feverish stock speculation followed by a market crash, or a climate of fear caused by economic crisis or the anticipation of such crisis. The term is applied only to the violent stage of financial convulsion and does not extend to the whole period of a decline in the business cycle. Until the 19th century, economic fluctuations were largely connected with shortages of goods, market expansion, and speculation, as in the incident known as the South Sea Bubble (1720), when stock speculation reached panic proportions in both France and England. Panics in the industrialized societies of the 19th and 20th centuries, however, have reflected the increasing complexity of advanced economies and the changed character of their instability. A financial panic has quite often been a prelude to a crisis that extended beyond commercial activities into sectors of consumption and capital goods. The Panic of 1857 in the United States, for example, was the outcome of the railroads' defaulting on their bonds, hence the decline in the value of rail securities. The Panic's effects were complex, including not only the closing of many banks but also a sharp increase in unemployment in the United States and a money-market panic on the European continent. The Panic of 1873, which began with financial crises in Vienna in June and in New York City in September, marked the end of the long-term economic expansion in the world economy that had begun in the late 1840s. The greatest panic, however, was the crisis in 1929, which rocked the U.S. economy, shattered world economic relations, and brought about the Great Depression.

## Vocabulary

<b>acute</b>	острый	kəskin, iti, sərt
<b>anticipation</b>	ожидание	gözlənilmə, gözləmə
<b>convulsion</b>	потрясение	sarsıma, sarsılma, fəlakət
<b>decline</b>	спад	enmə, düşmə
<b>cycle</b>	цикл	dövr, dövriyyə
<b>shortage</b>	нехватка	qıtlıq, çatışmamazlıq
<b>bubble</b>	дутое предприятие	şişirdilmiş iş
<b>prelude</b>	прелюдия	başlanğıc, giriş
<b>extend</b>	простирается	genişlənmək, genişləndirmək
<b>capital goods</b>	средства производства	istehsal etmə vasitələri
<b>default</b>	невыполнение обязательства	vəzifənin, borcun yerinə yetirilməməsi
<b>outcome</b>	результат	nəticə
<b>economic expansion</b>	экономический рост	iqtisadi artım, inkişaf
<b>rock</b>	трясти	silkələmək, titrətmək
<b>shatter</b>	разрушать	dağıtmaq, alt-üst etmək

### Exercise 1. Agree or disagree with the following statements.

1) Business cycle is periodic fluctuation in the rate of economic activity, as measured by the levels of employment, prices, and production. 2) Panic is a sudden strong feeling of fear or nervousness that makes you unable to think clearly or behave sensibly. 3) Expansion is the act or process of making a



company or business larger by opening new shops and factories. 4) Bubble is something that lacks firmness or reality.

**Exercise 2. Translate the following words and phrases from Russian or Azerbaijani into English.**

Простираться; по ту сторону коммерческой деятельности; потребление; средства производства; невыполнение обязательств по отношению облигаций; получающийся в результате спад; стоимость ценных бумаг; денежный рынок; острые финансовые беспорядки; широко распространенный; банкротство банка; лихорадочная спекуляция акциями; крах фондовой биржи; экономический кризис; ожидание; интенсивная стадия; финансовое потрясение; экономические колебания; в значительной степени; дефицит товаров; расширение границ рынка; дутое предприятие; страны с передовой экономикой; цикл деловой активности; спад; экономический рост.

genişləndirmək; kommersiya fəaliyyəti istiqamətində; istehlak; istehlak vasitələri; isteqraz vəərəqlərinin ödənilməsinə dair borcun yerinə yetirilməməsi; enmə nəticəsində əldə edilən; qiymətli kağızların dəyəri; pul bazarı; kəskin maliyyə həyəcanı/ iğtişası; geniş yayılmış; bankın müflisləşməsi; səhmlərin qızğın alveri; fond birjasının iflası; iqtisadi böhran; gözləmə; intensiv/ gərgin mərhələ; maliyyə sarsıntısı; iqtisadi titrəyiş (qiymətlərin enib-qalxması); nəzərə çarpacaq dərəcədə; xarab mal; bazar hüdudunun genişlənməsi; külək müəssisəsi; qabaqcıl iqtisadiyyatı olan ölkələr; işgüzar fəaliyyət dövrü; enmə; iqtisadi artım.

**Exercise 3. Translate the following statements from Russian or Azerbaijani into English.**

1. Цикл деловой активности – это попеременное усиление или ослабление деловой активности. 2. Паника – это внезапный страх крушения национальной экономики. 3. Следствиями паники являются массовое изъятие банковских вкладов и массовые продажи акций. 4. Расширение границ рынка – это попытка фирмы увеличить сбыт за счет внедрения существующих товаров на новые рынки. 5. Другое предприятие – это неустойчивое, не имевшее успеха и потерпевшее крах предприятие.

1. İşgüzar fəaliyyət dövrü işgüzar fəallığın növbəli şəkildə güclənib zəifləməsidir. 2. Panika (təlaş) beynəlxalq iqtisadiyyatın gözlənilməz iflas qorxusudur. 3. Buna görə də panika bank əmanətlərinin kütləvi çıxarılması və səhmlərin kütləvi satışıdır. 4. Bazar hədudlarının genişləndirilməsi firmaların mövcud malları yeni bazarlarda geniş yaymaq hesabına satışı artırmaq təşəbbüsüdür. 5. Kulək müəssisəsi uğursuz və iflasa uğrayan dəyişkən müəssisədir.

**Exercise 4. Complete the following statements. Choose one topic to speak about a) what panic means; b) what term “panic” is applied to; c) the Panic of 1720; d) the Panic of the 19<sup>th</sup> and 20<sup>th</sup> centuries; e) the panic of 1857; f) the Panic of 1873; g) the Panic of 1929. Retell the text Panic.**

1) Panic in economics is ... 2) The term "panic" is applied to ... 3) Until ... economic fluctuations were ... 4) Panics in ... reflected ... 5) A financial panic has been a prelude to ... 6) The Panic of 1857 was the outcome of ... 7) The Panic of 1857 included ... 8) The Panic of 1873 began with ... 9) The Panic of 1873 marked ... 10) The greatest panic was ... 11) The greatest panic rocked ... shattered ... and brought...

## UNIT 2

### Depression and recession

**Depression** - in economics, a long period of decline in the business cycle that is characterized by sharply reduced industrial production, widespread unemployment, serious declines or cessations of growth in construction activity, and great reductions in international trade and capital movements. Unlike minor business contractions that may occur in one country independently of business cycles in other countries, severe depressions have usually been nearly worldwide in scope. The Great Depression beginning in 1929, for example, was the most severe and widespread economic decline in the 20th century. **Recession** - in economics, a downward trend in the business cycle characterized by a decline in production and employment, which in turn causes the incomes and spending of households to decline. Even though not all households and businesses experience actual declines in income, their expectations about "the future become less certain during a recession and cause them to delay making large purchases or investments. In recessions, the decline in output can be traced to a reduction in purchases of durable household goods by consumers and of machinery and equipment by businesses, and a reduction in additions of goods to inventories. The greatest effect is probably on inventories; businessmen stop adding to their inventories and become more willing to draw on them to fill production orders. The decline in inventories thus has a double impact on production volume. Whether a recession develops into a severe and prolonged depression depends on a number of circumstances. Among them are the extent and conditions of credit extended during the previous period of prosperity, the amount of speculation permitted, the ability of government monetary and fiscal policies to reverse the

downward trend, and the amount of excess productive capacity in existence.

### Vocabulary

<b>depression</b>	депрессия	depressiya (iqtisadi tənəzzül)
<b>recession/decline</b>	спад, рецессия	enmə, aşağı düşmə
<b>cessation</b>	прекращение	kəsmə, kəsilmə
<b>minor</b>	незначительный	əhəmiyyətətsiz
<b>contraction</b>	сокращение	ixtisar
<b>cycle</b>	цикл	dövr, dövriyyə
<b>downward trend</b>	тенденция к понижению	enməyə doğru meyl
<b>household</b>	семья; домашнее хозяйство	ailə, ailə təsərrüfatı
<b>inventories</b>	материально- производственные запасы	maddi-istehsal ehtiyatı
<b>draw on</b>	пользоваться	istifadə etmək
<b>extent</b>	размер	ölçü
<b>extend</b>	предоставлять	təqdim etmək
<b>reverse</b>	поворачивать в противоположном направлении	əks istiqamətə yönəltmək
<b>excess</b>	дополнительный	əlavə

**Exercise 1. Translate the following words and phrases from Russian or Azerbaijani into English.**

Депрессия; фирма; испытывать; откладывать; покупки; инвестиция; объем производства; прослеживать; товары длительного пользования; потребитель; машинное оборудование; дополнение; материально-производственные запасы; пользоваться; исполнить

производственный заказ; удар; объем производства; длительный; обстоятельства; размер и условия кредита; предшествующий период; сокращать; промышленное производство; широко распространенный; безработица; строительство; сокращение; международная торговля; движение капитала; в отличие от; незначительное сокращение деловой активности; цикл деловой активности; мировой масштаб; рецессия; тенденция к понижению; занятость; в свою очередь; вызывать; доходы; семейные расходы; процветание; поворачивать в противоположном направлении; дополнительный; производительная способность в наличии; спекуляция; валютная политика; фискальная политика.

Depressiya / tənəzzül; firma; sınaqdan keçirmək; təxirə salmaq; bazarlıq / alma; investisiya; istehsal həcmi; təqib etmək / izləmək; istehlak malları; istehlak; maşın avadanlığı; əlavə; maddi istehsal ehtiyatı; istifadə etmək; istehsal sifarişini yerinə yetirmək; zərbə; istehsal həcmi; uzun müddətli; şərait; kredit şərtləri və dərəcəsi; əvvəlki müddət; ixtisar etmək; istehsal sənayesi; geniş yayılmış; ihsizlik; tikinti; ixtisar; beynəlxalq ticarət; kapitalın artıb əskilməsi; fərqli olaraq; işgüzar fəaliyyətinin nəzərə çarpacaq dərəcədə azalması; işgüzar fəaliyyət dövrü; dünya miqyası; enmə; enməyə doğru meyl; məşğuliyyət; öz növbəsində; səbəb olmaq; gəlir; ailə xərci; inkişaf; əks tərəfə dönmək; əlavə; istehsal qabiliyyəti olmaq; alver; valyuta siyasəti; xəzinə siyasəti;

**Exercise 2. Translate the following statements from Russian or Azerbaijani into English.**

1. Депрессия – это состояние экономики, когда деловая активность снижается в течение продолжительного времени, цены падают, покупательная способность

существенно сокращена, а безработица стоит на высоком уровне. 2. Рецессия – это одна из фаз экономического цикла, характеризующаяся снижением деловой активности или экономическим спадом.

1. İqtisadi tənəzzül uzun müddət ərzində iş fəaliyyətinin aşağı düşməsilə, qiymətlərin enməsilə, alıcılıq qabiliyyətinin zəruri şəkildə azalması ilə və işsizliyin yüksək dərəcədə artması ilə səciyyələnən iqtisadi vəziyyətdir.
2. İş fəaliyyətinin enməsilə və yaxud iqtisadi enmə ilə iqtisadi dövrün bir fazasıdır.

**Exercise 3. Complete the following statements. Choose one topic to speak about a) depression in the business cycle; b) recession in the business cycle; c) recession and inventories; d) circumstances when a recession develops into a depression. Retell the text Depression and recession.**

- 1) Depression is ...
- 2) Depression is characterized by ...
- 3) Unlike ... severe depressions have been ...
- 4) Recession is ...
- 5) Recession is characterized by ...
- 6) In recessions, the decline in production and employment causes ...
- 7) In recessions, the decline in output can be traced to ...
- 8) In recessions, the decline in inventories has ...
- 9) Whether a recession develops into a depression depends on...

## UNIT 3

### Globalization

In 2000 the media were full of references to globalization of the economy, communications—even politics and military affairs. Large crowds turned out to protest meetings such as that of the World Trade Organization (WTO) in Seattle, Wash., in 1999 or called attention to International Monetary Fund (IMF) policies in granting loans to states at war. What were these protests all

about? Globalization is a phenomenon involving the integration of economies, cultures, governmental policies, and political movements around the world. Internationalization is nothing new. Many of the large empires and religious movements represented forms of globalization. Trade and investment between countries have promoted interdependence of the world's economies for centuries. As early as 1962 the Canadian visionary Marshall McLuhan wrote that the electronic age was turning all humanity into a "global tribe," and the term *global village* is attributed to him. Nowadays, the larger corporations organize production on a worldwide scale. Each step in the value-added chain, from research and development to processing of raw materials, production of parts, assembly of components, and marketing of the final product, is carried out in the most advantageous geographic location, regardless of where corporate headquarters are located or where the final good is sold. The globalization of markets means increasingly that similar goods are sold around the world for similar prices. The BBC, CNN, and the Internet have accelerated the integration of global culture. Teenagers around the world watch the same videos, listen to the same music, and wear the same clothes. At the same time, television audiences in virtually all countries watch the same major events, listen to the same financial forecasts, and see the same three-minute glimpses of ecological disasters.

### Vocabulary

<b>reference</b>	упоминание	xatırlatma
<b>turn out</b>	бастовать	çağırmaq (qarşı çıxmaq)
<b>phenomenon</b>	феномен	fenomen
<b>empire</b>	империя	imperiya
<b>religious</b>	религиозный	dini
<b>visionary</b>	фантазер	xəyalpərəst

<b>age</b>	век	əsr
<b>processing</b>	переработка	işləyib hazırlama, yenidən hazırlamaq
<b>advantageous</b>	благоприятный	əlverişli, üstünlük
<b>increasingly</b>	все больше и больше	artan

**Exercise 1. Translate the following words and phrases from Russian or Azerbaijani into English.**

Международный валютный фонд; предоставить заем; воюющее государство; объединение в одно целое; интеграционный процесс; культура; фантазер; электронный век; человечество; всемирный; племя; приписывать кому-либо; крупные корпорации; мировой масштаб; добавленная стоимость; изыскание и разработка; капиталовложение; способствовать; взаимозависимость; показательный; ускорение; переработка сырья; производство деталей; невзирая на; главное управление корпорации; продавать; средства массовой информации; ускорять; упоминание; средства сообщения; политика; военные дела; торговля; протестовать; благоприятное географическое расположение; встреча; Всемирная торговая организация; привлекать внимание; представлять; отражать; интеграция мировой культуры; подросток; телезрители; фактически; сборка деталей; маркетинг конечного продукта; экономика; правительственная политика; политические течения; осуществлять; финансовый прогноз; интернационализация; империя; религиозное течение; нечто быстро промелькнувшее перед глазами; экологическое бедствие; глобализация рынков; интегрированный; финансовые и товарные рынки.

Beynəlxalq valyuta fondu; borc vermək; müharibə edən dövlət; bir məqsəddə birləşmə; inteqrasiya prosesi;



mədəniyyət, xəyalpərəst; elektron əsri; bəşəriyyət; ümumdünya; tayfa (xalq)/nəsl; kiməsə yazmaq; böyük korporasiya; dünya miqyası; əlavə dəyər; araşdırma və işləyib hazırlama; kapital qoyuluşu; kömək etmək; qarşılıqlı asılılıq; səciyyəvi/tipik; sürətləndirmə; xammal emalı; hissələrin istehsalı; baxmayaraq; korporasiyanın qərargahı; satmaq; kütləvi informasiya vasitələri; sürətləndirmək; yada salma; məlumat vasitələri; siyasət; hərbi iş; ticarət; qəti etiraz etmək; əlverişli coğrafi mövqe/yerləşmə; görüş; ümumdünya ticarət təşkilatı; diqqəti cəlb etmək; təqdim etmək; əks etdirmək; dünya mədəniyyətinin inteqrasiyası; yeniyetmələr; tamaşaçılar; faktiki olaraq /dəqiq; detalların yığılması; son məhsulun marketinqi; iqtisadiyyat; hökumət siyasəti; siyasi cərəyan; həyata keçirmək; maliyyə proqnozu; beynəlmilləşdirmə; imperiya; dini cərəyan; göz önündə tez parlayıb sönən nəyisə / bir şey; ekoloji fəlakət; bazarların qloballaşması; birləşmiş; maliyyə və mal bazarları.

**Exercise 2. Translate the following statements from Russian or Azerbaijani into English.**

Глобализация – это высшая стадия интернационализация. Глобализация – это совокупность таких процессов и явлений, как трансграничные потоки товаров, услуг, капитала, технологии, информации и межстрановое перемещение людей, преобладание ориентации на мировой рынок в торговле, инвестировании и других транзакциях (на уровне фирм), территориальная и институциональная интеграция рынков, а также возникновение глобальных проблем типа экологической деградации или чрезмерного роста народонаселения, для решения которых необходимо всемирное сотрудничество.

Qloballaşdırma beynəlmilləşdirmənin ən yüksək pilləsidir. Ərzaq, xidmət, kapital, texnologiya, informasiyanın

transsərhəd axını kimi hadisə və proseslər məcmusu və insanların ölkələrarası yerdəyişməsi, ticarətdə, investisiya qoyuluşunda və digər transaksiyaların (firmalar səviyyəsində) dünya bazarına meylinin artması, habelə həll olunması üçün ümumdünya əməkdaşlığının vacibliyi, ekoloji tənəzzül və yaxud əhalinin həddən artıq artması kimi qlobal problemlərin meydana gəlməsi qloballaşmadır.

**Exercise 3. Complete the following statements. Choose one topic to speak about a) globalization, large crowds and the media; b) what globalization involves; c) globalization in economies and markets; d) globalization and communications. Retell the text Globalization.**

- 1) Globalization involves ...
- 2) Internationalization is ...
- 3) ... represented forms of globalization.
- 4) Trade and investment promoted ...
- 5) The electronic age turned all humanity into ...
- 6) Business activity is carried out ... regardless of ...
- 7) The globalization of markets means ...
- 8) The Internet accelerates ...
- 9) Teenagers watch ... listen to ... and wear ...
- 10) Television audiences watch ... listen to ... and see ...

## UNIT 2

### Globalization and its international institutions

As globalization proceeds, the economic welfare of individuals is increasingly impacted by global market forces beyond the control of nation states and international institutions outside the domestic political process. Institutions such as the WTO and the IMF have become the target of criticism and protests from all sides. Some believe that too many economic decisions have been delegated to these institutions; others believe they should

be given greater responsibility for solving the world's social and environmental problems. Some complain that they are secretive (keeping their thoughts, intentions or actions hidden from others) and unresponsive (not reacting to what people say to them) to civil society, while others worry about the loss of national sovereignty when citizen groups influence decision making in these institutions directly rather than indirectly through national governments. Clearly, the reality of globalization has outstripped the ability of the world population to understand its possible future effects or results and the ability of governments to cope with its consequences. At the same time, the ceding of economic power to global actors and international institutions has outstripped the development of appropriate global political structures. As a result, probably many more years of public confusion and unfocused protests can be expected as the stable new global world order takes shape.

### Vocabulary

<b>impact</b>	сжимать	sıxmaq, sıxılmaq
<b>secretive</b>	скрытый	gizli, məxfi
<b>unresponsive</b>	не реагирующий	reaksiya verməyən
<b>outstrip</b>	обгонять	ötüb keçmək
<b>cope</b>	справиться	öhdəsindən gəlmək
<b>cede</b>	уступать	güzəştə getmək
<b>confusion</b>	смущение беспорядок	karıxma, çaşdırma, yanıltma
<b>focus</b>	сфокусировать	cəmləşdirmək

**Exercise 1. Translate the following words and phrases from Russian or Azerbaijani into English.**

Относящийся к окружающей среде; жаловаться; гражданское общество; беспокоиться; потеря национального суверенитета; влиять на принятие решений; очевидно; реальность глобализации; обгонять; способность; понять; возможный; справиться; последствия; уступка; соответствующий; политическое устройство; замешательство; продолжаться; экономическое благосостояние; физическое лицо; все больше и больше; мировые рыночные силы; вне контроля национального государства и международных институтов; за пределами внутреннего политического процесса; объект критики; полагать; решить проблему; ждать; устойчивый; принять определенную форму.

Ətraf mühitə dair; şikayət etmək; mülki təbəqə; narahat olmaq; milli süverenliyi itirmə; qərar qəbul etməyə təsir göstərmək; açıq-aşkar; qloballaşma reallığı; ötüb – keçmək; qabiliyyət; başa düşmək; mümkün; bacarmaq / öhdəsindən gəlmək; nəticə; güzəşt; uyğun gələn/münasib; siyasi quruluş; qarışıqlıq; davam etmək; iqtisadi vəziyyət; fiziki şəxs; daha çox; dünya bazar gücü; milli hökumət və beynəlxalq institutların nəzarətindən kənar; daxili siyasət prosesi xaricində; tənqid obyekt; zənn etmək; problemi həll etmək; gözləmək; sarsılmaz; müəyyən forma qəbul etmək.

**Exercise 2. Translate the following statements from Russian or Azerbaijani into English and from English into Russian or Azerbaijani.**

Международный валютный фонд – это специализированное агентство ООН. МВФ был создан и начал действовать 1 марта 1947 г. для восстановления

регулярного валютного обмена после Второй мировой войны. Страны-члены могут занимать иностранную валюту из Фонда на определенных условиях в ответ на обязательства проводить экономическую политику, рекомендованную Фондом.

Beynəlxalq valyuta fondu BMT-nin xüsusi (ixtisaslaşdırılmış) agentliyidir. İkinci dünya müharibəsindən sonra müntəzəm olaraq valyuta mübadiləsinin bərpa edilməsi üçün 1947-ci il martın 1-də beynəlxalq valyuta fondu yaradılmış və fəaliyyətə başlamışdır. Üzv olan ölkələr fond tərəfindən tövsiyə edilmiş iqtisadi siyasət yeritmək öhdəliyinin cavabında fondan müəyyən şərtlər əsasında xarici valyuta borc ala bilərlər.

The World Trade Organization (WTO) is international organization designed to supervise and liberalize world trade. The WTO came into being on Jan. 1, 1995, with 104 countries as its founding members. The WTO is governed by a Ministerial Conference, which meets every two years; a General Council, which implements the conference's policy decisions and is responsible for day-to-day administration; and a director-general, who is appointed by the Ministerial Conference. The WTO's headquarters are in Geneva, Switz.

**Exercise 3. Complete the following statements. Choose one topic to speak about a) globalization and individuals; b) what supporters speak about globalization; c) what opponents speak about globalization; d) globalization and its results. Retell the text Globalization and its international institutions.**

- 1) The economic welfare of individuals is impacted by ...
- 2) ... have become the target of criticism and protests from all

sides. 3) ... believe that too many economic decisions have been delegated to the WTO and the IMF. 4) ... believe the WTO and the IMF should be given greater responsibility for solving the world's social and environmental problems. 5) ... complain that the WTO and the IMF are secretive and unresponsive to civil society. 6) ... worry about the loss of national sovereignty when citizen groups influence decision making in these institutions directly rather than indirectly through national governments. 7) The reality of globalization has outstripped the ability of the world population to understand ... 8) The reality of globalization has outstripped the ability of governments to cope ... 9) The ceding of economic power to international institutions has outstripped ... 10) Globalization causes public ... and unfocused ...

### TESTS FOR BUSINESS ENGLISH

- **Match each word or phrase on the left with the appropriate word or phrase on the right**

#### **Money**

1. **waste money** - без наличных денег, nəğd pul
2. **draw on an account** – брать деньги из банка, bankdan pul götürmək
3. **draw on a bank** – брать деньги со счета, hesabdan pul götürmək
4. **out of cash** – бросать деньги на ветер, pulu havaya sovurmaq
5. **place money**- бумажные деньги, kağız pullar
6. **deposit money with a bank**- вернуть деньги обратно,

pulu geri qaytarmaq

7. **paper money** – вкладывать деньги, pul yatirtmaq, qoymaq
8. **recover money**- внести деньги в банк, banka pul köçürmək
9. **provide reimbursement** – вносить деньги в депозит, depozitə pul qoymaq
10. **place money on deposit** – возместить израсходованные деньги, xərcələnmiş pulları yerinə qoymaq
11. **borrow money at high interest** – вымогать деньги, pul qorartmaq
12. **squeeze money** – занимать деньги под большие проценты, yüksək faizlə pul götürmək
13. **pocket money**- золотое обеспечение денег, pulun qızılla təminatı
14. **money supply**- изымать деньги из обращения, pulları dövriyyədən çıxarmaq
15. **gold backing of currency**- карманные деньги, cib xərcəliyi
16. **withdraw money** – количество денег в обращении, dövriyyədə olan pulun miqdarı
17. **ready cash** – мелкие деньги, xırda pullar
18. **petty cash**- наличные деньги, nəğd pullar
19. **make money** – жениться на деньгах, pula evlənmək
20. **marry a fortune** – зарабатывать деньги, pul qazanmaq

## Credit

1. **allow credit** – кредитная карточка, kredit kartı
2. **come out of a difficult situation with credit** – кредитоспособность, kreditə qabiliyyətlilik
3. **credit card** – предоставить кредит, kredit təqdim etmək
4. **credit worthiness** – с честью выйти из трудного положения, cətin vəziyyətdən şərəflə çıxmaq
5. **letter of credit** – репутация, ad, san, şöhrət
6. **on credit** - банк взаимного кредита, qarşılıqlı kredit fondu
7. **credit bank** – в кредит, kreditə
8. **credit of one's name** – аккредитив. akkreditiv
9. **credit payment** – долгосрочный кредит, uzun müddətli kredit
10. **credit purchase** – продажа в кредит, kreditlə satış
11. **credit sale** – покупка в кредит, kreditlə alış-veriş
12. **long term credit** – оплата в кредит, kredit ödənişi
13. **mortgage credit** – кредитный счет, kredit hesabı
14. **credit account** – ипотечный кредит, hipoteka krediti
15. **credit against the guarantee of a bank** – система проверки кредитоспособности, kreditödəmə qabiliyyətini yoxlama sistemi
16. **credit authorizing system** – кредит под гарантию банка, bank zəmanəti əsasında kredit
17. **credit for capital investments** – кредит на льготных условиях, güzəştli şərtlərlə kredit
18. **credit on easy terms** – кредит на капитальные вложения, kapital qoyuluşuna verilən kredit
19. **credit payments period** – оценка кредитоспособности,



kreditödmə qabiliyyətində verilən qiymət

20. **credit rating** – срок погашения кредита, kreditlərin ödmə müddəti

- Match each word or phrase on the left with the correct definition on the right.

### Bank

1. **bank** - the business of a bank.
2. **bank account** - a day during the week when banks are closed by law.
3. **bank balance** - someone who works in a bank in an important position.
4. **bank book** - a credit card provided by your bank.
5. **bank card** - a book in which a record is kept of the money you put into and take out of your bank account.
6. **banker** - the amount of money someone has in their bank account.
7. **bank holiday** - an arrangement between a bank and a customer that allows the customer to pay in and take out money.
8. **banking** - a business that keeps and lends money and provides other financial services.
9. **bank manager** - someone who has officially said that they cannot pay their debts.
10. **bank note** - the rate of interest decided by a country's main bank.
11. **bank rate** - a piece of paper money of a particular value that you use to buy things.
12. **bankrupt** - someone who is in charge of a local bank.
13. **bankruptcy** - a document sent regularly by a bank to a customer that lists the amounts of money taken out of and

paid into their bank account.

14. **bank statement** - the state of being unable to pay your debts.

### Exchange

1. **exchange** - a former British government office where people went to find jobs.
2. **labour exchange** - a large building in a town, that was used in the past for buying and selling corn, wool etc.
3. **stock exchange** - a place where commodities are bought and sold.
4. **commodity exchange** - a place where shares and bonds are bought and sold.
5. **share** - an official document promising that a government or company will pay back money that it has borrowed, often with interest.
6. **bond** - one of the equal parts into which the ownership of a company is divided.
7. **share offer** - an official and public list of share prices.
8. **shareholder** - a product that can be sold to make a profit.
9. **share index** - a time when shares in a company are sold or begin to be sold.
10. **commodity** - someone who owns shares in a business.

### Taxation

1. **tax** - the system of charging taxes.
2. **taxation** - an amount of money that you must pay to the government according to your income, property, goods etc that is used to pay for public services.
3. **direct taxation** - the taxing of the things people buy

4. **indirect taxation** - the taxing of income.
5. **income tax** - a tax based on the value of someone's house.
6. **property tax** - tax paid on the money that you earn.
7. **sales tax** - a tax paid by companies on their profits.
8. **corporation tax** - a tax that you have to pay in addition to the cost of something you are buying.
9. **tax burden** - a special reduction in taxes that the government allows for a particular purpose.
10. **tax avoidance** - illegal ways of paying less tax.
11. **tax evasion** - legal ways of paying less tax.
12. **tax break** - the total amount of tax paid by an average person.
13. **tax exile** - a place where people go to live to avoid paying high taxes in their own country.
14. **tax haven** - someone who lives abroad in order to avoid paying high taxes in their own country.

### **Agree or disagree with the following statements**

#### **Accounting**

1. Joint account is an arrangement that you have with a bank to pay in or take out money.
2. Account is one that is shared by two people.
3. Deposit account is a bank account that you can take money out of at any time.
4. Current account is a bank account that pays interest on condition that you keep money there for a particular length of time.

5. Savings account is a financial statement showing a company's income, spending, and profit over a particular period.
6. Profit and loss account is a bank account that pays interest on the money you have in it.
7. Accountancy is someone whose job is to keep and check financial accounts.
8. Accountant is the profession or work of keeping or checking financial accounts.

### **Advertising**

1. Advertisement is the activity or business of advertising things on television, in newspapers etc.
2. Advertising agency is a company that designs and makes advertisements for other companies.
3. Advertising is a picture, set of words, a film etc that is used to advertise a product or service.
4. To advertise means to tell people publicly about a product or service in order to persuade them to buy it.

### **Entrepreneurship**

1. Company secretary is someone who starts a company, arranges business deals, and takes risks in order to make a profit.
2. Company is an organization that makes or sells goods or services in order to get money.
3. Holding company is a company that offers its shares for sale on the stock exchange.

4. Company law is the area of law that concerns how businesses operate and what their duties are to each other, to customers, and to governments.
5. Entrepreneur is a member of a company who deals with money, legal matters etc.
6. Public company is a company that holds a controlling number of the shares in other companies.

### **Insurance**

1. Insurance is an arrangement with a company in which you pay them money each year and they pay the costs if anything bad happens to you, such as an illness or an accident.
2. Life insurance is so that your family receives money if you die.
3. Insurance policy is the money that you pay regularly to an insurance company.
4. Insurance premium is a written agreement with an insurance company.
5. Insurance broker is someone who is employed by an insurance company to decide how much to pay people who have had an accident, had something stolen etc.
6. Insurance adjuster is someone who arranges and sells insurance as their job.
7. Insurer is the person or people who are insured.
8. The insured is a person or company that provides insurance.

### **Marketing and Contract**

1. Market research is the activity of trying to sell a company's

products by advertising, using attractive packages etc.

2. Marketing is a business activity which involves collecting information about what goods people buy and why.
3. Distributor is someone who buys goods or services from a shop, company etc.
4. Customer is a company or person that supplies shops and companies with goods.
5. Contract is a formal written agreement between two or more people, which says what each person must do for the other.
6. Contractor is a person or company that makes an agreement to do work or provide goods in large amounts for another company.

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