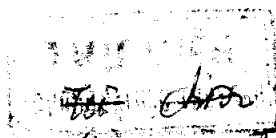


LÊ VĂN THÀI • PHẠM ĐÌNH PHƯƠNG  
NGUYỄN VĂN HIẾU • PHẠM VĂN NGÀ

H(N523)

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# Tiếng Anh *trong* **hoạt động kinh doanh**



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## Lời giới thiệu

*Hội nhập mạnh mẽ vào thị trường khu vực và thế giới là xu thế mà nước ta đã xác định ; kết quả là Việt Nam đã gia nhập ASEAN và đang tích cực chuẩn bị để gia nhập Tổ chức Thương mại Thế giới (WTO) ; nền kinh tế đang ngày càng thể hiện rõ nét tính giao lưu và cạnh tranh giữa doanh nghiệp Việt Nam với doanh nghiệp nước ngoài. Trong tình huống đó, tiếng Anh không phải là "một thứ thượng" mà thực sự là một loại "vốn" không thể thiếu được đối với các doanh nghiệp Việt Nam muốn vươn ra mở rộng giao dịch, hợp tác, đầu tư với các đối tác nước ngoài.*

*Với mong muốn thật sự là người bạn đồng hành của các doanh nghiệp, ngoài việc cung cấp thông tin về kinh tế, từ năm 1993, Thời báo Kinh tế Sài Gòn đã mở mục "Anh ngữ chuyên ngành", nhằm giúp các nhà doanh nghiệp sử dụng tiếng Anh một cách chính xác, góp phần nâng cao hiệu quả trong kinh doanh.*

*Tập sách "Tiếng Anh trong hoạt động kinh doanh" tập hợp có hệ thống tất cả những bài viết từ mục "Anh ngữ chuyên ngành" đăng trên Thời báo Kinh tế Sài Gòn, của các tác giả có nhiều kinh nghiệm trong lĩnh vực giảng dạy tiếng Anh chuyên về thương mại ở các trường đại học : Kinh tế, Ngoại thương, Văn Lang...*

*Sách được sắp xếp theo từng chuyên mục :*

- BANKING
- FOREIGN TRADE
- IMPORT - EXPORT
- SECURITIES MARKET
- SECRETARIAL WORK
- BUSINESS CORRESPONDENCE

*nhằm giúp các doanh nghiệp đi thẳng đến với những từ vựng, thuật ngữ tiếng Anh cùng cách sử dụng của chúng trên một số lĩnh vực giao dịch kinh doanh ; tiết kiệm được thời gian thay vì phải đi một đoạn đường dài thông qua các sách tiếng Anh dạy về giao tiếp thông thường hiện có rất nhiều trên thị trường sách ngoại ngữ - mà vẫn có thể có được một "vốn liếng kha khá" về tiếng Anh để cảm thấy tự tin, chủ động hơn trong các cuộc gặp gỡ, đàm phán với đối tác nước ngoài.*

*Tuy nhiên, đây là lần đầu tiên thực hiện loại sách Anh ngữ chuyên ngành nên khó có thể tránh khỏi sai sót. Chúng tôi rất mong nhận được nhiều ý kiến đóng góp của các bậc học giả và bạn đọc để những ấn phẩm tiếp theo được hoàn chỉnh hơn.*

*Trân trọng giới thiệu cuốn sách cùng bạn đọc.*

**Thời báo Kinh tế Sài Gòn**



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**Banking**

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## Letters of credit (L/C)

When a buyer of goods contracts with a seller to purchase a quantity of his product, the basis for a debt is created. When the seller delivers his product to the buyer, the debt must be liquidated. In the context of international trade, this basic buyer - seller relationship becomes highly complicated. For obvious reasons of distance, time and vagaries of international relations, the seller of goods will have doubts that payment will be received from the buyer. In short, the seller in deciding whether or not to prepare a shipment for the buyer must assess the credit worthiness of the buyer. Will his debt be honored? It is this primary debt relationship between buyer and seller that the commercial letter of credit is designed to deal with.

The commercial letter of credit is an instrument by which a bank for account of the buyer gives formal evidence to a seller of its willingness to permit him to draw on certain terms and stipulates in legal form that all such drawings shall be honored. This instrument sets conditions which must be met by the seller if these conditions are met. Thus, the bank by issuing its commercial letter of credit replaces the buyer as the seller's debtor. The seller will now judge the credit worthiness of the bank in determining whether to make the sale. Since most banks which issue commercial letters of credit are internationally known, a seller who is the beneficiary of the L/C will no doubt feel assured that his draft will be paid.

### Terminology practice

*Commercial Letter of Credit (L/C)* : tín dụng thư thương mại.

*To open a letter of credit* : mở một tín dụng thư.

*To issue a letter of credit* : phát hành một tín dụng thư.

*L/C issuing bank* : ngân hàng phát hành tín dụng thư.

- *Saigon Bank for Industry and Trade is the issuing bank of this L/C.* (Sài Gòn Công thương Ngân hàng là ngân hàng phát hành tín dụng thư này).

- *I want to know the terms and conditions for opening an L/C with your good bank, please.* (Tôi muốn biết các điều kiện để mở một tín dụng thư tại quý ngân hàng).

*Debt* : món nợ.

*Debtor* : con nợ.

*To be indebted* : thiếu nợ.

- *That bank has got a bad debt of more than 2 billion USD.* (Ngân hàng đó có món nợ khó đòi hơn 2 tỉ đô-la Mỹ).

- *He used to be a debtor of our bank.* (Ông ấy từng là con nợ của ngân hàng chúng tôi).

*Credit worthiness* : khả năng tín dụng, mức độ tín nhiệm.

*Seaworthiness* : khả năng đi biển (của một con tàu).

- *Is this ship seaworthy?* (Con tàu này có khả năng đi biển không?).

- *I suggest that you should assess his credit worthiness.* (Tôi đề nghị ông nên đánh giá mức độ tín nhiệm của ông ấy).

*To honor* : chấp nhận (trả tiền).

*To honor a cheque* : chấp nhận trả tiền một chi phiếu.

- *Ex: Has the draft been honored by the applicant?* (Hối phiếu có được người mở tín dụng thư chấp nhận không?).

*Beneficiary (ben)* : người thụ hưởng.

- *Please advise the ben that his draft has been honored.* (Xin vui lòng báo cho người thụ hưởng biết là hối phiếu của ông ấy đã được chấp nhận).

## L/C - Performance by the seller

The seller looks on the letter of credit (L/C) as his security in claiming payment. The buyer - often mistakenly - looks on the L/C as a means of ensuring performance by the seller. To what extent is this possible ?

### a. Price

The letter of credit will specify what amount of money and in what currency the seller is allowed to draw. This will ensure that that pre-arranged price is not exceeded.

### b. Performance date

Bills of Lading must be stamped "On Board" and dated by the shipper. The L/C will set a delivery date and an expiry date. If the seller does not present his drafts to the bank before the expiry of the L/C, he loses his right to draw. These dates serve as a means of ensuring prompt performance by the seller.

### c. Quality of goods

If the buyer doubts the seller will perform under the terms of the pre-arranged sales contract, he may require that the seller present a special commercial invoice with his other documents.

The L/C should specify that the invoice describes the goods shipped in a detailed fashion as per the terms of the sales contract. The buyer would then believe that the invoice proved that the seller had performed. Another means of attempting to ensure quality is to have an independent testing firm issue a certificate of analysis. Such documentation will not ensure performance. The bank is under no obligation to examine shipments. Under L/C's banks deal only in documents. An invoice prepared exactly as specified in the L/C means absolutely nothing. The seller could still have shipped rocks. However, because his documents are in order, he may draw under the L/C.

### Terminology Study

To perform (v) ; Performance (n) : thực hiện

- The shipment has been performed under the terms and conditions of the L/C. (Việc chở hàng đã được thực hiện theo các điều khoản của L/C).

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- *To ensure performance by the seller, the buyer may ask the seller to have a caution deposit under a performance bond.* (Để bảo đảm việc thực hiện của người bán, người mua có thể yêu cầu người bán phải ký giấy bảo đảm dưới hình thức một giấy bảo đảm thực hiện).

*Currency* : tiền, tiền tệ

*Foreign currency* : ngoại tệ

*Hard foreign currency* : ngoại tệ mạnh

*Soft foreign currency* : ngoại tệ yếu

- *The issuing bank will effect payment in the currency specified in the L/C.* (Ngân hàng mở L/C sẽ thực hiện việc trả tiền bằng đồng ngoại tệ chỉ định trong L/C).

*Expiry date* : ngày mãn hạn hiệu lực (L/C)

- *The seller must present his draft to the bank before the L/C expiry date.* (Người bán phải xuất trình hối phiếu cho ngân hàng trước ngày mãn hạn hiệu lực L/C).

*Bill of Lading (B/L)* : vận tải đơn

*Marine Bill of Lading* : vận tải đơn đường biển

*Airway Bill* : vận tải đơn hàng không

- *The Bill of Lading must be endorsed to the order of the opening bank.* (Vận tải đơn phải được ký hậu theo lệnh của ngân hàng mở L/C).

*Sale contract* : hợp đồng bán

*Purchase contract* : hợp đồng mua

*Sale and purchase contract* : hợp đồng mua bán

- *The two parties should sign a sale and purchase contract.* (Hai bên nên ký một hợp đồng mua bán).

*Commercial invoice* : hóa đơn thương mại

*Consular invoice* : hóa đơn lãnh sự

*Proforma invoice* : hóa đơn hình thức, hóa đơn tạm

- *The commercial invoice is made out in 3 copies.* (Hóa đơn được lập thành ba bản).

*Certificate of analysis* : chứng chỉ phân tích chất lượng hàng hóa

- *A certificate of analysis issued by an independent testing firm is required.* (Đòi hỏi phải có một chứng chỉ phân tích do một hãng kiểm tra độc lập cấp).

# Letter of credit - the banks involved

The banking roles involved :

Commercial Letter of Credit fall predominantly within the province of the international banking community. It is extremely rare to find non-banking institutions (e.g. mercantile houses, brokerages) involved in L/Cs. Therefore, we will deal only with *banking roles* as they relate to the procedures making the Credit work.

## **1. Opening bank**

The opening bank is the bank which issues the instrument itself. This will normally be the bank of the buyer. Based on the bank's credit assessment of the buyer (and other considerations) they will issue for him their Commercial Letter of Credit. This instrument will set forth the terms and conditions under which the drafts of the seller will be honored.

## **2. Paying bank**

When a draft is presented for honoring, it will either be paid or accepted. *The bank honoring the draft* is known as the Paying Bank. This function may be performed by either the drawee bank or the paying agent.

### **a. Drawee bank**

Drafts drawn under a Commercial Letter of Credit are normally drawn on a bank. The drawee bank is the bank on which one will either pay or accept according to the tenor of the draft. This bank is most often also the Opening Bank. However, it might also be a separate bank named by the Opening Bank in the L/C.

### **b. Paying agent**

The drawee bank is the bank named in the draft. It may either be the Opening Bank, the Confirming Bank, or a third bank named in the L/C. The role of the drawee bank is to honor the draft-pay it or accept it.

This role may also be delegated by the Opening Bank (also drawee bank) to a second bank. In this case the second bank will serve as paying

agent and perform the same functions as the drawee bank except that it is not named on the draft. A paying agent may be designated specifically in the L/C or be the Confirming Bank.

### ***3. Advising bank***

The seller (beneficiary of the L/C) must be notified that the L/C has been opened in his favor. Normally the L/C is addressed to him by the Opening Bank. The Opening Bank has the choice of sending the letter directly to the beneficiary or to another bank located in the seller's own country for delivery.

### ***4. Confirming bank***

The Opening Bank may upon the request of the buyer or on its own ask another bank to confirm its L/C. The seller may also ask that the L/C be confirmed by a major bank in his own country. Such confirmation is most often requested (1) because the seller has little knowledge of the Opening Bank, and (2) because the seller wants his drafts honored locally. When a bank confirms a commercial letter of credit, it lends its name to the credit. In effect, it states to the beneficiary that it will honor them. In this regard, the Confirming Bank acts as drawee bank or paying agent. In either case when the Confirming Bank honors the seller's drafts, the seller's liability under the draft is extinguished.

The Opening Bank will normally send the L/C to its good correspondent or local branch and request that the L/C be confirmed. If the bank decides to confirm the L/C it will so notify the Opening Bank. The L/C is then transmitted to the beneficiary. Thus, the Confirming Bank also acts as the Advising Bank.

### ***5. Negotiating bank***

The final function which a bank may perform in the course of drawing under a letter of credit is that of negotiation. The beneficiary may present the draft to the drawee bank or paying agent for honoring or he may simply negotiate his draft with a negotiating bank. The Negotiating Bank negotiates the seller's draft by purchasing it with recourse to the seller. The Negotiating Bank becomes a holder of value of the draft and will

subsequently present the draft to the drawee bank. The Negotiating Bank may or may not be designated in the L/C by the Opening Bank.

## Terminology study

*International banking community* : cộng đồng ngân hàng quốc tế

- *The international banking community plays an important role in L/C's and other banking services.* (Cộng đồng ngân hàng quốc tế giữ một vai trò quan trọng về tín dụng, thư và các dịch vụ ngân hàng khác).

*Non-banking institutions* : các định chế phi ngân hàng

- *Such institutions as mercantile houses, brokerages are non-banking institutions.* (Các định chế như các nhà buôn, các nhà trung gian là những định chế phi ngân hàng).

*Paying bank* : ngân hàng thanh toán, ngân hàng trả tiền.

- *The paying bank will either pay or accept the draft of the seller.* (Ngân hàng trả tiền sẽ, hoặc là thanh toán, hoặc là chấp nhận hối phiếu của người bán hàng).

*Drawee bank* : ngân hàng trả tiền hoặc chấp nhận hối phiếu

- *Most of cases, the drawee bank is also the opening bank.* (Hầu hết các trường hợp, ngân hàng trả tiền hoặc chấp nhận hối phiếu cũng là ngân hàng mở thư tín dụng).

*Paying agent* : ngân hàng đại lý trả tiền hoặc chấp nhận hối phiếu

- *The opening bank may designate a paying agent in the L/C.* (Ngân hàng mở thư tín dụng có thể chỉ định trong thư tín dụng một ngân hàng đại lý để trả tiền hoặc chấp nhận hối phiếu).

*Confirming bank* : ngân hàng xác nhận thư tín dụng

- *For the opening bank is new to us, we propose that the L/C have to be confirmed by a prime confirming bank, take, Banque Indosuez.* (Vì ngân hàng mở L/C quá mới đối với chúng tôi, chúng tôi đề nghị L/C phải được một ngân hàng có danh tiếng xác nhận, như Banque Indosuez chẳng hạn).

*Tenor of the draft* : hạn kỳ thanh toán hối phiếu : sight draft (hối phiếu trả ngay), usance draft (hối phiếu có kỳ hạn).

- *This is a usance draft drawn on VCB/HCMC at 60 days from B/L date.*

(Đây là hối phiếu được ký phát đòi tiền VCB/HCMC với kỳ hạn 60 ngày kể từ ngày phát hành vận tải đơn).

*To advise someone of something* : báo ai việc gì.

*Advising bank* : ngân hàng thông báo.

- *Please advise SBIT/HCMC of the opening of this L/C by using your own test with them.* (Xin vui lòng thông báo Sài Gòn Công thương Ngân hàng/TPHCM việc mở tín dụng thư này bằng cách dùng mặt mã của quý ngân hàng với họ).

*To confirm* : xác nhận.

*Confirmation* : sự xác nhận.

- *In case the seller has little knowledge of the Opening Bank, he may ask the L/C be confirmed by a major bank.* (Trường hợp người bán không biết nhiều về ngân hàng mở thư tín dụng, ông ta có thể đòi hỏi thư tín dụng phải được một ngân hàng lớn, có uy tín xác nhận).

*To negotiate* : thương lượng

*Negotiation* : sự thương lượng (hối phiếu, chứng từ).

*Negotiating bank* : ngân hàng thương lượng

- *A negotiating bank may negotiate a draft by lending money to the seller, discounting or purchasing it or simply send it to the paying bank for collection.* (Ngân hàng thương lượng có thể thương lượng một hối phiếu bằng cách cho vay tiền, chiết khấu, mua đứt hối phiếu hoặc chỉ gửi hối phiếu cho ngân hàng trả tiền để thu ngân hộ).

*With recourse to* : được truy đòi.

*Without recourse to* : không được truy đòi.

- *This cheque has been endorsed with recourse to the endorser.* (Chi phiếu này đã được ký hậu mà người cầm phiếu có quyền truy đòi người ký hậu - nếu chi phiếu không được thanh toán).

*To be designated* : được chỉ định.

- *The opening bank must be liable to paying the seller if a paying agent is not designated in the L/C.* (Ngân hàng mở tín dụng thư phải chịu trách nhiệm trả tiền cho người bán nếu trong L/C không có chỉ định ngân hàng trả tiền nào khác).

# The opening and amending of a letter of credit

In the previous write - up, we discussed the functions of a letter of credit, the advantages to both the buyer and seller, and the bank's role as intermediary to the transaction. This write - up will concern itself with the actual opening and amending of the letter of credit as related to the internal operations of the banks.

The bank in opening a letter of credit lends its good name and reputation to the transaction between two parties. The bank in a sense is guarantying both sides of the transaction - first, by guarantying payment to the seller and secondly, by guarantying the seller's conformance to the conditions of the L/C to the buyer. The bank, of course, limits its liability in the case of fraud or non - performance and is responsible only to the extent of the exact wording of the document itself.

In agreeing to become a party to the transaction, the bank must exercise particular caution in respect to the other parties involved.

## ***1. The importer***

Normally, in opening an L/C, the applicant will be a known client of the bank. Opening an L/C represents an extension of credit on the bank's part and the credit standards applied to granting an L/C line should be equally as strict as those for granting a loan facility. It will be remembered that the bank normally takes title to the goods under an L/C in the case of default. But title to the goods should not influence the credit decision concerning the applicant as the bank has no guaranty that the title documents are in fact, worth a nickle.

## ***2. The exporter***

When a client opens a letter of credit with a bank, he is not only guarantying his credit standing to the exporter but he is also trying to gain some control over the exporter's performance. By stipulating the terms and conditions of the L/C and relying on the bank to see that the exporter meets these stipulations, he shifts some of the responsibility for the

exporter's performance to the bank. The bank of course, tries to verify the credit worthiness and moral character of the exporter prior to accepting this responsibility.

### ***Advising a letter of credit***

The advising bank is notified either by cable or mail that a letter of credit has been opened for an exporter locally domiciled. The advising bank then transmits this information to the exporter. Of primary importance in advising a letter of credit is care that transmittal of all the terms of the letter of credit are accurate. It is important, however, to emphasize that the advising bank may never be involved in the actual negotiation of the letter of credit. The advising bank's role is merely that of an agent of the opening bank in bringing the instrument to the attention of the exporter-beneficiary. The advising bank is responsible to the issuing bank for accurate transmittal of all information it receives. Ultimately, as the Article No.4 of ICC Brochure 222 states "the issuing bank must send to the advising bank the original letter of credit and any subsequent amendments". The role of the advising bank then, is to notify the beneficiary that the letter of credit has been opened and what the term are, and to forward the mailed original L/C to the beneficiary. The letter of advice to the beneficiary should bear a clause indicating clearly that it is merely an advice of the credit opened and contains no engagement on the part of the bank. This disclaimer of engagement is stated on the letter of advice. The advising bank may eventually become the negotiating bank and purchase the exporter's drafts if the exporter should so choose. Only at that time will the bank be drawn into the actual agreement as a full partner. But as an advising bank, the bank's obligation is to be a faithful agent of the opening bank.

### **Terminology study**

*To open an L/C* : mở một tín dụng thư

- *This L/C has been opened by a prime bank, so I think it is not necessary to have it confirmed.* (Tín dụng thư này do một ngân hàng lớn, có uy tín mở, do đó, tôi nghĩ là không cần thiết phải xác nhận).

*To amend an L/C* : tu chỉnh, sửa đổi một tín dụng thư.

*Amend of an L/C* : sự tu chỉnh, sửa đổi một tín dụng thư.

- *As per the terms and conditions of this L/C the amendment charges are for the applicant's account.* (Theo các điều khoản của tín dụng thư này, người mở tín dụng thư phải chịu phí tu chỉnh).

*Conformance* : việc tuân thủ, làm theo.

- *The bank in opening a letter of credit, in a sense must guaranty payment to the seller and simultaneously must guaranty the seller's conformance to the conditions of the L/C to the buyer.* (Trong một ý nghĩa chừng mực nào đó, khi mở tín dụng thư, ngân hàng phải bảo đảm việc thanh toán tiền cho người bán, đồng thời cũng bảo đảm việc người bán phải tuân theo các điều khoản của tín dụng thư đối với người mua).

*Fraud* : sự gian trá, lừa đảo.

*Non-performance* : sự không thực hiện, sự không thi hành.

- *In the case of fraud or non - performance, the bank is responsible only to the extent of the exact wording of the document itself.* (Trong trường hợp có sự lừa đảo hoặc không thực hiện, ngân hàng chỉ chịu trách nhiệm tới mức độ đúng y nội dung bản văn của chính chứng từ mà thôi).

*Credit standards* : các tiêu chuẩn cấp phát tín dụng.

- *The credit standards applied to granting an L/C line should be equally as strict as those for granting a loan facility.* (Các tiêu chuẩn để xét cấp một khoản tín dụng cho tín dụng thư cũng nên xem xét chặt chẽ y như khi xem xét cấp một khoản cho vay).

*To take title to the goods* : chiếm quyền sở hữu đối với hàng hóa.

- *The bank will take title to the goods in case where the importer has not yet paid off the value of the L/C.* (Trong trường hợp nhà nhập khẩu chưa thanh toán dứt trị giá của L/C, ngân hàng sẽ chiếm hữu đối với hàng hóa).

*Default* : sự không trả nợ đúng kỳ hạn.

- *The bank has refused to endorse the B/L due to default of the applicant.* (Ngân hàng đã từ khước không *bồi thư* vận tải đơn vì người mở tín dụng thư không trả nợ).

*Title documents* : chứng từ sở hữu hàng hóa trên tàu (như B/L chẳng hạn).

- *The title documents shall be endorsed to the order of the applicant if he has already made caution deposit up to 100 pc of the L/C value.* (Các chứng từ sở hữu phải được bồi thư theo lệnh của người mở tin dụng thư nếu ông ta đã đóng ký quỹ bảo đảm 100% trị giá L/C).

*Credit worthiness* : mức tin tưởng (khả năng trả nợ, giữ lời hứa).

- *Commercial banks welcome any applicants of high credit worthiness to open L/C's at their banks under favored terms.* (Các ngân hàng thương mại nồng nhiệt đón tiếp bất cứ người mở tin dụng thư nào có mức tin tưởng cao đến mở L/C tại ngân hàng của họ với các điều kiện được ưu đãi). *To shift, to shift off the responsibility* : trút bỏ trách nhiệm, trút trách nhiệm cho.

- *Please don't shift the responsibility to the bank. We are merely the L/C advising bank which is not one party of the negotiation.* (Xin đừng trút trách nhiệm cho ngân hàng. Chúng tôi chỉ là ngân hàng thông báo tín dụng thư mà thôi. Chúng tôi không phải là một bên trong cuộc thương lượng).

*To notify someone of something* : báo cho ai biết việc gì.

*Notification* : sự thông báo.

*Notice* : bảng thông báo, thông tri, yết thị.

- *By the way, we would notify you of the new contact address of our Head Office for any transaction with us counting from... Please note that our telephone, fax and telex numbers remain unchanged.* (Nhân tiện, chúng tôi xin thông báo với quý vị địa chỉ liên hệ mới trụ sở chính của chúng tôi cho bất cứ sự giao dịch nào kể từ ngày... Xin ghi nhận là số điện thoại, fax và telex của chúng tôi vẫn y như cũ).

*To transmit* : chuyển (tin)

*Transmittal* : sự chuyển (tin)

- *The advising bank is responsible to the issuing bank for accurate transmittal of all information it receives.* (Ngân hàng thông báo chịu trách nhiệm với ngân hàng phát hành tín dụng thư trong việc phải chuyển chính xác các thông tin mà nó nhận được).

*The letter of advice* : thư thông báo.

- *In the letter of advice, the advising bank should have no comments on*

*the L/C opened in favor of the exporter, however, whenever needed, the advising bank is always quite willing to act as a consultant for the exporter FOC.* (Trong thư thông báo, ngân hàng thông báo không nên bình luận gì liên quan đến L/C mở cho nhà xuất khẩu, tuy nhiên bất cứ khi nào cần, ngân hàng thông báo cũng rất sẵn lòng cố vấn miễn phí cho nhà xuất khẩu).

*Disclaimer* : sự từ bỏ, sự không nhận (trách nhiệm).

- *This disclaimer of engagement is stated on the letter of advice.* (Việc từ bỏ cam kết này được ghi rõ trong thư thông báo).

*A faithful agent of the opening bank* : một ngân hàng đại lý trung thực của ngân hàng mở tín dụng thư.

- *Just lately, a lot of foreign banks have become faithful agents of Vietnamese commercial banks.* (Chỉ mới gần đây, nhiều ngân hàng nước ngoài đã trở thành các ngân hàng đại lý trung thực của các ngân hàng thương mại Việt Nam).

# Letter of Credit Transfer

WAH BANK LIMITED  
11 Medan Pasar,  
Singapore 0102

Rank Corporation  
28, Cury Road,  
Singapore

November 28, 1993.

LETTER OF TRANSFER No. 356/93.

Dear Sirs :

Documentary Credit No. 12235 dated 15th Nov. 1993, in favor of Corona Trading Co. Singapore issued by Marina Bank Ltd. Tokyo, Japan.

By order and for account of Corona Trading Co. Singapore, we hereby transfer the above documentary credit in favour of yourselves for an amount of US\$1,780. - C.I.F, Tokyo.

This transfer is available at our counter by payment against presentation of the documents detailed herein and of your drafts at sight drawn on Marina Bank Ltd. Tokyo. Valid in Singapore until 12th December, 1993.

- Signed commercial invoices in triplicate
- Full set of clean on board bills of lading made out to order and blank endorsed, marked "Freight prepaid" and notify Japanese Importers Co. Fuji Street, Tokyo, Japan.
- Packing lists in duplicate
- Certificate of Origin in duplicate
- Insurance Policy in duplicate covering Marine Institute Cargo Clauses (All Risks), War Risks and Strikes, Riots and Civil Commotions for full C.I.F value plus 10%.

Evidencing shipment from Singapore to Tokyo :

50 dozens of Ladies Handbags as per buyer's purchase order No.345 dated 24th October, 1993.

Partial shipments : not permitted. Transshipment: Prohibited

The number and the date of the credit and name of the issuing bank must be quoted on all drafts.

Marina Bank Ltd. Tokyo irrevocably undertakes to honour all drafts drawn in compliance with the terms of this credit.

This letter of transfer is subject to Uniform Customs and Practice for Documentary Credits (1993 Revision) International Chamber of Commerce, Paris Publication No. 400.

Yours faithfully,  
signed by WAH BANK LTD.  
Singapore

VĂN THƯ CHUYỂN NHƯỢNG TÍN DỤNG THƯ

Kính gửi : Rank Coporation  
28, Cury Road  
Singapore

WAH BANK LIMITED  
11 Medan Pasar,  
Singapore 0102.

Ngày 28 tháng 11 năm 1993

Văn thư chuyển nhượng số 356/93

Thưa quý ông,

Tín dụng thư kèm chứng từ số 12235 ngày 15-11-1993, người thụ hưởng là Corona Trading Co. Singapore do Ngân hàng Marina Bank Ltd. Tokyo, Japan phát hành.

Theo lệnh của Corona Trading Co. Singapore và phí tổn do công ty này chịu, theo đây, chúng tôi xin chuyển nhượng tín dụng thư có kèm chứng từ nói trên cho quý ông, trị giá tín dụng thư là 1.780 USD giá CIF Tokyo.

Sự chuyển nhượng này có giá trị thanh toán tại ngân hàng chúng tôi khi quý Ông xuất trình các chứng từ liệt kê chi tiết dưới đây và các hối phiếu trả ngay được ký phát để đòi tiền ngân hàng Marina Bank Ltd. Tokyo. Có giá trị hiệu lực tới ngày 12-12-1993 tại Singapore.

- Các hóa đơn thương mại có ký tên lập thành ba bản.

- Một bộ đầy đủ các vận tải đơn sạch, chất hàng lên tàu, giao hàng theo lệnh và bồi thư không, có đóng dấu "Cước phí đã trả", có ghi chú tên nhà nhập khẩu là Japanese Importers Co., Fuji Street, Tokyo, Japan.

- Phiếu đóng gói lập thành hai bản - Chứng chỉ xuất xứ hàng hóa (hai bản).

- Đơn bảo hiểm lập thành hai bản, bảo hiểm theo điều khoản Marine Institute Cargo Clauses (All Risks), cộng bảo hiểm chiến tranh và đình công, nổi loạn và bạo động dân sự cho tổng trị giá CIF cộng thêm 10%, chứng minh việc chở hàng từ Singapore tới Tokyo : 50 lố xách tay, phụ nữ đúng theo đơn đặt hàng của người mua số 345 ngày 24-10-1993.

Chở hàng từng phần : không cho phép. Chuyển tải : cấm.

Số hiệu và ngày, tháng tín dụng thư và tên của ngân hàng phát hành tín dụng thư phải được trích dẫn trên tất cả hối phiếu.

Marina Bank Ltd. Tokyo đảm bảo không hủy ngang là sẽ chấp nhận thanh toán tất cả hối phiếu được ký phát đúng theo các điều khoản của tín dụng thư này.

Văn thư chuyển nhượng này được thực hiện căn cứ tập quán và phương thức thực hành thống nhất về tín dụng thư có kèm chứng từ (bản tu chính năm 1983) của Phòng Thương mại Quốc tế, Paris, ấn bản 400.

Trân trọng

(ký tên)

WAH BANK LTD., Singapore

## **Terminology Study**

*By order (B/O) of* : theo lệnh của.

*For account (A/C) of* : do (một người nào đó) chịu phí.

*In favor of (IFO)* : người thụ hưởng là.

*Hereby* : theo đây.

*Documentary Credit (D/O)* : tín dụng thư có kèm chứng từ.

*Available* : hiện có, có giá trị.

*Payment against presentation of documents* : khi xuất trình chứng từ thì được thanh toán.

*Draft at sight (A/S)* : hối phiếu trả ngay.

*Usance draft* : hối phiếu trả chậm.

*To draw on* : ký phát đòi tiền.

*To make out* : làm thành.

*P/L* (packing list) : phiếu đóng gói.

*I/P* (insurance policy) : đơn bảo hiểm.

*C/O* (certificate of origin) : chứng chỉ xuất xứ hàng hóa.

*To evidence* : chứng minh.

*To honor* : chấp nhận, thanh toán.

*To undertake* : đảm bảo.

*In compliance with* : làm đúng theo, phù hợp với.

*To be subject to* : phải chịu, phải lệ thuộc vào.

# Letter of Guarantee

Heller financial, Inc.

505 North Brand Boulevard

Glendale, California 91203-1903

U.S.A

Gentlemen:

In consideration of your continuing extension of credit to our banking client (*name of Vietnam trading company*) (the "Purchaser"), arising from merchandise sales by your factoring client (*name of U.S trading company*) (the "Seller"), we, the undersigned Guarantor, hereby guaranty Purchaser's payment at maturity of such amounts as shall be validly owing to you, from time to time, for merchandise hereafter sold by Seller to Purchaser in accordance with Purchaser's purchase orders and specifications thereof. This guaranty and liability hereunder is without deduction by reason of set-off, defense or counterclaim of Purchaser, and is separate, direct and unconditional and may from time to time or at any time be enforced against us without any requirement that you first resort to Purchaser or to any other right, remedy or security.

Our aggregate liability under this guaranty, at any time, and from time to time, shall not exceed (*amount of guarantee*), and accordingly the total payments to be made by us after the date hereof under this guaranty shall in no event exceed that sum.

This is a continuing guaranty intended to cover any number of merchandise sales by Seller to Purchaser during the term hereof. This guaranty shall continue in force notwithstanding any change in the form of such indebtedness or renewals or extensions granted by you.

If Purchaser fails to make payment, you must furnish us with copies of the unpaid Invoices and make written demand on us for payment within thirty (30) days after maturity of the Invoice, but not later than on the expiry date of this guaranty. We as Guarantor will effect payment without any delay other than necessary for us to satisfy ourselves that the conditions specified in this guarantee have been complied with, but not later than ten (10) working days from the receipt by us of documentation as set out above.

This guaranty shall expire on (*date of expiry*). This guaranty and undertaking shall be governed in all respects by the (*jurisdiction*) laws and shall remain in full force until the liability is extinguished.

In witness whereof, the undersigned has executed this Guaranty and hereunder set its hand and respective corporate seal this..... day of..... 1995.

(Name of Vietnam Bank)

(Address)

(Address)

By : .....

Name : .....

Title : .....

ATTEST : .....

By : .....

(Seal)

## Terminology study

*Letter of guarantee* : thư bảo lãnh (nếu con nợ không trả, người bảo lãnh - guarantor - mới trả).

- This letter of guarantee is subject to the Vietnamese legislation on banking. (Thư bảo lãnh này bị chi phối bởi luật lệ về ngân hàng của Việt Nam).

*Factoring* : việc trung gian mua lại các tài khoản sẽ thu (accounts receivable).

- In this letter of guarantee, the Vietnamese bank is the guarantor, the Vietnamese trading company is the guaranteed, the U.S trading company is the factoring client and Heller Financial Inc. is the factor. (Trong thư bảo lãnh này, ngân hàng Việt Nam là người bảo lãnh, công ty mậu dịch Việt Nam là người được bảo lãnh, công ty mậu dịch Mỹ là khách hàng bán tài khoản sẽ thu, Heller Financial là người trung gian mua các tài khoản sẽ thu).

*Set-off* : tài khoản bị tịch biên do thiếu nợ.

*Date of expiry* : ngày mãn hạn hiệu lực (của thư bảo lãnh).

*Counterclaim* : phản tố, kiện ngược.

## What is a Eurodollar deposit ?

A Eurodollar deposit is a dollar deposit in a bank outside the United States. The depositors may be, for example, foreign manufactures who have exported goods to the United States and obtained payment in dollars. Or they may be American residents who have withdraw funds from their own accounts in the United States and placed them in a foreign bank, generally but not always to obtain a higher interest return than is available in the United States on savings account deposits, the purchase of certificates of deposit, treasury bills, commercial paper, or the like. Except for an insignificant amount, dollar deposits in foreign banks are not demand deposit liabilities of those banks. They are deposits for a specified time period and bearing a stated yeild. The period of the deposit may be for as short a time as overnight. But Eurodollars are typically not an immediate payment medium ; one cannot generally write a check against a Eurodollar account. To be used to make payments a Eurodollar account must usually first be converted into a deposit with a bank located in the United States, it must become a normal dollar demand deposit. Investing in a Eurodollar account is therefore more like placing funds in a savings account or buying a certificate of deposit than like opening a checking account.

### Terminology study

*Eurodollar* : đồng đô-la châu Âu, đồng đô-la ký thác tại một ngân hàng bên ngoài nước Mỹ.

*To deposit* : ký thác, gửi tiền.

*Deposti* : sự ký thác, tiền ký thác, tiền ký quỹ.

*Depositor* : người ký thác.

- *A great number of depositors have withdraw funds from their accounts to buy treasury bills the interest rate of which is higher than the current deposit rate.* (Nhiều người ký thác đã rút tiền khỏi tài khoản để mua công khố phiếu mà lãi suất cao hơn lãi suất ký thác).

*Demand deposit account* : tài khoản ký thác hoạt kỳ.

*Time deposit document* : tài khoản ký thác định kỳ.

*Certificate of deposit* : chứng chỉ ký thác.

*Savings deposit account* : tài khoản ký thác tiết kiệm.

*Checking account* : tài khoản chi phiếu.

- *Time deposit accounts bear higher interest rate than demand deposit accounts.* (Tài khoản ký thác định kỳ có lãi suất cao hơn tài khoản ký thác hoạt kỳ).

*Commercial paper* : thương phiếu, chứng từ thương mại.

- *Our bank is prepared to negotiate all kinds of commercial papers including bills of exchange.* (Ngân hàng chúng tôi sẵn sàng thương lượng các loại chứng từ thương mại, bao gồm cả hối phiếu).

*Overnight, onite, O/N* : ký thác qua đêm, ký thác trên thị trường tiền tệ ngắn hạn trong vòng 24 tiếng.

*LIBOR* : London Interbank Offered Rate : lãi suất cho vay giữa các ngân hàng tại thị trường tiền tệ Luân Đôn.

- *The onite LIBOR of today 3-1/16 Pct p.a.* (Lãi suất onite LIBOR ngày hôm nay là 3-1/16 phần trăm/năm).

*p.a. (per annum)* : mỗi năm.

*Immediate payments medium* : phương tiện dùng để thanh toán ngay.

- *The snag with a Eurodollar deposit is that it is not an immediate payments medium.* (Bất tiện của việc ký thác bằng đồng đô-la châu Âu là nó không phải là một phương tiện dùng để thanh toán ngay).

*To convert* : hoán chuyển (từ đồng tiền này sang đồng tiền khác).

- *Please convert for JPY 10,000,000 from our A/C with yourselves into USD and then remit the proceeds to our USD A/C with S.C.B/Singapore.* (Xin vui lòng hoán chuyển 10 triệu yen Nhật từ tài khoản của chúng tôi tại Quý ngân hàng thành đô-la Mỹ, sau đó xin chuyển số tiền đô-la Mỹ này vào tài khoản đô-la Mỹ của chúng tôi tại Standard Chartered Bank/Singapore).

## Establishment and maintenance of correspondent bank relations

As a consequence of its liquidity management functions, it is also the function of the Treasury Department to establish and maintain correspondent bank relationships, both foreign and local banks. Initially, the thrust should be with foreign correspondent banks to accelerate the development of international trade. Local correspondent banks will be established later in areas where the bank will not be able or find it uneconomical to establish a branch.

The first foreign correspondent banks to be established will follow the direction of international transactions so it will be with banks in countries with transactions with Vietnam. Depository accounts should be opened with these banks and transactions in foreign currencies will be coursed with these banks. Over time when credibility has been established, credit relations may be started for payments of Letters of Credit and other payments.

Reciprocal relations should be the objective of correspondent relationships. The maintenance of good correspondent relationship is a product of mutual trust and confidence. Knowing the capability of each other and not taking advantage of the relationships will lead to a long and lasting profitable relationship. This is also the task of the Treasury Department and this means making sure that adequate balances are maintained in correspondent accounts to meet maturing obligations and payments.

### Terminology Study

*Correspondent bank relationship* : quan hệ ngân hàng đại lý.

- *The establishment of correspondent bank relationships is one of the main functions of the Treasury Department.* (Việc thiết lập các quan hệ ngân hàng đại lý là một trong những chức năng chính của Phòng Ngân quỹ).

*Liquidity*: khả năng tiền mặt hoặc các khoản có thể chuyển ngay thành tiền mặt khi cần thiết.

- *There would be a run at commercial banks if their liquidity ran short.*  
(Nếu khả năng tiền mặt cạn kiệt, rất có thể có sự đổ xô rút tiền tại các ngân hàng thương mại).

*Credit relations* : các quan hệ tín dụng.

- *Where there is credibility, there are credit relations.* (Nơi đâu có lòng tin, nơi đó có quan hệ tín dụng).

*Mutual trust and confidence* : sự tín nhiệm và tin tưởng lẫn nhau.

- *Letters of Credit are typical example for mutual trust and confidence.*  
(Tín dụng thư là một thí dụ điển hình cho sự tín nhiệm và tin tưởng lẫn nhau).

*To take advantage of* : lợi dụng

- *Be carefully! He simply takes advantage of the L/C opened in his favor to borrow money from our bank. As far as I know, he has no financial capacity.* (Hãy cẩn thận. Ông ta chỉ lợi dụng tín dụng thư mở cho ông ta để cốt vay tiền ở ngân hàng của ta mà thôi. Theo tôi biết, ông ta không có khả năng tài chính nào).

*Profitable relationship* : mối tương quan có lợi.

- *We do hope that this would be a relationship on a mutually profitable basis.* (Chúng tôi hy vọng đây sẽ là một mối tương quan trên cơ sở hai bên cùng có lợi).

## Types of credits

We have already discussed *sight* and *usance* credits (based on the tenor of the draft) and *clean* and *secured* credits (determined by who controls the merchandise). Now we will consider several other factors

### ***Straight credits***

Straight Credits are those where the opening bank authorizes a second bank to accept and pay under the terms of the L/C.

This satisfies the needs of either the small, lesser - known opening bank in strengthening its L/C by having a larger, well - known bank as paying bank or for any type of opening bank in facilitating payment under its L/C in a foreign currency. The monetary unit stipulated in the L/C to be drawn under the draft is that of the designated paying bank.

A confirmed credit, as discussed previously, is most often a Straight Credit. The confirming bank promises to provide the necessary currency stipulated in the L/C.

### ***Negotiation credit***

Negotiation Credits are those where that opening bank does not restrict the seller from negotiating his draft at any one bank named in the credit. Negotiation Credits have a particular advantage to the seller when the drafts are to be drawn in a currency other than his own. The seller armed with a Negotiation L/C and satisfying documents can negotiate his drafts at the bank which offers him the best exchange rate.

### ***Revocable credits***

A revocable L/C is one where the contracting parties may revoke or amend the L/C upon notification to the exporter. There is no credit security, as the exporter has no choice in the matter. These L/C's are few and far - between, and many banks refuse to deal in them.

### ***Irrevocable L/C***

An irrevocable L/C is such that, once it is opened, neither the buyer nor his opening bank can alter its terms and conditions without the consent of all parties including the beneficiary. This means that the opening bank will have to stand by its commitments which cannot be

altered without the seller's approval. This provides him with as much credit security as would be indicated in the international standing of the opening bank and/or paying bank. The commercial letter of credit will invariably be irrevocable in nature.

### ***Red - clause L/C***

A red-clause credit is an L/C which provides clean advances that may be made to the beneficiary prior to his formal presentation of the requisite documents. The red-clause enables the beneficiary to draw cash prior to shipment. Such an L/C is most often utilized by buyer's agents. They will use the money to purchase goods for the buyer.

The negotiating bank making the advances to the beneficiary relies only upon the L/C as its guaranty for reimbursement. The opening bank for a red-clause L/C undertakes to reimburse all such advances whether or not the beneficiary ever presents documents and finalizes his obligations under the L/C. For such reasons, the red-clause credit is only opened for beneficiaries of the highest credit standing.

### ***Periodic L/C***

A letter of credit which rolls over its commitment regarding both the amount of the credit and the length of stipulated time intervals is considered periodic. Generally, the periodic letter of credit allows drawings up to a specified amount during a specified interval of time, after which the full amount of the L/C may be reinstated. A typical L/C would allow a beneficiary to draw up to USD 1,000 each calendar month. The specific conditions will be clearly stated in the L/C. Periodic credits will always specify an expiration date. This type of credit is often used when the account party wants to order a large quantity of goods but desires periodic shipments of the total because of lack of warehousing or sales facilities. Cumulative periodic L/C's allow unused amounts during one period to be carried forward to the next. More typically, the periodic L/C is non-cumulative allowing only that amount specified for a given period to be drawn during that period. No carry forwards of unused portions are allowed.

### ***Revolving Credits***

A revolving credit will allow for reinstatement of availments under

certain conditions so that although the total amount outstanding at any time is fixed, the aggregate amount available during the life of a credit is not necessarily limited. Such an instrument might allow drawings of up to USD.5,000 - for any 30 days period. Thus, 30 days after a drawing, the availment would be reinstated. The revolving L/C will, of course, be issued with an expiration date. This credit is used when a client knows he will need a credit that will have a total amount larger than that the bank will open.

### ***Back-to-back Credits***

It may be necessary for an exporter who is the beneficiary of a confirmed irrevocable L/C to purchase the conquered merchandise from a domestic company in order to make the shipment. However, he may be unable to pay for the merchandise until paid by the importer, and the domestic company may be unwilling to grant him sufficient credit.

In such a case, the exporter may request the confirming bank to issue a domestic irrevocable L/C in favor of the local supplier, this new L/C being merely a projection of the original L/C. The bank would minimize its risk by requiring the beneficiary of the new L/C the same documents (with the exception of the invoices) it would require the exporter to satisfy the prime credit. When making payment against the new L/C, the bank would substitute the domestic supplier's invoices by the exporter invoices, and reimburse itself from the original L/C, the difference between the two sets of invoices being the exporter's profit.

This method of financing an exporter against the backing of an L/C is called a back-to-back commercial credit operation.

### **Terminology study**

*Straight credit* : tín dụng thư đích danh. Tín dụng thư mà trong đó ngân hàng mở tín dụng thư ủy quyền đích danh một ngân hàng khác chấp nhận và trả tiền theo các điều khoản của L/C.

- *A confirmed L/C is regarded as a straight L/C because in this case, the confirming bank promises to provide the currency stipulated in the L/C and undertakes to pay under the terms of the L/C.* (Tín dụng thư xác nhận được xem như tín dụng thư đích danh vì trong trường hợp này, ngân

hàng xác nhận cam kết cung cấp loại ngoại tệ qui định trong L/C và cam kết thanh toán theo các điều khoản của L/C).

*Monetary unit* : đơn vị tiền tệ.

- *The monetary unit of the EC is the ECU. The acronym of the Vietnamese Dong is the VND.* (Đơn vị tiền tệ của Cộng đồng Âu châu - European Community - là đồng ECU - European Currency Unit, đơn vị tiền tệ Âu châu. Chữ viết tắt của đồng Việt Nam là VND - Vietnamese dong).

*Negotiation credit* : tín dụng thư thương lượng. Tín dụng thư mà theo đó, người bán sau khi gửi hàng, được quyền xuất trình bộ chứng từ hợp lệ tại bất cứ ngân hàng nào đang áp dụng một tỷ giá hối đoái cao nhất, để thương lượng bộ chứng từ hàng xuất.

- *Don't worry : As you are a regular customer of our bank, we will apply the best exchange rate for the proceeds of this negotiation credit.* (Xin đừng lo. Vì ông là thân chủ của ngân hàng chúng tôi, chúng tôi sẽ áp dụng hối suất cao nhất cho khoản tiền thu được thuộc tín dụng thư thương lượng này).

*Revocable credit* : tín dụng thư hủy ngang.

*To revoke* : hủy bỏ.

*To amend* : sửa đổi, tu chỉnh (các điều khoản của tín dụng thư).

- *In the case of a revolving L/C, we suggest that you open a revocable L/C which allows you to revoke the L/C at any time you want if you find out that the price of the imported goods is disadvantageous for you and if you want to stop the validity of the L/C.* (Đối với tín dụng tuần hoàn, chúng tôi đề nghị ông nên mở một tín dụng thư có thể hủy bỏ ngang vì ông có thể hủy bỏ bất cứ lúc nào ông muốn nếu ông thấy giá hàng nhập bất lợi cho ông và ông muốn ngưng hiệu lực của tín dụng thư).

*Irrevocable L/C* : tín dụng thư không thể hủy ngang.

- *An irrevocable L/C can be considered a bank guarantee because it cannot be revoked by the buyer or his opening bank without the consent of the beneficiary.* (Tín dụng thư không thể hủy ngang có thể xem như một giấy bảo lãnh ngân hàng vì người mua hoặc ngân hàng mở tín dụng thư không thể tự động hủy ngang nó mà không được sự đồng ý của người thụ hưởng).

*To stand by* (nghĩa trong bài) : thực hiện, thi hành.

*To stand by a commitment* : thi hành một cam kết.

- *The opening bank is liable to standing by its commitments stipulated in the L/C. It cannot maintain that, in view of failure of payments from the importer, it will not effect the payment to the exporter.* (Ngân hàng mở thư tín dụng phải thực hiện các cam kết của mình như qui định trong tín dụng thư. Nó không thể lập luận là vì nhà nhập khẩu không trả tiền nên nó không trả tiền cho nhà xuất khẩu).

*Red-clause L/C* : tín dụng thư có điều khoản đỏ. Tín dụng thư mà theo đó, người mua ứng trước một khoản tiền cho người bán, thường từ 10 % - 20 % trị giá L/C, để người bán có điều kiện mua hàng xuất khẩu.

- *Vietnamese rice exporters should ask foreign importers to open red-clause L/C's in their favor so that they can have enough funds for collecting rice for export.* (Các nhà xuất khẩu gạo Việt Nam nên yêu cầu các nhà nhập khẩu nước ngoài mở L/C có điều khoản đỏ cho họ để họ có đủ tiền mua hàng xuất khẩu).

(Xin nói thêm, về hình thức, sở dĩ gọi là L/C điều khoản đỏ vì trong L/C, đoạn ghi khoản tiền ứng trước được viết bằng mực đỏ).

*Clean advance* : khoản tiền ứng trước mà người bán khỏi cần xuất trình chứng từ.

*To present documents* : xuất trình chứng từ.

*Presentation of documents* : việc xuất trình chứng từ.

- *The exporter must present a full set of shipping documents within the validity of the L/C via the negotiating bank to the opening bank to claim cover.* (Nhà xuất khẩu phải xuất trình bộ chứng từ chuyên chở trong thời hạn hiệu lực của L/C, thông qua ngân hàng thương lượng cho ngân hàng mở tín dụng thư để đòi tiền).

*To undertake* : cam kết.

- *In case of a red-clause L/C, the opening bank undertakes to reimburse the negotiating bank for advances made by this bank by issuing a letter of indemnity in favor of the negotiating bank.* (Trong trường hợp một L/C có điều khoản đỏ, ngân hàng mở tín dụng thư cam kết hoàn trả lại các khoản tiền do ngân hàng thương lượng đã ứng trước, bằng cách phát

hành cho ngân hàng thương lượng một giấy bảo lãnh ngân hàng cho các khoản tiền ứng trước).

*Periodic L/C* : tín dụng thư định kỳ (mỗi định kỳ 1 tháng, người bán giao từng phần một số hàng trị giá 1.000 USD cho đến lúc mãn hạn L/C. Sau đó, L/C có thể tái tục một hoặc hai lần tùy theo thỏa thuận, hoặc không tái tục, mọi điều kiện phải được ghi rõ trong L/C).

*Time interval* : khoảng thời gian xảy ra định kỳ.

*To carry forward to* : mang sang.

*Cumulative* : có tích lũy, có dồn lại cho chuyển sau.

*Non-cumulative* : không có tích lũy, không có dồn lại cho chuyển sau.

- *Periodic L/C's are suitable for any importers who lack warehousing or sales facilities.* (Tín dụng thư định kỳ thích hợp cho những nhà nhập khẩu nào thiếu kho chứa hàng hoặc phương tiện thuận lợi cho bán buôn).

- *This is a non-cumulative periodic L/C which prohibits unused portions to be carried forward to the next shipment.* (Đây là một L/C định kỳ không tích lũy, không cho phép các khoản chử thiếu của kỳ trước dồn lại để chử trong chuyển sau).

*To revolve* : tuần hoàn.

*Revolving L/C* : tín dụng thư tuần hoàn (loại tín dụng thư mà sau khi người thụ hưởng sử dụng xong lại có giá trị hiệu lực để sử dụng tiếp. Có giá trị bao nhiêu lần nữa phải được qui định rõ trong L/C).

- *Some commercial banks refuse to open revolving L/C's because in this case, their undertaking will be prolonged.* (Nhiều ngân hàng thương mại từ chối mở tín dụng thư tuần hoàn, vì trong trường hợp này, cam kết của các ngân hàng sẽ bị kéo dài).

- *The revolving L/C is more propitious for the importer than for the bank.* (L/C tuần hoàn thì thuận tiện cho nhà nhập khẩu hơn là cho ngân hàng).

*Reinstatement* : sự lấy lại, sự phục hồi.

*Availment* : sự giá trị, sự hiệu lực (để lãnh tiền).

- *The L/C issued in your favor will reinstate its availment the same*

*amount 30 days after your drawing.* (L/C mở cho ông sẽ phục hồi hiệu lực như cũ với cùng một số tiền, 30 ngày sau khi ông rút tiền).

*Back-to-back L/C* : tín dụng thư giáp lưng (người thụ hưởng L/C đầu tiên không phải nhà cung cấp hàng. Ông ta dùng L/C này đem tới ngân hàng xác nhận để xin mở tiếp một L/C thứ hai cho người thực sự cung cấp hàng cho nhà nhập khẩu. Ông ta ngồi không ăn sai biệt giá. Như vậy người thụ hưởng L/C đầu tiên vừa là nhà xuất khẩu, vừa là nhà nhập khẩu và L/C đầu tiên được dùng như một bằng chứng bảo đảm để khởi ký quỹ khi mở L/C giáp lưng, nghĩa là dựa vào lưng của L/C này để mở một L/C khác).

*Domestic company* : công ty trong nước.

*Supplier* : nhà cung cấp.

*Projection of the original L/C* : sự lập lại, viết lại nguyên si các điều khoản như L/C gốc, L/C đầu tiên.

### ***A short dialog***

*Client (C)* : khách hàng

*Banker (B)* : giám đốc ngân hàng

*C* : *Sir, may I use this L/C as a security for opening a back-to-back L/C ?* (Thưa ông, tôi có thể dùng L/C này như một đảm bảo để mở một L/C giáp lưng không ?).

*B* : *Oh, why not ? It has been confirmed by our bank.* (Ồ, được chứ. Nó đã được ngân hàng chúng tôi xác nhận rồi).

*Who is the beneficiary, Sir ?* (Người thụ hưởng là ai, thưa ông ?).

*C* : *The beneficiary is a domestic supplier who is maintaining a current A/C with your bank.* (Người thụ hưởng là một nhà cung cấp trong nước cũng đang có một tài khoản vãng lai tại quỹ ngân hàng).

*B* : *Great! Would you please see Mr. Smith, the Manager of International Banking Department. He will help you fill out the formalities.* (Tốt quá. Xin ông vui lòng gặp ông Smith, Trưởng phòng dịch vụ ngân hàng quốc tế. Ông ấy sẽ giúp ông điền các thủ tục).

*C* : *I thank you, Sir. Good-bye. See you again, Sir.* (Tôi cảm ơn ông. Tạm biệt. Hẹn gặp lại).

# Letter of indemnity

(ADVANCE PAYMENT GUARANTEE)

Dear Sirs :

You concluded a contract No.....with Messrs .....on .....for the supply of .....at a price of .....

According to the terms of the contract you will make an advance payment of ..... to Messrs.....

As security for the possible claim for the refund of the advance payment, in the event that the merchandise is not delivered in conformity with the terms of the contract, an indemnity by a bank shall be furnished.

At the request of Messrs ....., we, the SAIGON BANK FOR INDUSTRY AND TRADE, hereby irrevocably undertake to refund to you on your first demand, irrespectively of the validity and the effects of the above mentioned contract and waiving all rights of objection and defense arising from said contract, the advance payment in the amount of .....

Upon receipt of your written and duly signed request for payment and your written confirmation that Messrs ....., have failed to delivered such merchandise as specified in the above mentioned contract.

For the purpose of identification, your request for payment and your confirmation hereunder have to be presented to us through the intermediary of a first rate bank confirming that the signature thereon are binding for your firm.

The amount of this indemnity will automatically be reduced proportionally to the value of each part-shipment upon receipt by us of an invoice copy, issued by Messrs ..... It expires, however, on..... in full and automatically, if your written request for payment and your written confirmation together with a first rate bank's confirmation of your signatures are not in our possession on or before that date.

This letter of indemnity enters into force only after receipt by us of the advance payment in favor of Messrs .....

This undertaking is governed by Vietnamese law, place of jurisdiction is Ho Chi Minh City.

Yours very truly,

SAIGON BANK FOR INDUSTRY AND TRADE

### GIẤY BẢO ĐẢM

(Giấy bảo lãnh ngân hàng cho khoản tiền mà nhập khẩu đã ứng trước cho nhà xuất khẩu như trong trường hợp tín dụng thư có điều khoản đỏ mà ta đã nghiên cứu trước đây)

Thưa Quý vị : (nhà nhập khẩu)

Quý vị đã ký hợp đồng số ..... với công ty (nhà xuất khẩu) ngày ..... để công ty này cung cấp (tên và số lượng hàng hóa) với giá (tổng giá trị lô hàng).

Căn cứ vào điều khoản của hợp đồng, Quý vị sẽ ứng trước số tiền (số tiền ứng trước) cho Công ty (tên công ty xuất khẩu).

Nhằm bảo đảm cho việc khiếu nại có thể có để đòi hoàn lại số tiền đã ứng trước trong trường hợp hàng hóa không được (nhà xuất khẩu) giao cho Quý vị theo các điều khoản của hợp đồng, do vậy phải có một ngân hàng bảo đảm.

Theo yêu cầu của công ty (tên nhà xuất khẩu), chúng tôi, Sài Gòn Công Thương Ngân hàng, đảm bảo không hủy ngang là sẽ hoàn lại cho Quý vị ngay khi Quý vị truy đòi lần đầu, khoản tiền mà Quý vị đã ứng trước là (ghi số tiền ứng trước), bất kể hiệu lực và kết quả của hợp đồng nói trên và việc từ khước mọi quyền phản kháng và bảo vệ nảy sinh từ hợp đồng, ngay khi chúng tôi nhận được từ Quý vị văn bản yêu cầu được ký tên hợp lệ để đòi lại khoản tiền trên và văn thư của Quý vị xác nhận là công ty (nhà xuất khẩu) đã không thể gửi lô hàng đã đặt hoặc đã không gửi hàng như đã qui định trong hợp đồng nói trên.

Nhằm mục đích nhận dạng để kiểm tra, văn thư yêu cầu hoàn tiền và văn thư xác nhận của Quý vị phải được xuất trình cho chúng tôi thông

qua trung gian của một ngân hàng hạng nhất xác nhận là chữ ký trên văn thư của Quý vị chính là những chữ ký hữu quyền, có giá trị ràng buộc đối với Quý công ty.

Số tiền đảm bảo này sẽ được tự động giảm xuống tương ứng với giá trị của mỗi lô hàng chuyển từng phần, ngay khi chúng tôi nhận được một bản hóa đơn do công ty (nhà xuất khẩu) cấp phát.

Tuy nhiên, sự đảm bảo của chúng tôi sẽ hoàn toàn và tự động hết hiệu lực vào ngày ..... (do ngân hàng đảm bảo dựa vào hợp đồng sẽ ghi vào cột này), nếu ngay vào ngày này hoặc trước ngày này, chúng tôi không nhận được trong tay văn thư đòi hoàn tiền và văn thư xác nhận của Quý vị cùng với xác nhận chữ ký của một ngân hàng hạng nhất.

Giấy đảm bảo này chỉ có hiệu lực sau khi chúng tôi nhận được khoản tiền mà Quý vị ứng trước cho công ty (nhà xuất khẩu).

Sự đảm bảo này do luật lệ Việt Nam chi phối và nơi có thẩm quyền tài phán là Thành phố Hồ Chí Minh.

Trân trọng,

SÀI GÒN CÔNG THƯƠNG NGÂN HÀNG

## Terminology study

*To indemnify*: bảo đảm, bồi thường.

*Indemnity*: sự bảo đảm, sự bồi thường.

- *Sometimes the ship had arrived at the destination port before the importer received the full set of shipping documents; in this case, if the importer wants to receive the goods before hand, he may resort to a banker's letter of indemnity.* (Đôi lúc tàu đã đến cảng trước khi nhà nhập khẩu nhận được bộ chứng từ chuyên - chở, trong trường hợp này, nếu nhà nhập khẩu muốn nhận hàng trước, ông ta có thể nhờ đến một giấy bảo đảm ngân hàng).

*Advance payment*: số tiền ứng trước.

*To make an advance payment*: ứng trước.

- *As per the article 2(a) of this contract, you are to make an advance payment of up to 20% of the contract value, namely USD. 3,000.* (Theo điều 2(a) của hợp đồng, Ông phải ứng trước 20% trị giá hợp đồng, tức 3.000 USD).

*Claim* : sự khiếu nại.

*To make a claim* : khiếu nại.

- *Any claim and/or dispute that may arise during the course of the implementation of the contract must be first of all settled through mutual arrangement.* (Bất cứ khiếu nại hoặc tranh chấp, xảy ra trong thời gian thực hiện hợp đồng, trước hết phải được giải quyết thông qua sự dàn xếp giữa hai bên).

*At the request of the* : yêu cầu của.

*Upon request* : ngay khi được yêu cầu.

- *At the request of the exporter, we, the SAIGON BANK FOR INDUSTRY AND TRADE, hereby issue this letter of indemnity in your favor.* (Theo yêu cầu của nhà xuất khẩu, chúng tôi, Sài Gòn Công thương Ngân hàng theo đây phát cho Quý ông giấy đảm bảo này).

*To waive*: từ bỏ, từ khước (một quyền lợi, một khiếu nại, một đặc quyền) một cách tự nguyện.

*Waiver* : sự từ bỏ, sự từ khước.

- *By this document, he has waived all rights of claim which he is legally entitled to enforce.* (Bằng văn kiện này, ông ta đã từ bỏ mọi quyền khiếu nại mà ông ta được quyền thực hiện một cách hợp pháp).

*Upon receipt* : ngay khi nhận được.

- *Upon receipt of your telex DD 24 JUL 93, we instructed BFCE/Paris to pay you as per your request.* (Ngay khi nhận được telex của Quý ông đề ngày 24-7-93, chúng tôi đã chỉ thị BFCE/Paris thanh toán theo yêu cầu của Quý ông).

*Duly signed request for payment* : giấy yêu cầu thanh toán phải được ký tên hợp lệ với chữ ký hữu quyền.

- *Please note that your request for payment must be duly signed by authorized signatories.* (Xin vui lòng ghi nhận là đơn yêu cầu thanh toán của quý vị phải được ký tên hợp lệ bởi những vị có chữ ký hữu quyền).

*To present* : xuất trình (chứng từ).

*Presentation* : sự xuất trình.

- *The documents must be presented within the validity of the L/C.*  
(Chứng từ phải được xuất trình trong thời hạn hiệu lực của L/C).

*Part-shipment, partial shipment* : chở hàng từng phần

- *As per the terms of this L/C, part-shipment and TTR are not allowed.*  
(Theo các điều khoản của thư tín dụng này, chở hàng từng phần và thanh toán bằng cách chuyển tiền bằng điện trước khi nhà nhập khẩu nhận được bộ chứng từ thì không được phép).

*To enter into force* : có hiệu lực

- *This contract shall enter into force since the date of its signing.* (Hợp đồng này sẽ có hiệu lực kể từ ngày ký).

*Place of jurisdiction* : nơi có thẩm quyền tài phán, xét xử.

- *The place of jurisdiction must be clearly stated in the contract.* (Nơi có thẩm quyền tài phán phải được nói rõ trong hợp đồng).

## Multibank holding companies

A multibank holding company is defined by law as one that controls two or more banks. Multibank holding companies have existed since the turn of the century and have developed primarily in states that limit or prohibit branch banking. In essence, the same reasons that contributed to the growth of branch banking has become a significant force on the American banking scene, it has not developed without opposition. The critics have pointed out that group banking tends to lessen competition, is not sufficiently concerned with the needs of local communities, and is a subterfuge employed to evade state banking law. Federal regulation was introduced in 1933, but it proved relatively ineffective. Consequently, additional legislation was enacted in 1956.

The Bank Holding Company Act of 1956 defines a holding company as one that controls two or more banks by the ownership of 25 percent of the voting shares or controls in any manner the election of a majority of the directors of two or more banks. The law prohibits new acquisitions outside the state of the holding company's principal place of business, unless the company is authorized to make the acquisition by the state in which it is desired. An important provision of the 1956 act, with certain exceptions, prohibits bank holding companies from owning voting shares in nonbanking corporations and from acquiring such interests in the future. Furthermore, they were given the choice of relinquishing all their banking interests with the exception of a single bank or relinquishing their nonbanking interests.

The Board of Governors of the Federal Reserve System is charged with the responsibility of administering the Bank Holding Company Act and in so doing supervises the formation and expansion of Bank Holding Companies. Organizers of a holding company are required to have board approval before a holding company is formed, before a company can acquire over 5 percent of the voting stock of any bank, and before bank holding companies can merge. The act sets forth the five factors that the board is required to consider before granting approval of these actions :

(i) The financial history and condition of the company or companies and the banks concerned.

(ii) Their prospects.

(iii) The character of their management.

(iv) The convenience, needs, and welfare of the communities and areas concerned.

(v) Whether the effect of the acquisition, merger, or consolidation would be to expand the bank holding company system involved beyond limits consistent with adequate and sound banking, the public interests, and preservation of competition in the field of banking.

### Terminology study

*Holding company (or parent company)* : công ty mẹ.

*Subsidiary company* : công ty con.

*Multibank holding companies* : các công ty mẹ đa ngân hàng.

- *The form of multibank holding companies is very widespread in the United States of America.* (Hình thức các công ty mẹ đa ngân hàng thì rất phổ biến tại Mỹ).

*Branch banking* : nghiệp vụ ngân hàng chi nhánh.

- *The Bank for Foreign Trade of Vietnam (VCB) has a lot of branches over the country, so its branch banking is very strong.* (Ngân hàng Ngoại thương Việt Nam có nhiều chi nhánh khắp nước, do đó, nghiệp vụ ngân hàng chi nhánh của nó rất mạnh).

*To lessen competition* : làm giảm sự cạnh tranh.

- *To lessen competition in a market economy seems to be unacceptable.* (Làm giảm bớt sự cạnh tranh trong một nền kinh tế thị trường dường như không thể chấp nhận được).

*Subterfuge* : lý lẽ để lẩn tránh, trốn tránh.

*To evade* : trốn, lẩn tránh ; *To evade taxes* : trốn thuế.

- *Group banking is a subterfuge employed to evade state banking law.* (Nghiệp vụ ngân hàng theo tập đoàn chỉ là sự mượn cớ nhằm lẩn tránh luật ngân hàng tiểu bang).

*Ownership* : quyền sở hữu.

*Ownership of 20 percent of the voting shares* : quyền sở hữu 25 % cổ phần được quyền bầu.

*To acquire* : thủ đắc.

*Acquisition* : sự, quyền thủ đắc.

- *Pursuant to the Law on Land, the right of land use is different from the ownership of land.* (Theo Luật Đất đai, quyền sử dụng đất thì khác với quyền sở hữu đất).

- *You acquire one thing before you possess it.* (Bạn thủ đắc một vật trước khi bạn sở hữu nó).

*To relinquish* : từ bỏ.

*Relinquishment* : sự từ bỏ.

- *He has uttered his determination of relinquishing his heirship.* (Ông ta đã bày tỏ quyết tâm từ bỏ quyền thừa kế).

*The federal Reserve System* : hệ thống dự trữ liên bang (tương tự Ngân hàng Nhà nước của ta).

*To merge* : sáp nhập, hợp nhất (nhiều ngân hàng thành một).

*Merge* : sự sáp nhập, sự hợp nhất.

- *Many credit co-ops can merge into one commercial joint-stock bank.* (Nhiều hợp tác xã tín dụng có thể sáp nhập thành một ngân hàng thương mại cổ phần).

## Payments mechanism

Providing for a payments mechanism, or the transfer of funds, is one of the important functions performed by commercial banks, and it is increasing in importance as greater reliance is placed on the use of checks and credit cards.

Most of the checks in the nation are cleared through the commercial banking system. Checks drawn on and deposited in the same bank merely transfer funds from one account to another. If only two banks are involved in the same town, there is a direct exchange of checks. When several banks are involved within the same city, a clearing-house arrangement is usually employed. The process becomes a bit more complicated, time consuming, and expensive when checks are cleared between banks located in different parts of the country. Such clearings are often handled through the correspondent banking system. Banks located on the West Coast, for example, might send checks drawn on East Coast banks to banks in New York City, which would in turn route the checks to the banks in their area on which the checks were drawn. Checks may also be cleared through regional banks of the Federal Reserve System in a manner similar to clearings through the correspondent banking system. Less than half the checks are cleared through the Federal Reserve System, and the dollar amount is even less.

Banks have employed computers and other sophisticated equipment to speed the clearing process, reduce costs, and improve accuracy. In recent years considerable thought and research have been given to what has become known as checkless banking or the checkless society, that is, the use of some form of electronic transfer of funds that would eliminate the bank check and most of the work attendant to it. Experiments have already been made with a system that would involve placing a card similar to a bank credit card into a terminal at a retail store. This would activate computers in banks throughout the nation and thus transfer funds from the purchaser's account to the seller's account. A forerunner of this system is the use of automated teller machines now installed by many banks,

whereby a bank credit card can be used to withdraw cash from a depositor's account, make deposits and loan payments, and transfer funds between a depositor's saving and checking account.

## Terminology study

*Payments mechanism* : cơ chế, kỹ thuật thanh toán.

- *The current payments mechanism is so different from that of the previous century.* (Kỹ thuật thanh toán hiện giờ rất khác với thế kỷ trước).

*Transfer of funds* : việc chuyển ngân.

- *Telegraphic transfer of funds is widely used in the commercial banking system, today.* (Chuyển ngân bằng điện được dùng rộng rãi trong hệ thống ngân hàng thương mại hiện nay).

*To be cleared* : được giao hoán, được bù trừ.

- *Most of the checks in the nation are cleared through the commercial banking system.* (Hầu hết chi phiếu trong nước được bù trừ qua hệ thống ngân hàng thương mại).

*To be drawn on* : được ký phát đòi tiền .

- *French exporters always request that drafts be drawn on the L/C opening bank.* (Các nhà xuất khẩu Pháp luôn đòi hỏi các hối phiếu phải được ký phát đòi tiền tại ngân hàng mở tín dụng thư).

*To transfer funds from one account to another* : chuyển ngân từ tài khoản này đến tài khoản khác.

*Clearinghouse (CH)* : phòng giao hoán.

- *The acronym CHIPS means The Clearinghouse Interbank Payment System.* (Chữ viết tắt CHIPS có nghĩa là hệ thống thanh toán liên ngân hàng thông qua phòng giao hoán).

*Time consuming* : tốn nhiều thời gian, mất nhiều thời giờ.

- *The process becomes a bit more complicated, time consuming and expensive.* (Tiến trình trở nên khá phức tạp, tốn thì giờ và tiền bạc hơn).

*The correspondent banking system* : hệ thống ngân hàng đại lý.

- *The correspondent banking system plays a very important role in international payment.* (Hệ thống ngân hàng đại lý đóng một vai trò quan trọng trong thanh toán quốc tế).

*West Coast* : bờ biển phía Tây (nước Mỹ).

*East Coast* : bờ biển phía Đông (nước Mỹ).

*The Federal Reserve System (FRS or FED)* : Hệ thống Dự trữ Liên bang tức Ngân hàng Trung ương của Mỹ.

- *The discount and interest rates adjustment must be made by the FED.* (Điều chỉnh lãi suất và chiết khấu phải được thực hiện bởi FED).

*Computer* : máy điện toán.

*Personal computer (PC)* : máy điện toán cá nhân.

*Sophisticated equipment* : trang thiết bị tinh vi.

- *Banks have employed computers and other sophisticated equipment to speed the clearing process.* (Các ngân hàng đã sử dụng máy điện toán và các trang thiết bị tinh vi khác nhằm thúc đẩy tiến trình giao hoán).

*Checkless banking, checkless society*: nghiệp vụ ngân hàng không dùng đến chi phiếu.

- *Checkless banking or the checkless society is the use some form of electronic transfer of funds.* (Nghiệp vụ ngân hàng không dùng chi phiếu là việc sử dụng hình thức chuyển ngân bằng điện tử).

*Terminal at a retail store* : máy điện toán được nối mạng đặt tại cửa hiệu bán lẻ.

*Automated teller machines (ATM)* : máy ngân quỹ tự động hóa.

- *ATM's are now installed by many banks.* (Bây giờ nhiều ngân hàng lắp đặt ATM).

*Loan payment* : thanh toán tiền vay.

*Depositor* : người gửi tiền, người ký thác tiền.

- *Thousands of depositors have had a run at commercial banks to withdraw money because the deposit interest rate is lower than that of bond rate.* (Hàng ngàn người gửi tiền đã đổ xô rút tiền tại các ngân hàng thương mại vì lãi suất tiền gửi thấp hơn lãi suất tín phiếu).

## Interest rates

In the absence of government intervention or restrictions, the difference in the interest rates of different countries would be the major factor determining the value of one currency against another. Certainly, it is true that countries with high interest rates tend to attract funds from investors whose countries offer lower rates. Investments in countries with high interest rates are in demand - investors earn an attractive rate of return (through the interest rate) and the higher rate in turn further boosts the currency, so that an investor also wins by holding an asset in a strong currency.

Recent examples of countries that operate with high interest rates include the US, New Zealand and Australia. The US in the early 1980s caused the largest disruption of modern times to exchange rates with high interest rates that were necessary to finance the government debt. Investors were quick to desert their own currencies and invest in USD interest-bearing financial instruments. The rise in the value of the USD compared with other currencies was due to the high interest rates, these peaked in 1981 at 21 per cent for three-month eurodollars but held above 9 per cent until 1984. Investors appeared to ignore other disturbing factors about the US economy, such as its large domestic budget deficit and deteriorating current account.

### Terminology study

*Interest rate* : lãi suất.

*Deposit interest rate* : lãi suất ký thác.

*Loan interest rate* : lãi suất cho vay.

*Discount interest rate* : lãi suất chiết khấu.

- *Only the Central Bank has the right to readjust interest rates.* (Chỉ có Ngân hàng Trung ương có quyền điều chỉnh lãi suất).

- *Deposit interest rates have recently been raised for the Government wants to attract more savings from the public.* (Gần đây lãi suất ký thác được đẩy lên cao vì Nhà nước muốn lôi cuốn nhiều tiền tiết kiệm hơn nữa từ dân chúng).

*Intervention* : sự can thiệp.

*Restriction* : sự hạn chế, sự khống chế (ở mức nào đó).

- *Loan interest rates must be always restricted at a sustainable level which is acceptable to producers.* (Lãi suất cho vay phải được luôn luôn khống chế ở một mức có thể chịu đựng được, có thể chấp nhận được đối với các nhà sản xuất).

- *By posing restrictions to deposit interest rates, the Government hardly attracts more savings.* (Bằng cách khống chế lãi suất tiền gửi, Nhà nước khó lòng mà thu hút thêm tiền tiết kiệm).

*To boost* : nâng lên, tăng giá.

- *The higher rate boosts the currency.* (Lãi suất cao làm tăng giá đồng tiền).

*To finance* : tài trợ.

*Financing* : sự tài trợ, khoản tiền tài trợ.

- *We will finance your project with a condition that you must use your self-financing properly.* (Chúng tôi sẽ tài trợ cho dự án của quý ông với điều kiện là quý ông phải sử dụng khoản tiền tự có một cách hợp lý).

*Interest-bearing* : có sinh lãi.

*Non-remunerated* : không sinh lãi.

- *This is an interest-bearing account.* (Đây là một tài khoản có hưởng lãi).

- *Current accounts are non-remunerated.* (Tài khoản vãng lai thì không có lãi).

*To be due to* : bởi vì, do.

- *The rise in the value of the USD compared with other currencies was due to the high interest rates.* (Việc gia tăng giá trị đồng đô la Mỹ so với các đồng tiền khác là do lãi suất cao).

*Budget deficit* : sự thâm thủng ngân sách.

*Budget surplus* : sự thặng dư ngân sách.

- *For the first time the United States saw a budget deficit in 1981.* (Lần đầu tiên nước Mỹ chứng kiến một sự thâm thủng ngân sách vào năm 1981).

## Factors affecting floating exchange rates

Exchange rates are influenced by a number of factors, particularly chief economic indicators such as inflation and interest rates, a country's balance of payments, fiscal and monetary policies and government attitudes to intervention. Speculators can influence currency movements. Wars and elections can affect the way a currency trades. Last, but far from least, is that intangible and indefinable influence known as market sentiment. Emotional factors can influence exchange rate movement, often to an extent that defies rational explanation. Any occurrence that generates uncertainty affects exchange rates.

A striking feature of foreign exchange markets that baffles observers is the market's tendency to focus on short-term influences and to mark the currency up or down accordingly, while ignoring longer-term fundamentals. Rightly or wrongly, this has a dramatic effect on exchange rates. For example, a July 1985 rumour that the Australian federal treasurer, Paul Keating, was about to resign sent the \$A reeling. The rumour was unfounded and the currency swiftly recovered ground.

Markets over-react to news, so that currencies are pushed too far, or "overshoot". This was evident in February 1989 when, following the announcement of a disappointingly high inflation rate and a disconcertingly bad trade performance, the government indicated that the \$A should fall rather than maintain its then high level, which was felt to be fuelling the overly-robust demand for imports. Market reaction, plus central bank intervention, brought the \$A down by nine per cent over the course of a week.

### Terminology study

*To affect* : ảnh hưởng đến, tác động đến.

- *The recent rise of deposit interest rate has affected the volume of savings deposits.* (Việc lãi suất tiền gửi gia tăng gần đây đã ảnh hưởng đến khối lượng tiền gửi tiết kiệm).

*Floating exchange rate* : tỷ giá trôi nổi theo thị trường, tỷ giá thả nổi.

- *Please effect the payment as per floating exchange rate at the point of payment.* (Xin thanh toán theo tỷ giá thị trường vào thời điểm thanh toán).

*Intangible and indefinable influence* : tác động vô hình, không định nghĩa được.

*Market sentiment* : cảm tính thị trường.

- *Last but far from least, is that intangible and indefinable influence known as market sentiment.* (Sau rốt nhưng không kém quan trọng là tác động vô hình và không định nghĩa được, chính là cái cảm tính thị trường).

*To baffle* : làm rối, làm lạc hướng.

- *The fluctuation of forex rates has baffled cambists.* (Sự biến động tỷ giá hối đoái đã làm rối những người mua bán ngoại tệ).

*Unfounded* : vô căn cứ, không có cơ sở.

- *The rumour was unfounded and the currency swiftly recovered ground.* (Tin đồn là vô căn cứ và đồng tiền nhanh chóng lấy lại vị trí của nó).

*Central bank intervention* : sự can thiệp của ngân hàng trung ương.

- *With the central bank intervention, the Australian dollar has been brought down by 9 percent.* (Với sự can thiệp của ngân hàng trung ương, đồng đô-la Úc đã được kéo xuống khoảng 9 %).

## Review questions

Xin quý vị độc giả trong giới ngân hàng trả lời các câu hỏi ôn sau đây. Quý vị có thể kiểm tra lại câu trả lời của mình với câu trả lời đúng được ghi phía dưới mỗi câu hỏi.

1. *Money market instruments consist of* (các công cụ thị trường tiền tệ gồm có) :

- a) all short-term debt instruments.
- b) all short-term debt instruments issued by deposit intermediaries.
- c) all short-term direct and indirect debt instruments.
- d) all short-term, highly liquid, large-denomination debt instruments.

Answer : (d).

2. *Negotiable certificates of deposit (NCD) are liquid because* (chứng chỉ ký thác có thể thương lượng được thì lưu hoạt vì) :

a) a deposit intermediary promises to redeem the deposit upon demand.

b) a deposit intermediary promises to redeem the deposit upon 24-hour notice.

c) there is a secondary market for these deposits.

d) their maximum maturity is 2 weeks.

Answer : (c).

3. *A bank must maintain adequate liquidity* (một ngân hàng phải duy trì đủ thanh khoản để) :

a) to meet the loan demand of customers and to minimize loan default.

b) to expand transaction deposits whenever there is a deficiency of secondary reserves.

c) to meet loan demand and outflow of deposits.

d) to meet the currency requests of depositors and the conversion of loans into secondary reserves.

Answer : (c).

4. *A bank is insolvent when* (một ngân hàng mất khả năng chi trả khi) :

- a) deposit liabilities exceed owners' equity.
- b) owners' equity exceeds deposit liabilities.
- c) total assets exceed owners' equity.
- d) total liabilities exceed total assets.

Answer : (d).

5. *When the spot and forward DM/USD exchange rates are the same and interest rates are higher in the United States than in West Germany* (khi tỷ giá spot và kỳ hạn giữa đồng mark Đức và đồng đô-la Mỹ bằng nhau nhưng lãi suất ở Mỹ cao hơn lãi suất ở Tây Đức thì) :

a) it is more profitable to invest in the United States than West Germany.

b) it is more profitable to invest in West Germany than the United States.

c) there is no difference in the return from investing in West Germany or the United States because of the interest rate parity theorem.

d) there is no difference in the return from investing in West Germany or the United States because of the purchasing-power theorem.

Answer : (a).

6. *Eurodollar deposits are* (ký thác bằng đồng đô-la châu Âu là) :

a) Federal Reserve notes held by European banks.

b) dollar-denominated deposits located in banks throughout the world.

c) dollar-denominated deposits located in banks outside the United States.

d) European-owned deposits in the United States.

Answer : (c).

7. *Domestic monetary policy likely to have a greater impact on the domestic economy when* (chính sách tiền tệ trong nước có thể ảnh hưởng to lớn hơn đến nền kinh tế trong nước khi) :

- a) exchange rates are fixed.
- b) a country is on a gold standard.
- c) a country is on a gold exchange standard.
- d) exchange rates fluctuate freely.

Answer : (d).

8. *Under the Bretton Woods System, a country with a permanent balance-of-payments deficit would* (theo hệ thống Bretton Woods, một nước luôn luôn có cán cân chi phí thâm thủng, sẽ) :

- a) devalue the international value of its currency.
- b) appreciate the international value of its currency.
- c) decrease its domestic money supply.
- d) increase its domestic money supply.

Answer : (a).

9. *Interest return is* (tiền lãi mang lại trong cho vay là) :

- a) the sum received in lending to a deficit spending unit.
- b) the bond's yield to maturity.
- c) the present value of the annual flow of interest payments.
- d) the coupon rate of interest.

Answer : (a).

10. *The interest return on a discounted money market instrument is.* (tiền lãi mang lại trên một công cụ thị trường tiền tệ chiết khấu là) :

- a) the difference between the par value of the obligation and its purchase price.

- b) the coupon rate of interest times the par value of the obligation.
- c) the present value of the annual flow of interest payments.
- d) the coupon rate of interest.

Answer : (a).

11. Which of the following money market instruments has the highest annualized yield ? (công cụ thị trường tiền tệ nào trong các công cụ sau đây mang lại lợi tức hàng năm cao nhất ?) :

- a) A USD. 1 million 91- day treasury bill selling for USD 985,000
- b) A USD. 1 million 182 - day treasury bill selling for USD 985,000
- c) A USD. 1 million 91 - day treasury bill selling for USD 980,000
- d) A USD. 1 million 182 - day treasury bill selling for USD 980,000

Answer : (c).

12. The yield to maturity on a long - term bond is (lợi tức mang lại tới ngày đáo hạn trên một tín phiếu là) :

- a) the annual interest return plus the discounted par value of the obligation.
- b) the rate of discount that equates the present value of the annual interest returns plus the par value of the obligation with the current price of the bond.
- c) the rate of discount that equates the present value of the annual interest returns plus the current price of the bond with the par value of the obligation.
- d) the rate of discount that equates the present value of the annual interest returns plus the discounted market price of the bond with the current price of the bond.

Answer : (b).

13. When the market rate of interest rises (khi lãi suất thị trường tăng) :

- a) a bond's coupon rate of interest increases, so that the bond offers a competitive yield.

b) the market price of the bond falls, to bring the bond's yield into line with the current market rate.

c) the market price of the bond increases, to bring the bond's yield into line with the current market rate.

d) there is no change in the coupon rate of interest but the par value of the obligation decreases.

Answer : (b).

14. *Which of the following events will result in a higher nominal rate of interest ?* (biến cố nào trong các biến cố sau đây sẽ mang tới hậu quả là lãi suất danh nghĩa sẽ cao hơn ?):

a) there is a decrease in the federal deficit, *ceteris paribus* (các yếu tố khác không thay đổi).

b) there is an increase in household saving, *ceteris paribus*.

c) there is a decrease in wealth holders' demand for money, *ceteris paribus*.

d) a higher rate of inflation is expected, *ceteris paribus*.

Answer : (d).

15. *Tax-exempt bonds* (các tín phiếu miễn thuế) :

a) usually offer the investor a higher pretax yield than taxable bonds.

b) are issued by the federal, state, and local governments.

c) are exempt from the federal income taxes.

d) are exempt from all state and local income taxes.

Answer : (c).

# Currencies

**Convertibles** : those actively dealt in interbank markets on either global or local scale. There are three main geographic areas of convertibles - US (comprising USD and CAD), European (involving currencies of Western Europe) and Asian area (including JPY, HKD, SGD and MYR). The governments of these countries allow unregulated purchases or sales, and the amounts of money exchanged in the interbank market are very large.

**Semi-convertibles** : those that can be bought or sold only through the local central bank at predetermined rates of exchange. Largely Third World currencies. Transactions are limited to documented commercial deals.

**Non-convertibles** : those whose circulation is restricted by local authorities. The exchange rate is artificially pegged usually at a much higher level than the black market (or parallel market) rate which inevitably develops. Most Eastern European countries fall into this category.

**Hard currency** : A strong currency that is well supported by reserves, in demand in world markets and therefore fairly easy to convert into another currency. Usually currency of a country with large exchange reserves and a surplus in its balance of payments. The exchange rate of such currency is a likely candidate for upvaluation.

**Soft currency** : traditionally one not used as a "reserve currency" and would not be in demand in world markets because of its falling value, e.g. peso, ringgit. Usually currency of a country with low exchange reserves and a deficit in the balance of payments. The exchange rate of such currency is a likely candidate for devaluation.

**Exotics** : currency that is not widely traded in world markets or used as a common settlement currency e.g. Fijian dollar, PNG kina.

## Terminology study

*Convertibles* : đồng tiền có thể chuyển đổi.

*To convert* : chuyển đổi.

*Conversion* : sự chuyển đổi.

- *Please convert USD 50,000 into FRF as per the floating rate at the point of conversion.* (Xin vui lòng chuyển đổi 50.000 USD ra đồng FRF theo tỷ giá thị trường vào thời điểm chuyển đổi).

*Semi-convertibles* : đồng tiền bán chuyển đổi.

- *The Vietnamese dong can be considered a semi-convertible.* (Đồng Việt Nam có thể được xem như một đồng tiền bán chuyển đổi).

*Non-convertibles* : đồng tiền không thể chuyển đổi.

- *A non-convertible cannot be used as an international settlement currency.* (Đồng tiền không thể chuyển đổi không thể được dùng làm đồng tiền thanh toán quốc tế).

*Hard currency* : đồng tiền cứng, đồng tiền mạnh.

- *The USD is used by many countries as a reserve currency because it is a hard currency.* (Đồng USD được nhiều nước dùng như đồng tiền dự trữ vì nó là một đồng tiền mạnh).

*Soft currency* : đồng tiền mềm, đồng tiền yếu.

- *The ringgit of Malaysia is a convertible currency but it is not used as a reserve currency because it is a soft currency.* (Đồng ringgit của Malaysia là một đồng tiền chuyển đổi nhưng nó không được dùng làm đồng tiền dự trữ vì nó là đồng tiền yếu).

*Exotics* : đồng tiền không thông dụng.

- *The Fijian dollar, the Papua New Guinea kina are the exotics which are not widely traded in world markets or used as common settlement currencies.* (Đồng đô-la Fiji, đồng kina của Papua New Guinea là những đồng tiền không thông dụng, không được mua bán rộng rãi trên thị trường thế giới hoặc không được dùng làm đồng tiền thanh toán thông dụng).

*Deficit in the balance of payments* : thâm thủng trong cán cân chi phó.

*Surplus in the balance of payments* : thặng dư trong cán cân chi phó.

*Interbank market* : thị trường liên ngân hàng.

*Geographic area* : khu vực địa lý.

*To peg* : kèm giữ.

*To restrict* : khống chế.

*Black market* : thị trường chợ đen.

*Parallel market* : thị trường song hành.

## Credit risk

Whenever a bank makes a loan, there is a risk the loan will not be repaid.

Whenever a bank makes a foreign exchange contract, it faces a risk, however small, that the counterparty will not perform according to the terms of the contract. In both cases, there is a credit risk, although in the foreign exchange case no extension of "credit" is intended.

To limit credit risk, a careful evaluation of the credit-worthiness of the customer is essential. And just as no bank can lend unlimited amounts to a single customer, no bank would want to trade unlimited amounts of foreign exchange with one counterparty.

Credit risk exists because a bank's counterparty may be unable or unwilling to fulfill its contractual obligations. That happens most blatantly when a corporate customer enters bankruptcy, a bank's counterparty is declared insolvent, or foreign exchange controls prohibit payment. In any foreign exchange transaction, each counterparty agrees to deliver a certain amount of currency to the other on a particular date. Every contract is immediately folded into the bank's foreign exchange book. In balancing its trading position, a bank counts on that contract being carried out. If the contract is not performed, then the bank's position is suddenly unbalanced, and the bank is exposed to any changes in exchange rates since the contract was originated. To put itself in the same position it would have been in had the contract been performed, a bank must arrange a new transaction. Worse, the new transaction may have to be arranged at an adverse exchange rate. Since the trustee for a bankrupt company may perform according to the terms of those contracts which are advantageous to the company but disclaim those contracts which are disadvantageous, any losses to the bank may never be recouped.

### Terminology study

*Credit risk* : rủi ro tín dụng.

- *In banking operations, credit risk is inevitable but we must know how*

*to control it.* (Trong nghiệp vụ ngân hàng, rủi ro tín dụng thì không thể tránh khỏi nhưng chúng ta phải biết cách thức kiểm soát sự rủi ro đó).

*To make a loan* : cho vay.

- *Taking deposits and then making loans are the two main functions of a commercial bank.* (Nhận ký thác và cho vay là hai chức năng chính của một ngân hàng thương mại).

*Counterparty* : bên đối tác.

- *As a counterparty in a banking transaction, we should be shrewd but not cunning.* (Với tư cách một bên đối tác, trong một cuộc giao dịch ngân hàng, chúng ta nên khôn ngoan sắc sảo nhưng không được ma giáo).

*To limit credit risk* : hạn chế rủi ro tín dụng.

- *To limit credit risk, a careful evaluation of the credit-worthiness of the customer is essential.* (Nhằm hạn chế rủi ro tín dụng, việc đánh giá cẩn thận mức độ đáng tin nhiệm của khách hàng là hết sức cần thiết).

*Contractual obligations* : nghĩa vụ hợp đồng, những ràng buộc trong hợp đồng.

- *Breach of contractual obligations is also another form of credit risk.* (Việc vi phạm nghĩa vụ hợp đồng cũng là một dạng rủi ro tín dụng khác).

*Corporate customers* : khách hàng công ty.

- *When a bank's corporate customer goes bankrupt, the bank will incur a big credit loss.* (Khi một khách hàng công ty của một ngân hàng bị phá sản, ngân hàng đó sẽ chịu một tổn thất tín dụng rất lớn).

*Adverse exchange rate* : tỷ giá bất lợi.

- *Worse, the new transaction may have to be arranged at an adverse exchange rate.* (Tệ hơn, cuộc giao dịch mới có thể sẽ phải được dàn xếp với một tỷ giá bất lợi).

*To disclaim* : từ bỏ, không nhận.

*To recoup* : bồi thường, bù đắp những cái đã mất.

- *Any losses to the bank may never be recouped.* (Bất cứ những tổn thất nào cho ngân hàng có lẽ không bao giờ bù đắp lại được).

## Bills received for collection

Collection items are both clean and documentary bills remitted by a bank, firm or an individual to a bank for collection of the amount of the bill. *Clean collection items* might include personal checks, sight drafts, bills of exchange, or other similar documents for obtaining payment of money. *Documentary collections* are bills with documents attached to be delivered against payment or acceptance. These documentary bills may actually have been covered by the Bank's own *Letter of Credit*. However, due to discrepancies in the documents, the negotiating bank refused to negotiate and simply sent the bill for collection.

The key parties to a collection transaction are as follows :

**Customer :** Collection items originating from bank customers who write personal checks, draw drafts, or present items for which they are payees.

**Remitting bank :** This is the bank to which the customer entrusts his collection items. This bank merely transmits the items to one of its own branches or to a correspondent for collection. The remitting bank may choose to advance its customer cash against eventual collection ; however, this is an extension of credit by the bank since the bank will not be reimbursed until the item is ultimately honored.

**Collecting bank :** The bank to which the remitting bank sends its collection item is the collecting bank. This will be a bank or a correspondent in the same country as the drawee of the collection item. In the case of personal checks it may well be the drawee bank itself.

**Drawee :** This will be the bank or business firm on whom the check is written or the draft is drawn. The collecting bank must contact the drawee and present the collection items for payment or acceptance.

These are the parties involved in the collection process. The Bank will deal with collection items from two points of view : as the remitting bank and as the collecting bank.

## Terminology study

*Clean collection items* : các khoản nhờ thu không kèm chứng từ.

- *Clean collection items might include personal checks, sight drafts, bills of exchange, or other similar documents for obtaining payment of money.* (Các khoản nhờ thu không kèm chứng từ có thể bao gồm các hối phiếu cá nhân, các hối phiếu thanh toán ngay, các hối phiếu, hoặc các chứng từ tương tự khác gửi nhờ thu cốt để được thanh toán tiền).

*Documentary collections* : các khoản nhờ thu có kèm chứng từ.

- *This is a documentary L/C whose draft must be attached with the documentary stated in the L/C.* (Đây là một tín dụng thư có kèm chứng từ mà hối phiếu phải được đính kèm các chứng từ liệt kê trong L/C) *when the customer entrusts the collection draft* (khi khách hàng nhờ thu hối phiếu).

*Remitting bank* : ngân hàng chuyển chứng từ nhờ thu.

- *This bank merely transmits the items to one of its own branches or to a correspondent for collection.* (Ngân hàng này chỉ việc chuyển các khoản nhờ thu tới một trong những ngân hàng chi nhánh của nó hoặc tới một ngân hàng đại lý để nhờ thu ngân).

- *In the case of personal checks, the collecting bank may will be the drawee bank itself.* (Trong trường hợp chi phiếu cá nhân, ngân hàng thu ngân chính là ngân hàng phải trả tiền).

*Drawee bank* : ngân hàng trả tiền.

- *The collecting bank must contact the drawee bank and present the collection items for payment or acceptance.* (Ngân hàng thu ngân phải tiếp xúc với ngân hàng trả tiền để xuất trình các khoản nhờ thu để được thanh toán hoặc để được chấp nhận).

# The obligations of the collecting bank

The bank, acting as collecting bank, receives clean items and documentary items. Some are to be presented for payment, others for acceptance. What are the obligations of the collecting bank ?

The International Chamber of Commerce has drawn up a uniform set of rules for the collection of commercial paper. These rules are followed in most of the world's trading countries. They set out the basic responsibilities of all parties involved. The primary responsibility of the collecting bank is twofolds : 1) to follow the instructions of the remitting bank, and 2) to present the collection item to the drawee promptly.

The remitting bank must cover all collection items sent with a letter of instructions. This will :

- a. Name the drawee and give his full address.
- b. Instruct the collecting bank to present for payment or for acceptance.
- c. Give reimbursement instructions. Will the collecting bank remit funds directly or through a third bank ?
- d. In case of non-payment/acceptance, give full protest instructions. When will protest be made ? How will it be advised ?

Also,

- e. Disposition of the merchandise. Will same be stored and insured ? If so, for whose account ?

The collecting bank will follow these instructions and make prompt presentation to the drawee. However, the collecting bank is not responsible for any delays, loss, or mutilation in transit of any messages, documents, etc. These risks are borne by the original customer.

## Terminology study

*Letter of instruction* : văn thư chỉ thị.

- *The letter of instructions must cover all the details related to the reimbursement, protest and also disposition of the merchandise in case of non-payment/acceptance.* (Văn thư chỉ thị phải ghi đầy đủ các chi tiết liên quan đến việc trả tiền, chứng nhận việc không trả tiền/không chứng nhận hối phiếu và xử lý hàng hóa trong trường hợp hối phiếu không được thanh toán hoặc không được chấp nhận).

*Protest instructions* : các chỉ thị liên quan đến việc chứng nhận rằng hối phiếu đã không được trả tiền hoặc không được chấp nhận.

- *The protest instructions must cover such details as when the protest will be made and how it will be advised.* (Các chỉ thị liên quan đến việc phản kháng không trả tiền hoặc không chấp nhận hối phiếu phải ghi rõ các chi tiết như khi nào thì thực hiện việc phản kháng và cách thức thông báo việc chứng nhận sự phản kháng đó).

*Disposition of the merchandise* : việc xử lý hàng hóa (khi hối phiếu không được trả tiền hoặc không được chấp nhận).

- *The instructions concerning the disposition of the merchandise must include such details as whether or not the merchandise will be stored and insured and who will bear such charges.* (Chỉ thị liên quan đến việc xử lý hàng hóa phải bao gồm các chi tiết như hàng hóa phải được chứa vào kho và có được bảo hiểm không và ai sẽ chịu những chi phí đó).

*To make prompt presentation* : xuất trình ngay tức khắc.

- *The collecting bank will follow these instructions and make prompt presentation to the drawee.* (Ngân hàng thu ngân sẽ tuân theo các chỉ thị này và xuất trình chứng từ ngay tức khắc cho ngân hàng trả tiền).

*To mutilate* : cắt xén bớt.

*Mutilation* : việc cắt xén bớt, bỏ bớt.

- *The collecting bank is not responsible for any mutilation in transit of any documents.* (Ngân hàng thu ngân không chịu trách nhiệm việc cắt xén bớt, bỏ bớt nào trong lúc chuyển chứng từ).

# Principles of documentary verification

For you as the beneficiary it is important to know that the bank may only effect payment against documents conforming to the requirements of the credit in every respect. The bank cannot decide whether an irregularity in the documents is important or irrelevant. It is also not in a position to decide on matters which only an expert in that field can correctly evaluate. The bank has only to examine the documents to ensure that they conform to the terms and conditions of the credit.

Verification of the documents generally includes checking the following points :

1. Completeness.
2. Conformity with all the terms of the credit.
3. Consistency of the documents with each other.
4. Compliance with the UCP of the International Chamber of Commerce.

## **General points**

1. Is the credit still valid and have the shipment dates been adhered to ?

2. Are the documents all present in the prescribed form and number ? Can they be presented at the bank within the prescribed period after the issue date of the transport document ? If no such condition is stipulated in the credit, a period of 21 days is valid according to Art. 47 UCP.

3. Are the data in the documents consistent with each other?

4. Are the attestation and legalization procedures completed?

5. Have, contrary to the terms of the credit, part-shipments or partial utilizations been effected ?

## **Terminology study**

*Documentary verification* : việc kiểm tra lại chứng từ.

*To verify* : kiểm tra lại.

- *After having verified the documents, if discrepancies are found, the issuing bank must hold the documents pending further instructions from the importer and/or from the negotiating bank.* (Sau khi kiểm tra lại chứng từ, nếu có sai biệt, ngân hàng mở tín dụng thư phải giữ lại chứng từ, chờ chỉ thị thêm của nhà nhập khẩu hoặc của ngân hàng thương lượng chứng từ).

*To conform to* : phù hợp với, đúng y theo.

*Conformity* : sự phù hợp, đúng y theo.

- *We undertake to effect payment in your favor in the currency stated in the L/C if the documents to be presented conform to the terms and conditions of the credit.* (Chúng tôi cam kết thực hiện việc thanh toán cho quý ông bằng đồng tiền qui định trong tín dụng thư nếu các chứng từ sẽ xuất trình phù hợp với các điều khoản của tín dụng thư).

*Complete* (adj) : đầy đủ, hoàn toàn.

*Completeness* (n) : sự đầy đủ, hoàn toàn (không thiếu một loại chứng từ nào trong bộ chứng từ).

*Incompleteness* : sự thiếu, không đầy đủ.

- *We regret to advise you that we could not effect payment as per your instruction due to incompleteness of your set of documents. Please be advised that the C/O was not included in the documents as per the requirements of our L/C.* (Chúng tôi rất tiếc báo quý ông rõ là chúng tôi đã không thể thanh toán theo yêu cầu của quý ông do bộ chứng từ của quý ông không đầy đủ. Chứng từ của quý ông đã không có chứng chỉ xuất xứ hàng hóa theo đòi hỏi của tín dụng thư).

*Consistency of the documents with each other* : sự phù hợp số liệu giữa các chứng từ với nhau.

- *Please be advised that one discrepancy has been found in your documents : the amount of the invoice is inconsistent with that of the draft.* (Xin báo quý ông là có một sai biệt trong bộ chứng từ : số tiền trên hóa đơn khác với số tiền trên hối phiếu).

*To comply with* : tuân theo, làm đúng theo.

*In compliance with* : đúng theo.

*UCP (Uniform customs and practice for documentary credits)* : các tập quán và phương thức thực hành thống nhất về các tín dụng thư có kèm chứng từ.

- *This L/C is opened in compliance with the UCPICC Publication No. 500 (Revision 1993).* (Tín dụng thư này được mở đúng theo UCP, ấn bản số 500 của Phòng Thương mại quốc tế, bản tu chính năm 1993).

*Prescribed form and number* : hình thức và số lượng qui định.

- *The documents must be subject to the prescribed form and number.* (Các chứng từ phải được thực hiện theo hình thức và số lượng qui định).

*Attestation and legalization procedures* : các thủ tục chứng nhận và công chứng.

- *Unobservance of the attestation and legalization procedures stated in the L/C may result in non-payment.* (Việc không tuân thủ các thủ tục chứng nhận và công chứng nói rõ trong L/C có thể đưa đến việc không thanh toán tiền).

## General remarks on documentary collection

A documentary collection can be defined as the collection of a sum due from a buyer by a bank against delivery of certain documents. The bank acting as trustee and intermediary between exporter and importer presents documents - by order of the exporter - which are proof of the actual delivery of a product or service rendered and in exchange receives payment of the amount owed or obtain acceptance of a bill of exchange.

The basis of the execution of documentary collections is provided by the Uniform Rules for Collections (URC) drafted by the International Chamber of Commerce in Paris (ICC) and approved by the banks. They regulate the main rights and duties of the parties with regard to the documentary collection. These rules and provisions, however, are only binding if they do not contradict any other agreements which have been expressly concluded, or any national, federal or local legislation and/or stipulation which take priority.

The liability of the banks with respect to the handling of documentary collection orders is restricted mainly to the forwarding and releasing of documents against payment or acceptance.

Contrary to documentary credits the bank does not assume any responsibility if the buyer does not want or is unable to meet his payment obligation. According to URC (Art. 1), the banks have to act in good faith and exercise reasonable care, but assume no liability or responsibility for consequences arising from Acts of God, delays or losses in transit of any messages, letters or documents insofar as these are not due to negligence on the part of the banks (URC Art. 3/4/5).

The documentary collection offers, in comparison with an open account, considerably more security for the seller, but not to the same extent as a documentary credit.

### Terminology study

*Documentary collection* : thu ngân có kèm chứng từ.

- *With regard to the documentary collection, the bank does not assume*

*any responsibility if the buyer does not want or is unable to meet his payment obligation.* (Đối với việc nhờ thu ngân có kèm theo chứng từ, ngân hàng không chịu trách nhiệm nào hết nếu người mua không muốn hoặc không có khả năng đáp ứng nghĩa vụ thanh toán).

*A sum due from a buyer* : một số tiền mà người mua còn nợ.

*A sum due to a seller* : một số tiền còn thiếu người bán.

- *A documentary collection means the collection of a sum due from a buyer by a bank against delivery of certain documents.* (Thu ngân có kèm chứng từ có nghĩa là ngân hàng thu hộ một số tiền mà người mua còn nợ người bán, đồng thời chuyển giao cho người mua một số chứng từ nào đó (nếu người mua thanh toán)).

*URC (Uniform rules for collections)* : các nguyên tắc thống nhất về thu ngân hộ.

- *For further information, please consult the URC, ICC Publication No. 322.* (Nếu có thắc mắc gì nữa, xin vui lòng tham khảo URC, ấn bản số 322 của Phòng Thương mại quốc tế).

*To bind (bound / bound)* : ràng buộc (các bên ký kết).

- *To sign is to bind* : bút sa gà chết.

*D/P (Documents against payment)* : chỉ giao chứng từ lãnh hàng cho người mua sau khi người mua đã thanh toán xong tiền (trong trường hợp hối phiếu A/S - At sight - thanh toán hoạt kỳ).

*D/A (Documents against acceptance)* : chỉ giao chứng từ lãnh hàng cho người mua sau khi người mua đã ký kết phù hợp mặt sau hối phiếu TD - Time Draft - Hối phiếu trả chậm, chấp nhận thanh toán đủ tiền hàng vào ngày đáo hạn (at maturity).

*To act in good faith* : hành động ngay tình.

- *The bank is discharged with liability thanks to acting in good faith.* (Ngân hàng được rũ bỏ trách nhiệm nhờ hành động ngay tình).

*Act of God* : trường hợp bất khả kháng (như bão, lụt, động đất...).

- *The insurance policy does not cover acts of God.* (Đơn bảo hiểm không có bảo hiểm các trường hợp bất khả kháng).

*D/C (documentary credit)* : tín dụng thư có kèm chứng từ.

- *Almost all letters of credit are D/C's.* (Hầu hết các tín dụng thư là tín dụng thư có kèm theo chứng từ).

*Open account* : tài khoản mở, thanh toán ghi sổ.

- *In comparison with an open account, the documentary collection offers more security for the seller.* (Nếu so với phương thức thanh toán ghi sổ thì phương thức thu ngân có kèm chứng từ vẫn đảm bảo hơn cho người bán).

## Regulation of commercial banking

What is the regulatory role of the following federal agencies : a) Comptroller of the Currency, b) Federal Reserve System, and c) FDIC ?

a) The office of the Comptroller of the Currency was established under the National Bank Act in 1863, its purpose was supervision of nationally chartered commercial banks to ensure safe banking practices. Its current regulatory responsibilities for nationally chartered commercial banks include bank examinations, approval or disapproval of new national bank charters, branches, and mergers, and enforcement of operating regulations such as loan restrictions.

b) The Federal Reserve System, established in 1913, is responsible for supervisory functions as well as monetary policy. Its supervisory functions include bank examinations of all commercial banks which are members of the Federal Reserve System, approval or disapproval of branches and mergers, setting of reserve requirements for all deposit intermediaries, and approval of the formation and acquisition of bank holding companies.

c) The FDIC was established in 1933 to insure bank deposits, currently commercial bank deposits up to USD 100,000 - are insured. Almost all commercial banks are insured by the FDIC and therefore come under their supervision. The FDIC's regulatory powers are similar to those of the Comptroller of the Currency. To avoid duplication, the FDIC supervises state-chartered banks that are not members of the Federal Reserve System.

What is the purpose of a bank examination ?

Banks are examined to avert failure. Although bank examinations consist of examining the assets and liabilities to detect embezzlement and fraud, the principal focus of the bank examination is an evaluation of the quality of the bank's loan portfolio. Loans viewed by the examiners as probably uncollectible are required to be written off. In this way, the bank is not allowed to carry worthless assets on its balance sheet which would otherwise lead to an overstatement of owners' equity and a false impression of bank safety.

## Terminology study

*Regulatory role* : vai trò điều hòa, điều chỉnh.

- *The regulatory role of the Central Bank with respect to commercial banking operations is always essential.* (Vai trò điều hòa của Ngân hàng Trung ương đối với các hoạt động ngân hàng thương mại thì luôn luôn tối cần thiết).

*Comptroller of the Currency* : Phòng Tổng kiểm soát tiền tệ.

*Federal Reserve System (FED)* : Hệ thống Dự trữ Liên bang.

*The Federal Deposit Insurance Corporation (FDIC)* : Liên đoàn Bảo hiểm Ký thác Liên bang.

- *To avoid duplication, the FDIC supervises state-chartered banks that are not members of the FED.* (Nhằm tránh sự trùng lặp, FDIC chỉ giám sát các ngân hàng do chính quyền tiểu bang cấp phép, mà các ngân hàng này không phải là thành viên của FED).

*Enforcement of operating regulations* : việc bắt buộc tuân thủ các luật lệ về hoạt động ngân hàng.

- *One of the current responsibilities of the Comptroller of the Currency is the enforcement of operating regulations such as loan restrictions.* (Một trong những trách nhiệm hiện nay của Phòng Tổng kiểm soát tiền tệ là việc bắt tuân thủ các luật lệ về hoạt động ngân hàng, chẳng hạn như các hạn chế về cho vay).

*Failure* : sự vỡ nợ, phá sản (ngay tình).

- *Banks are examined to avert failure.* (Các ngân hàng được thanh tra nhằm ngăn ngừa sự vỡ nợ).

*Assets and liabilities* : tích sản và tiêu sản.

- *In a B/S, the assets and liabilities must be always exactly equal to each other.* (Trong một bảng cân đối công nợ, các khoản tích sản và các khoản tiêu sản luôn luôn phải bằng nhau).

*Embezzlement* : sự thụt két, ăn cắp công quỹ.

*Fraud* : sự gian trá, lừa gạt.

- *In order to be employed, a treasurer must make a caution deposit to avert embezzlement and fraud during time of service.* (Để được tuyển dụng, người thủ quỹ phải ký quỹ bảo đảm nhằm ngăn ngừa sự thụt két và gian dối trong thời gian phục vụ).

*Loan portfolio* : danh sách các khoản cho vay.

*To write off* : gạt bỏ khỏi sổ sách kế toán.

*Overstatement* : báo cáo quá lớn, quá sự thật.

*Equity* : vốn tự có, vốn cổ phần.

## How can I show creditworthiness ?

To evaluate your business' creditworthiness, the first step is to review your past financial performance. You'll then need to examine your business strengths and weaknesses, which will play a part in the bank's decision about your loan request. Some of those are :

### ***Business weaknesses***

- Fewer than three years in business.
- Past due taxes.
- Lack of profitability.
- Poor bookkeeping practices.
- Slow repayment to creditors.
- Inefficient paperwork procedures.
- Limited credit lines with suppliers.

### ***Business strengths***

- Profitability.
- Adequate cash flow.
- Sufficient collateral.
- Good record of receivables collection and inventory management.
- Well-written contracts for sales and services (prepared by an attorney).
- Good accounting practices.
- Strong personal credit.
- Established track record of customer satisfaction.

### ***How can I repay the loan ?***

First and foremost, your banker wants you to be successful in getting a loan and repaying it. So, as part of the loan application process, your banker will work with you to design a repayment plan that complements your projections for cash flow shortages. Together, you can create a repayment plan that makes you both comfortable.

However, because events do not always go exactly as planned, it is important for you to develop a back-up plan to repay the loan. This plan can take several forms.

- \* Rely on more than one sales contract.
- \* Liquidate other business or personal assets.
- \* Purchase a certificate of deposit (CD) from the bank. The CD will earn interest for you, and the term can usually be tied to the loan's maturity.

In order to ensure a smooth working relationship with your banker, you need to be willing to demonstrate a financial management capability that is ideal for the bank. In other words, what is "ideal" for the bank should be "real" for you.

## Terminology study

*Creditworthiness* : sự đáng tin tưởng, đáng tin nhiệm (trong tín dụng).

- *Creditworthiness always keeps the most important role in banking.* (Sự đáng tin nhiệm luôn luôn giữ vai trò quan trọng nhất trong ngành ngân hàng).

*Financial performance* : thành tích tài chính, việc thực hiện về tài chính.

- *To evaluate your business' creditworthiness, the first step is to review your past financial performance.* (Để đánh giá mức tin tưởng của doanh nghiệp quý vị, bước đầu tiên là phải duyệt lại thành tích tài chính vừa qua của quý vị).

*Strengths and weaknesses* : những điểm mạnh và những điểm yếu.

- *You should impartially examine the strengths and weaknesses of your bank before you come up to a loan decision.* (Quý vị nên đánh giá thế mạnh và thế yếu của ngân hàng một cách vô tư trước khi quý vị quyết định một khoản cho vay).

*Profitability* : tính có thể sinh lãi, có thể mang lại lợi nhuận.

- *At last, the bank has gone bankrupt due to lack of profitability.* (Cuối cùng ngân hàng đã bị phá sản vì thiếu tính sinh lãi).

*Credit line* : khoản tín dụng.

- *The WB has just decided to provide Vietnam with a credit line of USD 100 mi for banking infrastructural improvement.* (Ngân hàng Thế giới vừa quyết định cấp cho Việt Nam một khoản tín dụng 100 triệu USD để cải tiến cơ sở hạ tầng về ngân hàng).

*Paperwork procedures* : vấn đề thủ tục.

- *It doesn't matter, Sir. It's simply a matter of paperwork procedures.* (Việc đó không thành vấn đề, thưa ông. Đó chỉ đơn giản là vấn đề thủ tục mà thôi).

*Cash flow* : lưu lượng tiền mặt.

- *Could you please show me the cash flow chart of your good bank ?* (Quý vị có thể vui lòng cho tôi xem biểu đồ lưu lượng tiền mặt của quý ngân hàng được không ?).

*Collateral* : vật thế chấp, tài sản thế chấp (để vay nợ).

- *For you are a regular reliable customer of ours, we are prepared to make a loan to you without collateral.* (Vì ông là khách hàng thường xuyên, đáng tin cậy của chúng tôi, chúng tôi sẵn sàng cho ông vay mà khỏi cần thế chấp).

## Balance of payments

Ideally, foreign exchange markets should be guided by the trend in a country's balance of payments, rather than the month-to-month movements, but in recent years the general fixation of the financial markets with short-term barometers has included close monitoring of the monthly balance of payments figures. Short-term currency reactions to monthly announcements should be treated with caution, although often, as is said in the markets, the trend is your friend.

The balance of payments consists of two accounts - current and capital. The current account includes :

- Visible trade (imports and exports of goods) ;
- Invisible trade (payments and receipts for services such shipping, insurance and tourism) ;
- Private transfers such as remittances from migrant families, interest and dividend payments ;
- Official transfers such as debt interest and payments to international organisations.

The capital account includes :

- Long-term capital flows (these, plus the current account balance, are sometimes known as the "basic balance") ;
- Short-term autonomous capital flows, excluding government transactions for balance of payments purposes.

The combined current account and capital account are balanced - total inflows must equal outflows - by changes in a country's reserves, borrowing from (or lending to) international institutions, and foreign currency borrowing (or lending) by the public sector.

Balances of payments interact among countries - one country's surplus is equivalent to another's deficit or shortfall. A good example of this was in the 1970s, when the counterpart to the vast surpluses of the OPEC (oil-producing) countries was the accumulated deficits in the rest of the world. As the OPEC surplus has declined, the corresponding aggregate non - OPEC deficit has also fallen. Within the aggregate, though, countries differ, for example Japan has a large surplus and the US a big deficit, each of which is equal to more than half of the less - developed world's deficit.

Because the current and capital accounts have to balance, a country with a deficit on its current account must have a surplus on its capital account (or vice versa). Countries which import more goods and services than they export on their current account will have a surplus on their

capital account. In Australia, most of this capital inflow is provided by the private sector, mainly in the form of borrowings. Generally, a surplus of imports over export and a deficit in a country's current account shows up in a debased domestic currency.

The international debasing of currencies is not new. The practice stretches back to the days when gold coins were used, when the currency could be debased by melting the gold, adding other base metals and producing new coins. The Romans used this method to "manufacture" money and in due course it led to rampant inflation, unsuccessful price controls, ineffectual laws about legal tender and a flight of gold and silver out of the country to escape ancient Rome's tax collectors. The modern approach includes large deficit financing, inflationary money supply policies and general interference in the economic life of the community.

### **Terminology study**

*Balance of payments* : cán cân chi phí (b.o.p).

- *Balance of payments is a statement identifying all financial transaction of a country and its population with the other nations of the world.* (Cán cân chi phí là một bản báo cáo cho biết tất cả giao dịch tài chính của một quốc gia và toàn thể dân của quốc gia đó với các quốc gia khác trên thế giới).

*Trend* : khuynh hướng.

- *The forecast of uptrend or downtrend of forex rates plays a very important role in foreign currencies trading.* (Việc dự báo khuynh hướng lên hoặc xuống của tỷ giá giữ một vai trò rất quan trọng trong việc mua bán ngoại tệ).

*Current account* : tài khoản vãng lai

- *The current account includes : visible trade, invisible trade, private transfers and official transfers.* (Tài khoản vãng lai bao gồm : mậu dịch hữu hình, mậu dịch vô hình, chuyển ngân tư nhân và chuyển ngân chính thức).

*Capital account* : tài khoản vốn

- *The capital account includes : long-term capital flows and short-term autonomous capital flows.* (Tài khoản vốn bao gồm lưu lượng vốn dài hạn và lưu lượng vốn ngắn hạn tự quản).

*Surplus* : thặng dư.

*Deficit* : thâm thủng.

# Foreign exchange risk management

Management of financial risk, to minimise the chance of losses through exposure to movements in exchange rates, is part of the operations of virtually all large companies - and many medium - to small companies. Corporations become vulnerable to exchange rate exposures as a side - effect of the normal course of their business. This represents a fundamental difference between a bank and a corporations. In the case of a bank, foreign exchange is likely to be a profit centre in its own right, one of several areas of a treasury division which concentrates on trading money and securities. Banks take a specific decision to create an exposure, to mismatch and trade currencies, on their customers' or their own behalf, to make a profit.

## ***Banks***

Banks are traders ; they are also corporations. In the context of foreign exchange trading, most would be internationally operating corporations with assets and liabilities in several currencies in addition to that of the home base. Foreign exchange risk - management for a bank involves its activities as both trader and manager of risks (its own and those of its clients), and its responsibilities as a corporation to protect its balance sheet and capital. Any erosion of capital would undermine a bank's capacity to write business in foreign exchange markets, thus reducing its market share and potentially its profits.

Bank's risks in foreign exchange encompass market risk, credit risk and operational risk. Being active, professional traders in foreign exchange, banks are also exposed to settlement risk to a higher degree than a corporation.

## ***Market risk***

Market risk includes liquidity risk, interest rate and currency risks, and basis risk (applicable to those trading in futures, it is the difference between the futures contract price and the physical market price). Dealers should operate within suitable risk/reward guidelines laid

down by their employers, so that limits and responsibilities are clearly defined.

### ***Credit risk***

The Bank for International Settlements' proposals covering capital adequacy provide a general approach towards safeguards against potential losses stemming from credit default. Individual banks, though, would still carry out their own assessments to protect against counterparty risk. It is important, to avoid conflict of interest, that the credit assessment process be separate from the treasury area.

### ***Operational risk***

This is an inevitable consequence of business. A first step towards containing losses in this area is to identify the likely sources of problems, such as :

- Accurate processing of transactions ;
- Confirmation of deals ;
- Transfer of funds ;
- Receipt or delivery of securities ;
- Unauthorised trading.

## **Terminology study**

*Foreign exchange risk management* : quản lý rủi ro về hối đoái.

- *Foreign exchange risk management is part of the operations of all large companies.* (Quản lý rủi ro về hối đoái là một phần trong số các nghiệp vụ của tất cả các công ty lớn).

*Vulnerable to* : có thể bị rủi ro, có thể bị tổn thương

- *Corporations become vulnerable to exchange rate exposures as a side effect of the normal course of their business.* (Các công ty có thể bị rủi ro về các giao dịch về tỷ giá như là một tác động phụ của quá trình hoạt động thông thường của doanh nghiệp).

*Erosion of capital* : sự hao mòn đồng vốn

- *Any erosion of capital may bring about a reduction of market share and profits.* (Bất cứ sự hao mòn đồng vốn nào đều có thể mang đến một sự sụt giảm về thị phần và lợi nhuận).

*Market risk* : rủi ro về thị trường.

- *Market risk includes liquidity risk, interest rate and currency risk and basic rate.* (Rủi ro về thị trường bao gồm rủi ro về thanh khoản, rủi ro về ngoại tệ và lãi suất và rủi ro về cơ sở giao dịch hạn kỳ).

*Credit risk* : rủi ro tín dụng

- *Accurate credit assessment may limit credit risk.* (Việc đánh giá chính xác tín dụng có thể hạn chế rủi ro về tín dụng).

*Operational risk* : rủi ro về nghiệp vụ, về hoạt động

- *Operational risk is an inevitable consequence of business.* (Rủi ro nghiệp vụ là một hậu quả không thể tránh khỏi trong công việc làm ăn).

*Accurate processing of transactions* : xử lý chính xác công việc kinh doanh.

*Confirmation of deals* : xác nhận các giao dịch.

*Transfer of funds* : việc chuyển ngân.

*Receipt or delivery of securities* : nhận hoặc giao chứng khoán.

*Unauthorised trading* : việc mua bán không được phép, không được ủy quyền.

## Soaring Yen pains receivers of Tokyo's Aid

The yen's ascent to record levels is straining the finances of East Asia governments that have borrowed heavily from Japan and now must pay Tokyo back in a now more expensive currency.

Yen even as Asian and Pacific nations begin meeting Friday in Indonesia to map out increased cooperation, the issue threatens to sour relations with Tokyo, which has bluntly rebuffed requests for relief.

East Asia has been the prime recipient of Japan's soft-loan program, which was signed to foster good relations with Tokyo, but which has increasingly come to be seen as a new irritant. For Indonesia, Malaysia and China, the hardest hit, the problem has yet to become critical, but threatens to force a delay or cut back in domestic spending.

In private, some countries have repeatedly demanded relief or fresh concessions from Tokyo but have received only rigid responses. They are likely to raise the issue again in bilateral meetings with Japan at APEC, the Asia-Pacific Economic Cooperation forum, where ministerial meetings begin Friday in Bogor, Indonesia.

"We tried to renegotiate the loan in order to reduce slightly our debt burden to Japan", Prime Minister Mahathir bin Mohamad of Malaysia said in a recent speech in Japan. But, he added, "We were not given even one yen reduction".

Japan, with \$ 11,26 billion, was the world's biggest provider of official development assistance in 1993. Most of the money is in yen-based government loans and Asia, with more than 78 percent of the total, is the biggest recipient. But while Japan's aid has helped lay the groundwork for inflows of private capital that have been fueling the region's economic growth, the yen has more than doubled in value against the dollar since the Plaza Accord of 1985 and has saddled many countries with a heavier repayment burden than they planned for.

## Terminology study

*Soft loan* : sự cho vay với lãi suất thấp.

- *East Asia has been the prime recipient of Japan's soft loan program.* (Đông Á là những nước nhận được viện trợ ưu đãi nằm trong chương trình cho vay nhẹ lãi của Nhật).

*The Hardest Hit* : những nước bị ảnh hưởng nặng nề nhất.

- *Indonesia, Malaysia and China are the hardest hit due to the soaring yen.* (Indonesia, Malaysia và Trung Quốc là những nước bị ảnh hưởng nặng nề nhất do đồng yen đang tăng giá mạnh).

*Delay* : hoãn trả nợ, chậm trễ trong việc thanh toán nợ.

- *The problem threatens to force a delay or cut back in domestic spending.* (Vấn nạn này đe dọa bắt buộc phải hoãn trả nợ hoặc cắt giảm mức chi tiêu trong nước).

*APEC (Asia-Pacific Economic Cooperation forum)* : Diễn đàn hợp tác kinh tế châu Á-Thái Bình Dương.

- *They are likely to raise the issue again in bilateral meetings with Japan and APEC.* (Họ có vẻ sẽ đặt lại vấn đề nói trên trong các buổi họp song phương giữa Nhật và APEC).

*Debt Burden* : gánh nặng nợ nần.

- *We tried to renegotiate the loan in order to reduce slightly our debt burden to Japan.* (Chúng tôi đã cố gắng thương thảo lại khoản tiền cho vay nhằm giảm bớt gánh nặng nợ nần của chúng tôi đối với Nhật).

*Official Development Assistance (O.D.A)* : viện trợ phát triển chính thức.

- *Japan, with \$ 11,26 billion, was the world's biggest provider of O.D.A.* (Nhật Bản, với 11,26 tỉ đô-la Mỹ, đã là nước cung cấp viện trợ phát triển chính thức lớn nhất thế giới).

*Yen-based* : trên cơ sở đồng yen Nhật.

- *Most of the money is in yen-based government loans.* (Phần lớn số tiền được viện trợ dưới hình thức các khoản cho vay chính thức trên cơ sở đồng yen Nhật).

## Economic risk

Economic risk in foreign exchange is often not recognised, although it occurs in many circumstances. For example, if costs rise in relation to market prices for goods and services, a company loses volume or margin or a mixture of both. Or, if there is a lack of demand for a product or increased competition from a similar imported product, and costs remain stable, again margin and/or volume must be lost. But financial statements do not show lost sales, so the consequences of this kind of risk are not regularly evaluated. Companies have to be alert to the chain of consequences of economic events. For example, a collapse in the domestic currency affects the building industry as it is likely to have an adverse (upward) effect on interest rates and, theoretically, a downward effect on new housing construction.

The structure of a country's economy is inevitably affected by extreme fluctuation in the value of its currency. Take the case of a commodities-based economy such as Australia : when demand for its primary produce and minerals is high, the ensuing foreign exchange inflow keeps the Australian dollar strong. Importing manufactured goods is cheaper than manufacturing domestically, so Australian manufacturing tends to be reduced. Low overseas demand for Australian produce would depress the Australian dollar ; imports would thus become more expensive, and this should lead to import substitution and a revival in domestic manufacturing industries.

A company's economic risk is structural. It must be identified early and managed over a long period, generally at board level. Given sufficient time, a company can often alter its exposure to exchange risks by changing its operations. For example, it may :

- alter its pricing policy ;
- change its sources of supply ;
- switch its funding onshore or offshore ;
- relocate its production facilities ;

- alter its product emphasis ;
- change its billing/paying currency.

It was apparent for some years, before it changed course in 1985, that the Japanese yen was undervalued. (Many suspect this was due to government influence.) The prudent Japanese manufacturers could see that when the yen strengthened they would have trouble selling their products, particularly in the US market.

## Terminology study

*Economic risk* : rủi ro kinh tế.

- *Economic risk in foreign exchange is often not recognised, although it occurs in many circumstances.* (Rủi ro kinh tế về ngoại hối thì thường không được thừa nhận mặc dù nó xảy ra trong rất nhiều tình huống).

*Financial statement* : bản tường trình, báo cáo tài chính.

- *Your financial statement as of 31 December 1994 must be included in your control documents to be sent to us for the establishment of correspondent banking relationship.* (Bản tường trình tài chính phải được gửi cùng với các chứng từ kiểm soát của quý ông cho chúng tôi để thiết lập quan hệ đại lý về ngân hàng).

*Domestic currency* : nội tệ, tiền trong nước.

- *A collapse in the domestic currency affects the building industry.* (Một sự sụp đổ về nội tệ sẽ tác động đến ngành công nghiệp xây dựng).

*Upward effect* : tác động có khuynh hướng lên.

*Downward effect* : tác động có khuynh hướng xuống.

- *An upward effect on interest rates will theoretically bring about a downward effect on new housing construction.* (Một tác động có khuynh hướng lên về lãi suất thì về phương diện lý thuyết, sẽ mang đến một tác động có khuynh hướng giảm vào ngành xây dựng mới nhà cửa).

*A commodities-based economy* : một nền kinh tế dựa vào hàng hóa, đặt cơ sở trên thương phẩm.

## What makes a good dealer

Like a skilled sportsperson, a good dealer, be it in foreign exchange or money markets, must have lightning - quick responses. And the best in both fields have almost an intuition : they seem to see things moments before they occur. A good dealer *feels* where the market is going ; he or she senses a move or reaction 20 or 30 seconds ahead of the pack and acts on that insight. It is an intangible quality but one that clearly marks out the top dealers from the herd.

Trading in today's money and foreign exchange markets involves more complex calculations than, say ten years ago. Forwards, swaps, arbitrage and option trading are require a level of mathematical aptitude that was not seen in the 1970s. So although the adage that a good dealer is born rather than made might still hold true, an economics degree is becoming an almost essential add - on to the instinctive skills. That does not diminish the fact that it is the style of a person, rather than his or her academic qualifications, that shapes a good dealer. No amount of education can turn someone with the wrong personality into a good dealer. Nor is there any shortcut or substitute for experience.

An effective dealer thrives on the pressure of the trading room. A dealer who does not feel the pressure is likely to become arrogant and careless. A dealer has to feel the heat, but be able to cope with it. Dealing involves getting wounded from time to time, but the key to successful dealing is the ability to sustain a wound and carry on, dodging further onslaughts. Dealers cannot afford to dwell on past black moments ; they have to be able to shrug them off, come back next day and start afresh. They must learn from yesterday's mistakes, but not allow them to cloud today's judgment.

Dealers have to be seft - motivated. They have to be comfortable working with figures, able to think on their feet and make quick decisions, and cool under pressure - and they should have a sense of humour (they need it often).

## Terminology study

*Dealer* : nhân viên giao dịch, mua bán (chứng khoán hoặc ngoại hối).

- *The bank's foreign exchange dealer can quote a rate for changing traveller's cheques.* (Nhân viên giao dịch ngoại hối của ngân hàng có thể định tỷ giá để đổi các chi phiếu du khách).

*Intangible* : (tài sản) vô hình.

- *A patent or a trade mark is an intangible asset.* (Bằng sáng chế hoặc nhãn hiệu là một tài sản vô hình).

*Forward* : giao dịch hạn kỳ (kể từ thời điểm spot trở đi).

*Swap* : bán giá *spot* rồi mua hạn kỳ hoặc ngược lại (nhằm tránh rủi ro).

*Arbitrage* : tài định ( dựa vào sai biệt giá ở hai nơi khác nhau, cùng một thời điểm).

*Option* : quyền chọn (quyền chọn mua, chọn bán trong giao dịch hạn kỳ).

- *Forwards, swaps, arbitrage and option trading all require a level of mathematical aptitude that was not seen in the 1970s.* (Mua bán dưới hình thức quyền chọn, tài định, bán spot rồi mua hạn kỳ hoặc ngược lại và hạn kỳ, tất cả đòi hỏi một trình độ khả năng toán học mà người ta không hề thấy trong những năm thuộc thập niên 70).

*To thrive* : phát đạt, thịnh vượng, phát triển nhanh.

*Trading room* : phòng mua bán, phòng giao dịch.

- *An effective dealer thrives on the pressure of the trading room.* (Một nhân viên giao dịch có hiệu quả phát triển nhanh chóng nhờ vào áp lực của phòng giao dịch).

## Some of the most common discrepancies

1. Claused (unclean) bills of lading : transport document.
2. Charter party bill of lading.
3. No evidence of goods actually "shipped on board".
4. Shipment made between ports other than those stated in the credit.
5. Goods shipped on deck.
6. Bill of lading (transport document) does not evidence whether freight is paid or not.
7. Presentation of an insurance document of a type other than that required by the credit.
8. Insurance risks covered not as specified in the credit.
9. Insurance cover expressed in a currency other than that of the credit.
10. Under-insured.
11. Insurance not effective from the date on the transport document.
12. Document inconsistent with each other.
13. Description of goods on invoice differs from that in the credit.
14. Weights differ between documents.
15. The amounts shown on the invoice and bill of exchange differ.
16. Marks and numbers differ between documents.
17. Absence of documents called for in the credit.
18. Bill of exchange drawn on a wrong party.
19. Bill of exchange payable on an indeterminable date.
20. Bills of lading ( transport document), insurance document or bill of exchange not endorsed correctly.

21. Absence of signatures, where required, on documents presented.
22. Credit amount exceeded.
23. Credit expired.
24. Documents not presented in time.
25. Late shipment.
26. Short shipment.

***Một số sai biệt thường gặp nhất trong bộ chứng từ chuyên chở***

1. Các vận tải đơn có ghi chú : chứng từ vận tải.
2. Vận tải đơn thuê tàu.
3. Không có bằng chứng là hàng hóa đã thực sự được chở trên tàu.
4. Chuyển hàng được thực hiện tại các cảng khác với các cảng được quy định trong tín dụng thư.
5. Hàng hóa được chở trên boong.
6. Vận tải đơn (chứng từ vận tải) không chỉ rõ là thủy cước đã được thanh toán rồi hay chưa.
7. Xuất trình một loại chứng từ bảo hiểm, khác với loại được quy định trong tín dụng thư.
8. Các loại rủi ro bảo hiểm không phải là loại quy định trong tín dụng thư.
9. Số tiền bảo hiểm được diễn tả bằng một loại tiền khác với loại tiền quy định trong tín dụng thư.
10. Số tiền được bảo hiểm thấp hơn số tiền được quy định.
11. Việc bảo hiểm không có hiệu lực kể từ ngày ghi trên chứng từ vận tải.
12. Các chứng từ không phù hợp với nhau.
13. Mô tả hàng hóa trên hóa đơn khác với mô tả hàng hóa ghi trong tín dụng thư.

14. Trọng lượng hàng hóa ghi trên các chứng từ không phù hợp lẫn nhau.
15. Số tiền ghi trên hóa đơn khác với số tiền ghi trên hối phiếu.
16. Dấu hiệu và số hiệu ghi trên các chứng từ không phù hợp với nhau.
17. Thiếu các chứng từ mà tín dụng thư đòi hỏi.
18. Hối phiếu được ký phát đòi tiền sai đương sự.
19. Hối phiếu có thể được thanh toán vào một ngày tháng không thể xác định được.
20. Các vận tải đơn (chứng từ vận tải), chứng từ bảo hiểm hoặc hối phiếu không được ký hậu đúng.
21. Thiếu các chữ ký được đòi hỏi trên các chứng từ xuất trình.
22. Số tiền tín dụng thư vượt quá.
23. Tín dụng thư đã mãn hạn hiệu lực.
24. Các chứng từ không được xuất trình đúng hạn quy định.
25. Chở hàng trễ hạn.
26. Chở hàng thiếu số lượng quy định.

## Long-term factors affecting capital flows

Besides fundamental economic realities, movements of capital are influenced by political and human factors which can be summarised in one word - *Confidence*.

In troubled times, capital seeks safety to the exclusion of other factors. The concept of return cannot be thought of as being simply the search for higher rates of interest but more basically the insurance that capital is preserved. Whether the economy of countries is in good or bad shape - and in today's world, all the economies have a tendency to follow similar trends - it is the fiscal and monetary policies of governments which affect attention. It is perceived that the only effective way to protect one's currency is not by artificially trying to prop it up in the world's markets, but by trying to put one's house in order. Investors are great believers in free markets and fiscal and monetary conservatism, and will act accordingly.

It is unfortunate that too many politicians fail to understand capital's quest for security and worse, advocate short-term solutions which ultimately prove disastrous; too often, trade or b/p problems lead to "competitive devaluations" which are nothing more than attempts to solve internal problems of low productivity and high inflation by "beggar your neighbour" policies. Inversely governments have tried to fight what they consider unwarranted depreciation of their own currency through intervention, wasting away valuable reserves.

### Terminology study

*Capital flows* : lưu lượng vốn.

- *Capital flows are influenced by political and human factors which can be summarised in one word - Confidence.* (Lưu lượng vốn bị tác động bởi các yếu tố con người và chính trị có thể tóm tắt bằng một chữ : lòng tin).

*To advocate* : chủ trương.

- *Many politicians advocate short-term solutions which ultimately prove disastrous.* (Nhiều chính trị gia chủ trương các biện pháp ngắn hạn mà sau rốt cho thấy là rất tai hại).

*Devaluation* : sự phá giá, sự đánh sứt giá (tiền tệ) (chủ quan).

- *Devaluation is the downward adjustment by monetary authorities in the official exchange rate of a nation's currency in relation to a key currency, such as the U.S. dollar.* (Sự phá giá đồng tiền là các cơ quan quyền lực về tiền tệ điều chỉnh xuống tỷ giá chính thức đồng tiền trong nước, so với một loại ngoại tệ quan trọng nhất, chẳng hạn so với đồng đô-la Mỹ).

*Depreciation* : sự sụt giá (khách quan).

- *Depreciation is the decline in price of one currency relative to another without market intervention by central banks.* (Sự sụt giá đồng tiền là giá trị của một loại tiền tệ giảm xuống so với một loại ngoại tệ khác mà không có sự can thiệp vào thị trường tiền tệ của các ngân hàng trung ương).

*Reserves* : khoản dự trữ.

- *In the United States, the ratio of required reserves to deposits ranges from 3 pct to 12 pct for transaction accounts and up to 3 pct for CDs.* (Ở Mỹ, tỷ lệ dự trữ bắt buộc cho các khoản ký thác là từ 3-12 % cho các tài khoản giao dịch và tới mức 3 % cho các chứng chỉ ký thác định kỳ).

# Options

An option is a contract that provides to its holder (buyer) the right to purchase from or sell to the issuer (writer) a specified interest at a designated price called the exercise price (striking price) for a given period. Therefore, options contracts specify three conditions :

1. The property to be delivered ;
2. The price of the property ; and
3. A specified period during which the right held by the buyer can be exercised.

Options have standardized terms, including the exercise price and the expiration time. This standardization makes it possible for buyers or writers (sellers) of options to close out their positions by offsetting sales and purchases. By selling an option with the same terms as the one purchased, or buying an option with the same terms as the one sold, an investor can liquidate a position at any time.

Options can be a versatile investment vehicle for investors who understand their risks and limitations. Strategies are not limited just to buying, selling, and staying out of the market. Options allow investors to tailor their positions to individual situations and be as conservative or as speculative as they wish. An investor can reap the following benefits from options :

1. Stock holdings can be protected from a decline in market price.
2. Income can be increased against current stock holdings.
3. A stock can be bought at a lower price.
4. An investor can benefit from a big market move without knowing the direction of the move.
5. An investor can benefit from the rise or fall of a stock without incurring the cost of actually buying or selling the stock.

## Terminology study

*Option* : quyền chọn.

- *Options contracts specify three conditions : (1) the property to be delivered (2) the price of the property, and (3) a specified period during which the right held by the buyer can be exercised.* (Các hợp đồng quyền chọn quy định rõ ba điều kiện : (1) tài sản sẽ được chuyển giao (2) giá của tài sản, và (3) thời gian được quy định rõ mà trong khoảng thời gian đó quyền của người có thể được thực hiện).

*To offset* : bù trừ.

- *This standardization makes it possible for buyers or writers of options to close out their positions by offsetting sales and purchases.* (Sự tiêu chuẩn hóa này làm cho người mua hoặc người bán quyền chọn có thể chấm dứt vị trí mua bán của họ bằng cách bù trừ các khoản tiền mua bán).

*The rise or fall of a stock* : giá cổ phiếu gia tăng hoặc sụt giảm.

- *An investor can benefit from the rise or fall of a stock without incurring the cost of actually buying or selling the stock.* (Một vài nhà đầu tư có thể hưởng lợi từ việc gia tăng hoặc sụt giảm giá của một cổ phiếu mà không phải gánh chịu phí tổn thật sự mua hoặc bán một cổ phiếu).

# Treasury bond futures

Futures contracts can be bought for all three Treasury securities : bonds, notes, and bills. In addition, there is also a very active futures market in Eurodollars, which are U.S. dollars on deposit outside of the United States. The most actively traded futures contract is the contract traded on U.S. treasury bonds. Treasury bonds are treasury securities that mature in from ten to thirty years.

The popularity of these bonds can be attributed to several factors. First, the massive deficits of the U.S. government have required the issuance of many Treasury bonds. In addition, Treasury bonds have become the benchmark for long-term interest rates to which other long-term rates are tied. Thus, prices of treasury bond futures are a sensitive barometer of long-term interest rates. Treasury bond futures are widely used to hedge against the risk of bond holding.

Over 300,000 Treasury bond futures contracts were traded daily at the Chicago Board of Trade in 1990, up over 20 percent from the previous year. A contract is for future delivery of a \$100,000 face value Treasury bond. In actuality, futures traders rarely take delivery of Treasury bonds, and most trades are canceled by making an offsetting trade.

The treasury bond futures contract accepts delivery of U.S. Treasury securities with maturities or earliest call dates at least fifteen years in the future.

Delivery is allowed at any time during the delivery month. The last day of trading is the eighth-to-the-last business day of the delivery month.

## Terminology study

*Treasury bond futures* : mua bán hạn kỳ các trái phiếu kho bạc

*T. bonds (Treasury bonds)* : trái phiếu kho bạc, công khó phiếu. Đây là chứng khoán kho bạc dài hạn của Mỹ, có thời gian đáo hạn từ 10 đến 30 năm. *T. notes* là chứng khoán kho bạc trung hạn của Mỹ, có thời gian

đáo hạn dưới 10 năm và *T. Bills* là chứng khoán kho bạc ngắn hạn của Mỹ có thời gian đáo hạn 13, 26 hoặc 52 tuần lễ.

- *Futures contracts can be bought for all three Treasury securities : bonds, notes, and bills.* (Người ta có thể mua các hợp đồng mua bán hạn kỳ cho cả ba loại chứng khoán kho bạc : dài hạn, trung hạn và ngắn hạn).

- *The most actively traded futures contract is the contract traded on US Treasury bonds.* (Hợp đồng hạn kỳ được mua bán sôi động nhất là hợp đồng mua bán trái phiếu kho bạc dài hạn của Mỹ).

- *Prices of Treasury bond futures are a sensitive barometer of long-term interest rates.* (Giá cả mua bán hạn kỳ các trái phiếu kho bạc là một “phong vũ biểu” nhạy cảm để đo các lãi suất dài hạn).

## Using index options

Let's consider some basic options strategies an investor might employ. Assume that an investor anticipates a rise in the market and decides to buy call options to profit from the market's appreciation.

Example :

Suppose that on July 1, the S&P 100 Index closed at 335.00. An investor who buys three September 340 call options at a premium of 8 pays \$2,400 (each point on the index represents \$100). The market rallies by August with the index standing at 350, and the investor decides to sell at a premium of 15. The investor's profit would be \$2,100, computed as follows :

Selling price of	$15 \times 3 \text{ calls} \times \$ 100 =$	\$4,500
Buying price of	$8 \times 3 \text{ calls} \times \$ 100 =$	\$2,400
Profit		\$2,100

The investor makes a return of 87.5 percent ( $2,100/2,400$ ) on a \$2,400 investment. Meanwhile, the index rose from 335.00 to 350.00, which represents a 4.5 percent increase. If the index had decreased in value, the maximum loss would be the premium of \$2,400, because the maximum loss of any option purchase is always defined by the premium paid.

As mentioned previously, stock index options are effective tools for hedging strategies. Suppose that an investor of a well-diversified portfolio concludes that the market is about to have a short-term drop.

A portfolio that is well-diversified is largely insulated from firm-specific and industry risk. However, market risk cannot be diversified away. Several strategies can be used to hedge against market risk. For example, an investor could choose to sell calls. The sale of calls would hedge market risk to the extent of premiums received from writing the options. The premium could offset some of the downside risk from a general market decline. The risk is the possibility that the index may increase beyond the sum of the exercise price and the premium. In that case, the loss on the options position could exceed the gains on the portfolio.

## Terminology study

*Index options* : quyền chọn theo chỉ số cổ phiếu.

- *Stock index options are effective tools for hedging strategies.* (Quyền chọn theo chỉ số cổ phiếu là những công cụ có hiệu quả nhằm bù đắp rủi ro cho các chiến lược).

*Well-diversified portfolio* : danh sách cổ phiếu đầu tư được đa dạng hóa thích đáng.

- *A well-diversified portfolio can be insulated from industry risk but cannot be insulated from market risk.* (Một danh sách cổ phiếu đầu tư được đa dạng hóa tốt có thể tránh được rủi ro công nghiệp nhưng không thể tránh được rủi ro thị trường).

*To compute* : tính toán

- *The investor's profit would be USD 2,100, computed as follows :*

+ *Selling price of 15 x 3 calls x USD 100* = USD 4,500

+ *Buying price of 8 x 3 calls x USD 100* = USD 2,400

+ *Profit : USD 2,100*

(Số lãi của nhà đầu tư sẽ là 2.100 USD, được tính như sau :

- Bán 15 x 3 quyền chọn mua x 100 USD = USD 4.500

- Mua 8 x 3 quyền chọn mua x 100 USD = USD 2.400

- Lãi : USD 2.100

Mỗi một điểm trên chỉ số cổ phiếu bằng 100 USD)

*Market's appreciation* : sự tăng giá thị trường.

*Market's depreciation* : sự giảm giá thị trường.



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# Foreign Trade

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## Economics - unemployment problems

Ho Chi Minh City, the biggest urban area of Vietnam, is currently facing, among other things, a massive unemployment problem. It is estimated by reliable sources that unemployment in Ho Chi Minh City may reach 200,000 - 250,000 persons yearly.

How does unemployment come about ?

As Ho Chi Minh City is the most urbanised section of the country, with its infrastructure and social amenities better than elsewhere, it has exerted a "pull" over other provinces, thereby inducing a rural-urban migration towards it. On the other hand, those disaster-stricken areas have also created a "push" over their people to seek better shelters in Ho Chi Minh City.

Another cause to the unemployment problem of Ho Chi Minh City is its natural population increase. Although Ho Chi Minh City has been ranked among the lowest birthrate regions of the country, its rural area has recorded a relatively high birthrate that could rival with that of other provinces (approximately over 2% per annum).

The natural increase in population coupled with the migratory movement from other provinces has created a host of social problems that Ho Chi Minh City will have to resolve satisfactorily.

One of the biggest problems has been how to create enough jobs for the unemployed. The state sector, through the government labour policy, is trying to reduce its manpower. So the task of employment generation is left with the private sector, which includes the foreign sector (foreign organisations and joint ventures).

The Vietnamese private sector is currently the main source for job generation. The birth of private businesses and private limited liability companies has created thousands of additional jobs for the Vietnamese people. The private sector shall remain the most important source for employment generation in the years to come.

On the other hand, the foreign sector will also be able to offer more jobs for the Vietnamese people if more foreign companies are permitted to come to Vietnam to set up their representative offices and joint ventures and/or 100% foreign-invested companies. This can be only

facilitated by a more rational approach to the formalities and procedures in project approval.

Another alternative for an employment solution is to launch massive public works programmes undertaken by the government such as the dredging of polluted canals and rivers irrigation, environmental protection (planting trees, for example), road building and housing construction.

## Vocabulary

*Urban* : đô thị ; *to urbanise* : đô thị hóa

*Urbanisation* : sự đô thị hóa.

*Unemployment* (n) : thất nghiệp ; *employment*: sự tạo công ăn việc làm, sử dụng ; *to employ* : thuê, mướn, sử dụng.

*Reliable* (adj) : đáng tin cậy ; *reliability*: sự tin cậy được.

*Reliable source* : nguồn tin cậy được.

*Social amenities* : những công trình phúc lợi xã hội (bệnh viện, trường học, v.v...)

*Migration* (n) : sự di cư ; *to migrate* : di cư.

*Migratory* (adj) : di chuyển từ nơi này sang nơi khác. Trong trường hợp này có thể sử dụng hai động từ khác là *to emigrate* : dời cư (đi từ một nước này đến một nước khác) và *to immigrate* : nhập cư (đến lưu trú tại một nước khác).

*Disaster* (n) : tai họa (có thể tự nhiên như *flood* : lụt ; *drought* : hạn hán ; *earthquake* : động đất - hoặc có thể do con người gây ra như *fire* : hỏa hoạn v.v...).

*Birthrate* : sinh suất (phân biệt với *deathrate* : tử suất).

*Private limited liability companies*: các công ty trách nhiệm hữu hạn (chữ *private* ở đây chứng tỏ rằng các công ty này, dù có phát hành cổ phiếu, không đăng ký trên thị trường chứng khoán).

*To facilitate*: làm cho dễ dàng ; *facile*(adj): dễ dàng ; *facility*: phương tiện.

*Rational* (adj) : hợp lý ; *to rationalise* : hợp lý hóa ; *rationality*: tính hợp lý.

*Alternative* (n) : phương án lựa chọn ; *alternative* (adj) : có tính chọn lựa.

*Public works* : công chánh ; *Department of Communication and Public works* : Sở Giao thông Công chánh.

## The use of credit cards

Vietcombank has recently announced that it will issue credit cards, a non-cash payment instrument, to its depositors who are foreign and domestic businesses and individuals in Ho Chi Minh City and Hanoi sometime this April.

The news has been welcome by the general public even though not all the economic sectors of both cities shall be the holders of such credit cards; for example, the depositors of other banks and savings institutions.

What are credit cards and how are they used ?

Credit cards were first used as a payment instrument during the closing years of the 1970's in commercial transactions which handled large amounts of cash. Together with other modes of payment such as cheques, autopay (standing orders and direct debits) and cashier's orders, credit cards have increasingly found their use in commercial transactions in the local market.

A credit card enables the holder to obtain instant credit. The credit card company enrolls a large number of sellers. These sellers agree to supply goods and services to cardholders without receiving cash payments.

Each cardholder has a credit limit. This is the maximum amount he can spend by using the credit card. After each purchase, the cardholder presents the card to the seller and signs the credit card voucher. The cardholder keeps one copy of the voucher. Another copy is sent to the card company.

The credit card company deducts a small percentage of commission from the total amount and remits the rest of the money to the seller. Each month the cardholder receives a statement from the card company. He may pay either the whole amount or only part of it. The minimum payment and interest charge on the unpaid balance is fixed by the card company. Most credit cardholders have to pay annual subscriptions.

The major advantages of credit cards are quite obvious : 1) they can replace large amounts of cash in transactions, 2) they can obtain instant credit, and 3) one payment may be made for the total monthly purchases. To the seller, the advantage of credit cards may be the increase in stock turnover.

Nevertheless, the use of credit cards may also present some problems :

(1) The fraudulent use of credit cards, (2) Impulse purchase.

Impulse purchase is an irrational buying of goods by credit cardholders. This type of purchase is normally found in women who come to shopping centers and department stores to buy whatever goods they are persuaded to buy without realising how much they have spent on their goods. When the statement from the card company is sent to them at the end of each month, they come to realise that their expenditures have exceeded their monthly salaries. For this reason, there has been a strong tendency for a lot of customers to resort to cash payment to control their expenditures.

## **Vocabulary**

*Cash* : tiền mặt (gồm tiền giấy và kim loại).

*To announce* : công bố ; *announcer* (n) : xướng ngôn viên ; *announcement* (n) : sự công bố, thông báo.

*To issue* : phát hành ; *issuance* (n) : sự phát hành ;

*To issue treasury bonds* : phát hành công khố phiếu ;

*Date of issuance* : ngày phát hành.

*Payment instrument* : công cụ thanh toán.

*Cheque* (n) : ngân phiếu ; phiếu thanh toán, séc.

*Autopay* (n) : chi trả tự động. (Khi một khách hàng phải chi trả trên cơ sở thường xuyên, đều đặn, người đó có thể nhờ nhân hàng của mình tự động đến ngày chi trả các khoản mục đó).

*Standing orders* : lệnh chi của khách hàng đối với ngân hàng (thuộc phần chi trả tự động) để chi trả cho một người nào đó vào một ngày nào cụ thể. Chi trả tiền thuê, lương bổng, phí bảo hiểm và hội phiếu đều sử dụng cách chi trả này.

*Direct debit* : ghi nợ trực tiếp vào tài khoản. (Khách hàng có thể lệnh cho ngân hàng của mình chi trả cho một người nào đó đã được xác nhận. Số tiền chi trả không được qui định như biên lai tiền điện, tiền nước. Cơ quan điện, nước có thể đòi ngân hàng thanh toán. Ngân hàng có thể chi trả cho các cơ quan đó theo số tiền ghi trên biên lai rồi ghi nợ vào tài khoản của khách hàng).

*Credit* : tín dụng, mua chịu ; *to credit* : ghi có vào tài khoản.

*Credit limit* : giới hạn mua chịu.

*Stock turnover* : vòng luân chuyển (vòng quay) của hàng hóa.

*Subscription* (n) : sự đóng tiền trước (để mua báo chẳng hạn).

*Impulse purchase* : sự mua hàng do bản năng, không tính toán.

*Expenditures* : sự chi tiêu.

*Voucher* (n) : biên lai, biên nhận.

*Cashier's orders* : lệnh chi của thủ quỹ, sử dụng khi có liên quan đến một số lượng tiền lớn. (Thường thì người được chi trả không chấp nhận ngân phiếu của người chi trả. Do vậy, người chi trả đến ngân hàng và trả số tiền đó cho ngân hàng trước rồi nhận lệnh chi của thủ quỹ. Người thụ hưởng, sau khi nhận lệnh chi này rồi, sẽ đến ngân hàng chuyển thành tiền mặt).

## Economics - The cash shortage problem

(The following conversation took place at a Vietnamese bank between Mr. John Freeman, an American businessman, and Mr. Phong, the bank's manager).

*Freeman*: There's something I don't quite understand, Mr Phong. You know, your cash shortage problem. This is quite a phenomenon to me. How does it happen ?

*Phong*: This happens when a customer goes to bank to cash his cheque or withdraw his money, and is totally at a loss, when the bank teller coldly tells him that there is no money left in the bank.

*Freeman*: That's bad, isn't it? In my country such a statement could make a bank go bankrupt in no time. But what could have happened, then ?

*Phong*: I think the bank has not observed the "reserve ratio" imposed upon commercial banks by the central bank. This is an amount of funds equal to a specified percentage of the bank's own deposit liabilities which a commercial bank must keep on deposit with the central bank or as vault cash. Instead of making loans and investment on its "excess reserves", the bank utilises its actual reserves in its income-earning activities. Therefore, at a point in time, nothing is left in the bank.

*Freeman*: I understand what you're saying. In the States, our Fed performs a wide variety of functions. First, the Federal Reserve Banks, similar to your Central Bank, hold deposits called reserves, which are made by banks. But two functions held by Fed that prevent the cash shortage problem from happening are as follows. As the banks of all bankers, the Fed holds the deposits, or reserves, of commercial banks. Private businesses and individuals find it convenient to establish checking accounts at commercial banks. In the same manner, commercial banks keep money deposits with the Fed. When in need of currency, the

commercial banks can, within limits, draw upon these reserves. When in possession of surplus cash, commercial banks may deposit this extra currency in their reserves. Another function performed by the Fed is to supply the economy with paper currency. In this function, the Fed acts as a reservoir of cash. When the economy needs more currency, the reservoir is opened and currency spills into the economy. When the economy has more currency than it desires to hold, the excess is channeled back into the reservoir. The commercial banks act as intermediaries between the public and the Fed in each case. Thus, the problem of cash shortage is completely eliminated.

*Phong* : Thank you for your explanation.

## Vocabulary

*Cash shortage problem* : vấn đề thiếu tiền mặt.

*This is quite a phenomenon* : đây là một chuyện lạ không thể tin được.

*To cash a cheque* : chuyển ngân phiếu thành tiền mặt.

*To be at a loss* : sững sờ, ngạc nhiên.

*To go bankrupt* : phá sản. Thành ngữ "*in no time*" có nghĩa là nhanh chóng.

*Reserve ratio* : tỷ lệ dự trữ bắt buộc. (Thí dụ, khi một khách hàng ký thác một khoản tiền là 100.000 đồng, nếu tỷ lệ dự trữ bắt buộc là 15 % điều này có nghĩa là ngân hàng thương mại chỉ được cho vay trên phần dự trữ thặng dư (excess reserves) là 85.000 đồng. Phần 15.000 đồng phải để lại tại ngân hàng để chi trả cho khách hàng).

*Liabilities* : tài sản nợ, tiêu sản.

*The Fed* : các ngân hàng dự trữ liên bang Hoa Kỳ, tương đương với Ngân hàng Nhà nước.

*Currency* : tiền tệ, gồm có tiền giấy và kim loại.

**Ghi chú** : từ *Money* khác với từ *Currency* ở chỗ là từ *Money* (tiền) bao gồm cả *currency* lẫn *demand deposits* (ký thác hoạt kỳ) có nghĩa là tài khoản ngân phiếu.

## Delivery of documents

Where sellers and buyers have their places of business in different countries, the goods sold must be transported from one country to another, and the seller must deliver to the buyer all transport documents relating to the goods. Two types of documents are used in international commerce : (a) title documents and negotiable instruments and (b) documents of evidence or receipt.

### *Title documents and negotiable instruments*

(a) A documents of title is any document to which a right is attached in such a way that the right cannot be exercised or transferred without the document. This term includes negotiable instruments (such as bill of exchange), and documents of title to goods (such as bill of lading and warehouse keeper's warrants). Whenever the document relating to the goods is a document of title, only the holder of the document can take possession of the goods.

(b) Documents of title fall into three groups :

- *Order documents* : the person to whose order the document is made out has the right to the property represented by the document, and he can transfer this right simply by endorsement, i.e by recording the transfer on the back of the document.

- *Bearer documents* : the bearer of these documents has the right to the property represented by the documents, and transfer is effected simply by delivery of the document.

- *Documents made out to a named person* : Only the person named in the document has the right to the property and transfer can be made only by assignment, i.e a written contract of transfer which may be recorded on the document or separately.

(c) The most important document in international trade is the bill of lading. This document evidencing shipment is issued by the shipping company or its agent as a receipt for the goods, and it also contains the

terms and conditions of the contract of carriage. As mentioned before, a bill of lading is a document of title. Thus, only the holder of the bill of lading can take possession of the goods. It is usually made out "to order" and can therefore be transferred by endorsement.

A bill of lading is usually issued in several signed originals (plus copies), all of the originals together being referred to as a "full set". As soon as one of them has been presented for the purpose of obtaining the release of the goods, the others become invalid. Therefore, the presentation of the full set of bills of lading is normally indispensable. There are three kinds of bills of lading :

- The "on board" bill of lading is issued after the goods have been loaded on the ship.

- The "received for shipment" bill of lading merely confirms that the shipping company has received the goods for shipment.

- The "through" bill of lading is issued when a number of different modes of transport are involved.

(d) The warehouse keeper's warrant or warehouse receipt is a receipt issued by a warehouse-man for goods received by him for storage in his warehouse. It is evidence of title to the goods thereby represented.

## Vocabulary and explanation

*Transport documents* : Chứng từ vận tải. Đôi khi còn gọi là *shipping documents*.

*To negotiate* : thương lượng, trao đổi, chuyển nhượng ; *negotiation* : sự thương lượng, trao đổi, chuyển nhượng ; *negotiable* : có thể trao đổi, chuyển nhượng.

*Negotiable instruments* : các công cụ trao đổi, chuyển nhượng.

*A document of title* : chứng từ quyền sở hữu.

- *A document of title is any document to which a right is attached in such a way that the right cannot be exercised or transferred without the document.* (Một chứng từ quyền sở hữu là bất kỳ chứng từ nào có gắn liền với một quyền lợi như thế nào để quyền lợi này không thể được hành sử hoặc chuyển nhượng nếu không có chứng từ đó).

*Bill of exchange* : Hối phiếu, một hối phiếu là một lệnh chi vô điều kiện do một bên (bên phát) đưa ra cho bên kia (bên nhận), yêu cầu bên nhận chi trả theo yêu cầu hoặc ở một thời điểm cố định hoặc qui định trong tương lai một số tiền nào đó cho bên phát hoặc theo lệnh của một bên được xác định (bên được chi trả). Do vậy, có ba bên liên quan đến một hối phiếu : bên phát (nhà xuất khẩu), bên nhận (nhà nhập khẩu hoặc ngân hàng của người đó) và bên được chi trả (thường là nhà xuất khẩu).

*Bill of lading* : vận tải đơn đường biển.

*Warehouse keeper's warrant* : chứng nhận của thủ kho.

- *Whenever the document relating to the goods is a document of title, only the holder of the document can take possession of the goods.* (Bất kỳ khi nào chứng từ hàng hóa là một chứng từ quyền sở hữu, chỉ có người nắm giữ chứng từ đó mới có quyền sở hữu hàng hóa mà thôi).

*Order documents* : các chứng từ cấp phát theo lệnh. Thí dụ: vận tải đơn đường biển thường theo loại hình này.

*Bearer documents* : các chứng từ cấp phát cho người cầm giữ, thí dụ về loại hình này là hối phiếu, chi phiếu, trái phiếu.v.v...

*Endorsement* : ký hậu, bồi thư.

- *As soon as one of them has been presented for the purpose of obtaining the release of the goods, the others become invalid.* (Ngay khi một bản chính (vận tải đơn đường biển) được xuất trình để lấy hàng ra, các bản còn lại trở nên mất hiệu lực).

*"On board" bill of lading* : vận tải đơn đường biển chứng nhận hàng hóa đã chất lên tàu.

*"Received for shipment" bill of lading* : vận tải đơn đường biển chứng nhận hãng tàu đã nhận hàng hóa để bốc.

## Delivery of documents - documents of evidence

*These documents, which are not documents of title, and consequently do not represent the goods to which they relate, include the following :*

1. The *invoice* is the accounting document which shows the *sum of money due to the exporter*. Often a *consular invoice* is requested, ie. an invoice authenticated by the consulate of the importer's country confirming that the amount shown in the invoice represents the actual value of the goods. A consular invoice facilitates customs clearance in the importer's country.

2. The *airway bill* or "air consignment note" is evidence of a contract of carriage with the air carrier and certifies that the carrier has received the goods for dispatch. It also contains instructions for the handling, routing and release of the goods.

3. The *rail consignment note*, the *forwarder's certificate of receipt* and the *truck way bill*; evidence a contract of carriage between the seller and the respective carrier and/or his forwarding agent.

4. The *insurance policy / certificate* proves that the seller has taken out insurance as requested.

5. The *certificate of origin*, which frequently must be certified by competent authorities, proves the origin of the goods sold.

6. The *certificate of quality or analysis* proves the quality and/or the contents of the goods sold.

7. The *packing list* shows the contents, weight and other information concerning the packing of the goods shipped.

It should be borne in mind by both the seller and buyer that their contract should clearly specify the terms and conditions for the delivery of the documents of title and other documents. The seller is normally required to hand over the documents personally or through a bank, at

a time and place and in the form required by the contract. Both the seller and buyer, and the banks involved, must check that all documents issued in respect of the same goods are complete, correct and consistent with each other. An irregular document must be returned by the buyer or received by him "under reserve". Only in this case will the seller be able to remedy any deficiency in the documents.

## **Vocabulary and explanation**

*Invoice* : hóa đơn, *proforma invoice* : hóa đơn tạm thời.

*Consular invoice* : hóa đơn lãnh sự.

*Airway bill* : vận tải đơn hàng không.

*Air consignment note* : chứng từ ký thác hàng không.

*Rail consignment note* : chứng từ ký thác đường xe lửa.

*Forwarder's certificate of receipt* : chứng nhận của hãng giao nhận.

*Insurance policy/certificate* : hợp đồng, giấy chứng nhận bảo hiểm ;  
*to take out an insurance policy* : ký hợp đồng bảo hiểm ; *insurance coverages* : phạm vi bảo hiểm.

*Certificate of origin* : chứng nhận xuất xứ.

*Certificate of quality* : chứng nhận chất lượng.

*Packing list* : danh mục hàng hóa.

*Consistent* (adj) : phù hợp ; *consistency* (n) : sự phù hợp.

Some notes on the certificate of origin :

In the Generalised System of Preferences (GSP), a certificate of origin should be issued only upon written application from the exporter or his authorised representative. It is recommended that form B be used for that purpose. The exporter or his representative should submit with his request any appropriate supporting document proving that the products to be exported qualify for the issue of a certificate of origin.

It is the responsibility of the competent government or other authority of the exporting preference - receiving country to ensure that the certificates and the applications are duly completed. Each certificate should bear a serial number (whether or not printed) by which it can be identified.

## Decisions to export are not made overnight

Usually a company thinks about reaching into foreign markets because it finds it self with unused capacity, unused resources, or it is not operating to its margin. It is facing the need or desire to expand operations, so it must look for wider markets, domestic or overseas. The stage now has been reached for making some decisions. Is export worth the effort ? How much effort can be given ? How soon ? These decisions can not be haphazard or simply based on hunches. Sometimes they may be, but when one has his money on the line or is handling other peoples' money, such decisions call for cold, hard facts.

Two reasons why so much attention has been given to this topic in the last decade are the urge by the Vietnamese government to go into exports because of balance of payments problems, and the establishment of a number of policies and institutional aids to encourage and assist in export attractiveness. Let us say that a Vietnamese company has been attracted by the publicity and decides to give it a try. What must its management think about in making its decisions ? One consideration is that exporting provides an opportunity for larger markets in which to sell. Another is that it offers a chance spread overhead and expand production, and thus to take advantage of lower unit costs and increasing profits.

### *Requirements of expansion*

A businessman must think and act within the context of his own business structure, however. He will realize that with the passage of time, he will always need cash and working capital to replenish merchandise that is sold and to pay maturing and debts and meet other current operating expenses. In a T-account presentation, the structure would be something like this :

#### Assets

Cash

Receivables

#### Liabilities

Notes payable to bank

Payables to trade creditors

Merchandise	Other short-term debt, including taxes, wages and salaries, interest and other current operating expenses.
Plant	Non current debt
Other fixed assets	Net worth

Investigating the attractiveness or possibility of exporting calls for the same type of thinking that is required in considering any serious expansion of one's business. It may require new facilities, enlarged or increased resources, and additional manpower. These additional assets can be brought into focus by relating them to certain operational aspects of the business. Moreover, one or more people in the company must change their thinking to a wider broader base-they may have to move away from the domestic market entirely.

Before deciding to export, the following considerations will have to be taken into :

### ***Production***

If the foreign markets are to be added to the domestic markets now being supplied, can current production lines be maintained and utilised for goods destined for export, or will they have to be changed ? What would be involved in a change - new designs, modifications ?

### ***Sales Volume***

What additional sales are anticipated ? Can the required goods be provided by present production facilities ? Can the added volume be handled by the present distribution set up ? Can the present sales manager take on an additional big territory ?

### ***New Functions***

Because of different operational procedures, different laws and regulations, and the different environments faced in foreign markets, one is obliged to deal with new and varied documents, transportation methods and rates, packaging, insurance, advertising, taxation, and possibly with translation requirements. The question is whether present personnel can handle all these matters or whether it will be necessary

to hire specialists or farm out some of the responsibilities for a fee.

### **Management**

No business, least of all international business, runs by itself. So here the question is whether present management is in a position to give both domestic and foreign operations all the attention they need. And this, of course, presumes that management is able to handle what may well be a wide range of new and perplexing problems.

### **Finances**

In order to satisfy expanded markets, it will be necessary to carry additional inventory, either because of large volume or because of the wider variety resulting from modifications to satisfy foreign demand. Further more, additional receivables based on credit sales abroad will be called for. This, too, could be because of the larger volume of business but also because of longer credit terms and possibly slower collection than on domestic sales. Therefore a prime question is whether the company has adequate finances for handling this enlargement of assets or whether it is in a position to borrow the funds.

In any case, the foregoing considerations are minimal, so we can see that one can not just wake up one fine morning and say, "We're going into exporting". Company officers must ask themselves what the company's ultimate intent is.

## **Vocabulary and explanation**

*Margin* (n) : lời ; *marginal* (adj) : biên tế, nhỏ.

- *Marginal propensity to consume* : xu hướng tiêu thụ biên tế.

*Marginal propensity to save* : xu hướng tiết kiệm biên tế.

*Haphazard* (adj) : ngẫu nhiên, tình cờ.

*Hunch* (n) : linh cảm.

*To have money on the line* : có thể sử dụng tiền một cách tích cực (như sản xuất).

*Balance of payments* : cân cân thanh toán.

*Institutional aids* : các định chế hỗ trợ như : các cơ quan quảng bá, khuyến mại, khuyến trương xuất khẩu, các cơ quan nghiên cứu thị trường, tiếp thị v.v...

*To give something a try : thử thời vận.*

*Overhead cost* : định phí (phí cố định).

*To spread overhead* : trải phí tổn cố định ra. Phí cố định là một phí không thay đổi. Vì vậy, khi tăng sản lượng, định phí trên một đơn vị sản phẩm sẽ nhỏ đi.

*Unit costs* : phí tổn trên một đơn vị sản phẩm.

*Business structure* : cơ cấu, cấu trúc doanh nghiệp.

*Working capital* : vốn lưu động. Trên bình diện kế toán, đây là hiệu số giữa tài sản lưu động và nợ ngắn hạn (difference between current assets and current liabilities).

*T-account* : tài khoản hình chữ T. Ví dụ :



Các khoản phải thu, thương phiếu phải thu

*Receivables* (accounts receivable and notes receivable). Trường hợp này áp dụng cho việc bán hàng cho trả chịu (to sell on credit), hoặc cho vay, trái với *accounts payable*: các khoản phải trả; *notes payable*: thương phiếu phải trả.

*Merchandise* : hàng hóa, còn gọi là *stock* : nguyên vật liệu đang trong quá trình sản xuất và tồn kho.

*Plant* : nhà xưởng, thiết bị, máy móc.

*Fixed assets* : tài sản cố định.

*Non current debts* : nợ dài hạn.

*Net worth* : vốn của chủ sở hữu (*owner's equity*). Đây là hiệu số giữa tổng tài sản có và tổng tài sản nợ (*difference between total assets and total liabilities*).

*To expand* : mở rộng ; *expansion* : sự mở rộng ; *expansionary* (adj) : có tính mở rộng. Ví dụ : *expansionary measures* : các biện pháp kích thích sự tăng giá để tạo ra lạm phát và kiểm soát, như hạ lãi suất chiết khấu, giảm thuế, hạ tỷ lệ dự trữ bắt buộc (*required reserve ratio*) v.v...

*To be destined for* : đến, dành cho.

*Destination* : nơi đến, nơi gửi đến.

*Port of destination* : cảng đến.

- *These goods are destined for Nagoya Port.*

*Sales volume* : khối lượng hàng bán ra.

*Sales force* : lực lượng bán hàng.

- *Due to an increase in output, the sales volume of this year will attain the target.*

*Distribution* : sự phân phối ; kinh tiêu.

*Distribution channel* : kênh phân phối.

*Distribution network* : hệ thống phân phối.

- *There are basically five distribution channels : (a) goods move directly from producers to ultimate consumers ; (b) goods move from producers to retailers and from retailers to ultimate consumers ; (c) goods move from producers to wholesalers and from wholesalers to retailers, and then from retailers to ultimate consumers ; (d) goods move from producers to agents. Then the agent delivers goods to wholesalers. Goods again move from wholesalers to retailers and finally to ultimate consumers ; and (e) goods move ultimate consumers through the post office.*

*Operational procedures* : thể thức điều hành.

*Law and regulation* : luật lệ và qui định.

- *Goods destined for the US may face different laws and regulations from domestic ones.*

*To farm out* : gọi thầu.

*To farm out for a fee* : giao công việc cho ai, xong trả tiền.

- *We can farm out the preparation of investment documents for a fee.*

*Perplexing (adj)* : phức tạp ; *Perplexing problems* : vấn đề phức tạp.

- *Undertaking a market study is one of the most perplexing problems.*

*Inventory* : tồn kho ; *Inventory check* : kiểm tra tồn kho ; *Inventory costs* : chi phí tồn kho.

- Furthermore, additional receivables based on credit sales abroad will be for : ngoài ra, khi bán chịu ra nước ngoài, sẽ phải gia tăng thêm các khoản phải thu.

*Giải thích* : Khi bán chịu, người bán sẽ không nhận được tiền liền mà sẽ nhận sau một thời gian bán chịu, do đó, trong phần tài sản có (assets) sẽ gia tăng thêm một phần gọi là các khoản phải thu (accounts receivable). Đây là thí dụ về bán trả chậm (deferred payment).

- This, too, could be because of the larger volume of business but also because of longer credit terms and possibly slower collection than on domestic sales. (Điều này cũng có thể là vì doanh nghiệp sản xuất ra khối lượng lớn hơn. Nhưng cũng có thể là do thời gian bán chịu lâu hơn và thu tiền chậm hơn khi bán ra trên thị trường nội địa).

## Importance of Exported Products

Some of our exporters have very vague ideas of what they are selling to the foreign market. Since they have the resources, they strongly believe that these resources can be exported to the foreign market without knowing what that market really wants. The underlying principle is that "our product cannot be *almost* what the market wants ; it must be *just* what the market wants".

Competition is constantly trying to offer a product that is more appealing to a prospective purchaser. This is the fundamental requirement of a product - that it be appealing or useful to prospective buyers.

One question for a producer considering exporting, then, is : Is my product exportable as is or with this or that modification for this or that market ? This presumes that the company is able to offer its output at a price that is bearable in the foreign market. It also presumes that a potential exporter will see enough light at the end of the tunnel to justify the expenditure of time and money necessary to identify a few foreign markets and to do the necessary detailed study of the selected markets on which to base a decision as to which ones, when, in what volume, and so on.

When one or more countries are selected for attention, a potential exporter must try to get the dimensions of the isolated market, with the product as-is, for economies of scale : this means without major modification, if any at all. He will want to know who uses similar products in that country, who buys them, and where. The product itself will narrow consideration to a number of countries by ruling some out entirely.

### ***Product analysis***

Evaluating a product made primarily for export calls for objective thinking. Let us refer to this as *product analysis*, which involves such considerations as :

- Recognizing what the product does and what needs it satisfies.

- Identifying the features that differentiate one's product : sizes, optional offerings, ranges of quality, operating conditions and restrictions.

- Understanding what a consumer needs in order to use it : skills, complementary technology (such as other equipment).

- Recognizing the cost of operating the product (fuel, power, maintenance).

- Determining the seasonality of the product usefulness, and shelf life.

- Estimating servicing requirements (repairs and spare parts).

- Relating the impact of taste style, custom, or religious preference to a product's size, color, shape, ingredients, taste and packaging.

These considerations suggest that product analysis involve an examination of consumer needs in different environments as well as the identification of new customers, with varying habits and characteristics, in foreign environments.

## **Vocabulary and explanation**

*To compete* : (with, against) : cạnh tranh ; *competition* (n) : sự cạnh tranh ; *competitive* (adj) : có tính cạnh tranh ; *competitor* (n) : đối thủ.

- *In order to penetrate into a foreign market, the price of a product must be competitive enough.*

*To see enough light at the end of the tunnel* : thấy ánh sáng cuối đường hầm.

*To differentiate* : phân biệt.

*Product differentiation* : những sự khác biệt về sản phẩm. Trong chiến lược cạnh tranh, có thể sử dụng giá cả và sự sai biệt về sản phẩm. Ví dụ, cạnh tranh trên màu sắc, khẩu vị, dáng vẻ , thiết kế, bề ngoài, bao bì v.v...

*Complementary technology* : kỹ thuật bổ sung. Ví dụ, khi sử dụng một máy cassette điện thế 220V, phải cần một thiết bị bổ sung là một máy biến áp để đưa điện thế từ 110V lên 220V.

*Seasonality* : có tính mùa vụ.

- *Clothes are often of seasonal character. A new season will render old clothes obsolete.*

*Shelf life* : thời gian một sản phẩm sau khi được sản xuất ra được trưng bày trong các quầy, hoặc trên kệ của các cửa hàng mà vẫn còn tốt và không bị hư hỏng. Điều này chủ yếu là nhờ bao bì (packaging).

- *Another functional value of packaging is in extending storage and shelf life (the time a product can be stored before it spoils).*

*Servicing requirements* : các yêu cầu về dịch vụ phải cung cấp trong giai đoạn hậu mãi (after-sale services), ví dụ : sửa chữa, bảo trì, cung cấp phụ tùng.

*Religious preference* : sở thích về tôn giáo

- *Certain religious preferences call for a product to be adaptive to their tastes and color. For instance, in funerals, oriental people prefer to wear white clothes while occidental people prefer black color.*

# Marketing research

After a decision to export is reached, a potential exporter must pay specific attention to the market he wants to develop. He must bear in mind that the uncontrollable environmental variables that affect international marketing are strikingly different from those in domestic markets. This is why serious marketing research must be undertaken, ranging from using published data to personal interviews with end users and distributors in the country.

## *Economic conditions*

There are several important rules to international marketing in light of a country's economic condition : the product must fit the needs of the country's consumers and the product must be sold where there is the income to buy it and effective means of distributing, using, and servicing it. Four aspects of these considerations are:

1. *Stage of Economic Development* : All the countries of the world can be classified into two major groupings that will help the potential exporter better understand their needs. *Developed countries* have mixed economies. Private enterprises dominate, although they have substantial public sectors. *Developing countries* are in the process of moving from an agricultural to an industrial economy. There are two sub-groups within the developing category :

a. Those which have already made the move such as the four tiger countries of Asia, Australia, ect.

b. Those which remain locked in the preindustrial economy. One third of the world's population is in this second group.

2. *Economic Infrastructure* such as communication, transportation financial, and distribution systems is a critical consideration in determining whether to try to market a country's consumers and organizations.

3. *Consumer Income* An International marketer selling consumer goods also must consider what the average per capita income is among

a nation's consumers and how the income is distributed. The latter is important because it shows how many upper and middle class consumers can afford imported goods.

4. *Currency Exchange Rates* Fluctuations in exchange rates among the world's currencies are of critical importance in international marketing. An appreciation or a devaluation of a country's currency may put a potential exporter's products in a better or worse position as far as his competitiveness is concerned. Normally, an appreciation of a local currency will give imported goods an edge over locally produced goods, and a devaluation of the local currency is just the reverse.

#### ***Political and legal conditions***

The difficulties in assessing the political and legal condition of a country lie not only in identifying the current condition but also in estimating exactly how long that condition will last. Some transnational companies use analyses ranging from computer projections to intuition to assess a country's condition. The dimensions being evaluated include the government attitude toward foreign marketers, the stability and financial policies of the country, and government bureaucracy.

*Government attitude* : some countries invite foreign investment through offering investment incentives, helping in site location, and other services. On the other hand, some countries are interested in boosting foreign investors only on their own terms. Coca-Cola discontinued business in India rather than give up majority control or reveal its "secret formula", which is kept in an Atlanta bank vault.

*Stability and Financial Policies* : millions of dollars have been lost in the Middle East as a result of war and changes in governments. Holiday Inn has been badly hurt during the war in Lebanon. Oil drilling firms have lost vast sums throughout the Iran-Iraq war. Losses like these encourage careful selection of stable countries not likely to be suddenly at war.

When instability is suspected, companies do everything they can to protect themselves against losses. Companies will limit their trade to exporting products into the country, minimising investments in new plants in the foreign economy. Currency will be converted as soon as

possible. Even friendly countries can change their policies toward international marketing. Quotas can be revised or set, currency can be blocked, duties can be imposed, and in extreme cases companies can be expropriated.

*Bureaucracy* : even though a law degree is not essential, it certainly is advantageous when engaging in international trade. Government can bog down any business transaction with restrictions in a number of forms : tariffs, quotas, boycotts, barriers to entry, and state ownership.

These restrictions can apply to an industry, a company, or even a specific product.

One way to measure a country's attitude toward active encouragement of international trade is to examine the restraints put on it. If tariffs and quotas are plentiful and restrictive, chances are the country is not very receptive to foreign investment in its economy.

### ***Cultural factors***

Understanding a foreign nation's society and its culture is of vital importance. The culture of a country will influence what needs consumers have and how they go about satisfying them.

An international marketer not only should know the native tongue of a country but also the nuances and idioms of a language. This can spell the difference between success and failure in marketing program.

An example is that those who speak Spanish might wonder why Chevrolet sells a car with the name Nova -which to them means "It won't go". Similarly, in Taiwan the ad slogan "Come alive with Pepsi" was translated too literally and read in Chinese "Pepsi brings your ancestors back from the grave."

A nation's custom and values reflect the religious or moral beliefs and standard behaviour of its people. Understanding and working with these aspects of a society are also factors in successful international marketing. For example, a recent commercial ad on Ho Chi Minh City's television showing a girl gulping down a beer can with a satisfying facial expression has caused public indignation because such an act is

completely out of tune with the standard behaviour of Vietnamese women in the eye of the public.

## Vocabulary and explanation

*To bear in mind* : nhớ, ghi nhớ.

- *You should bear in mind that tomorrow is your wife's birthday.*

*To control* : kiểm soát, kiểm tra ; *controlable* (adj) : có thể kiểm soát, kiểm tra ; *uncontrollable* (adj) : Không thể kiểm soát, kiểm tra.

- *A force majeure is an uncontrollable factor.*

*End users* : còn gọi là *ultimate consumers* : người tiêu dùng

*Mixed economies* : các nền kinh tế hỗn hợp, đôi khi còn gọi là *dual economies*, tức là các nền kinh tế gồm hai khu vực : nhà nước và tư nhân. Mặt khác, từ "*dual economies*" còn có nghĩa là các nền kinh tế còn tồn tại một khu vực tân tiến, hiện đại và một khu vực cổ truyền (*traditional sector*) như thủ công nghiệp.

*Infrastructure* : hạ tầng cơ sở. Sự phân loại về *infrastructure* đôi khi không rõ ràng lắm. Vì vậy, để chỉ rõ loại hạ tầng cơ sở người ta thường dùng một tính từ đứng trước nó. Ví dụ, *technical infrastructure* để chỉ loại cầu đường, *social infrastructure* để chỉ bệnh viện, trường học và các định chế xã hội khác.

*Per capita income* : thu nhập bình quân đầu người. Đây là một chỉ số kinh tế đo lường mức sống dân cư. *Per capita income* thường được đo bằng cách lấy GNP (Tổng sản phẩm quốc dân) chia cho dân số, mặc dù theo kế toán quốc gia (*national accounting*) còn một chỉ tiêu nữa là *National Income* (thu nhập quốc dân) đó là GNP trừ đi khấu hao và trừ đi các loại thuế gián thu (*Indirect taxes*).

*Income distribution* : phân phối thu nhập ; *income re-distribution* : tái phân phối thu nhập.

*Appreciation* : sự nâng giá đồng tiền theo một hoặc nhiều ngoại tệ. Sự nâng giá này gây ra bởi các lực cung và cầu của thị trường và chịu ảnh hưởng bởi các yếu tố kinh tế như lạm phát và lãi suất.

*Devaluation* : sự giảm giá đồng tiền so với một ngoại tệ, hậu quả của

sự giảm giá, phá giá của một đồng tiền là làm cho xuất khẩu của một nước trở nên có tính cạnh tranh hơn là làm cho nhập khẩu khó khăn hơn.

*Transnational companies* : công ty xuyên quốc gia. Đây là một từ mới xuất hiện gần đây nhằm thay thế từ "*multinational corporations*" bị xem như là những công ty chuyên bóc lột tài nguyên và sức lao động của các nước đang phát triển.

*Intuition* : trực giác ; *intuitive* : có tính trực giác.

*Bureaucracy* : hành chính quan liêu ; *bureaucratic* : có tính hành chính quan liêu.

- *Red tape and bureaucratic procedures in obtaining the investment licence in Vietnam have created a lot of difficulties for foreign investors.*

*On their own terms* : theo cách thức riêng của họ.

*Majority control* còn gọi là "*controlling interests*": nắm cổ phần tuyệt đối trong công ty (tức 60%).

*Blocked currency* : nghĩa là chính phủ không cho phép một công ty được chuyển đổi nội tệ của quốc gia thành ngoại tệ.

*To expropriate* : chiếm đoạt ; *expropriation* : sự chiếm đoạt, chiếm hữu

- *Throughout the duration of their investment in Vietnam, the invested capital property and assets of foreign enterprises and private persons shall not be expropriated or requisitioned by administrative procedure.* (Trong quá trình đầu tư vào Việt Nam, vốn và tài sản của các tổ chức cá nhân nước ngoài không bị trưng dụng hoặc tịch thu bằng biện pháp hành chính).

*Boycott* : sự tẩy chay.

*Nuances and idioms* : sắc thái và thành ngữ.

*To gulp (down)* : nuốt cạn.

*To be out of tune (with)* : lạc điệu, không phù hợp.

## Distribution channels

International distribution system may be divided into two groups : international marketing channels in the home market and international marketing channels abroad. The distinction is made on the basis of the location of each particular channel, not on the *nationality* of those traders utilising it.

Distribution channels may also be classified according to whether there is contact with the foreign importer or buyer, which is commonly referred to as *direct or indirect exporting*.

### ***Sales in the home market (indirect exporting)***

In this case the manufacturer or merchant is not in direct touch with the foreign market. Indirect exporting channels are able to function only if they successfully fill the role of instructed or well-informed middlemen.

#### ***Foreign Buying Representatives (Resident Foreign Buyers)***

Important in this group are purchases in Vietnam by resident foreign buyers. They buy rice, coal, petroleum and other products from Vietnam on behalf of their principals.

#### ***Foreign Trading Companies***

Vietnamese offices of large international trading houses, such as the well-known Japanese firms Mitsui, Mitsubishi, Marubeni, and Sumitomo, often act as buying agents for their associates at home as well as purchasing for their own export sales abroad.

#### ***Export Commission Houses***

These experts in specific lines receive orders from foreign buyers and search out the most advantageous sources of supply. In effect, they act as purchasing agents and attend to the details of exporting. Obviously, they may also keep their eyes open for good opportunities to be suggested to their principals abroad. In any event, the key point is that they work on behalf of a foreign buyer and are paid a commission by the foreign firms.

#### ***Export Merchants***

By definition, a merchant buys and sells on his own account and runs the market risks. He must know his business and his products and must be able to depend on his source of supply and know that his channels abroad are open and friendly. Export merchants may handle

a wide variety of products. In Vietnam, almost all export-import companies are export merchants ; they handle all types of products ranging from agricultural products such as rice, aquatic products such as shrimp to handicraft products such as pottery and lacquerwares.

***Sales abroad (direct exporting)***

The second major category of export distribution channels is sales abroad (direct exporting), in which Vietnamese producers are in direct touch with representatives or markets in other countries. This form of distribution system is still in its infant stage though it has been the most effective system in all other exporting countries the world over.

According to this system, we have two principal subgroups : independent businessmen abroad and home-office controlled outlets in foreign countries.

***Merchants (Wholesale and Retail)***

A very significant channel, already established and operating in almost every country, is merchants, both wholesale and retail. They have their own distribution networks within the foreign country, including warehouses and a staff of salesmen, and they may be in a position to offer service, credit, and the like to prospective consumers abroad. It must be expected, however, that because they buy and sell at their own risk and work in their own interest, they will constantly be alert to opportunities to buy where it will be to their benefit.

***Agents and Distributors***

Agents and distributors represent the ultimate in direct foreign marketing through independent businessmen abroad. These two identifications are sometimes used interchangeably and may appear to overlap, but there is a distinction. An agent generally sells to an entire country, normally carries no inventory and sells to distributors, each of whom may be franchised for subterritories of the agent's. As the manufacturing exporter's direct representative, he is paid a commission by him. An agent finds and keeps distributors satisfied, participates in advertising and other promotion, and may assist in clearing away problems such as licences or customs formalities. Sales to distributors are commonly on credit, and usually such orders require the exporter's approval, although the agent may guarantee the credit to his principal.

In this case, the account is sometimes referred to as a del credere arrangement, and the agent as a del credere agent.

## Vocabulary and explanation

*Distribution channel*: kênh phân phối; *distribution network, distribution system*: hệ thống phân phối.

*Home market*: thị trường trong nước, ở đây có nghĩa là xuất khẩu tại chỗ.

*To be in touch with*: liên hệ với, liên quan với.

- *We must be in direct touch with each other so that we can keep us well informed of what is going to happen.*

*Agent*: đại lý; *sole agent or exclusive agent*: đại lý độc quyền. *Agency contract*: hợp đồng đại lý.

*Principal*: người ủy thác, người chủ quản, công ty chủ quản.

- *A Toyota agent over here sells Toyota cars on behalf of his Tokyo-based principal.*

*Franchised*: từ này có hai nghĩa. Trong nghĩa thứ nhất, *franchised* là được cấp quyền mang tên của một công ty đã có danh tiếng trên thế giới để kinh doanh. Ví dụ, Công ty MacDonald của Mỹ là công ty danh tiếng toàn cầu về hamburger. Công ty này cho mượn tên trên thế giới, nơi nào muốn kinh doanh hamburger với tên MacDonald. Trong trường hợp này, MacDonald được gọi là *franchisor*, và công ty kinh doanh hamburger với tên MacDonald được gọi là *franchisee*.

Trường hợp thứ hai, nghĩa này là *độc quyền lãnh thổ*. Ví dụ: một đại lý của BGI chỉ được quyền phân phối sản phẩm đồng bằng sông Cửu Long mà thôi; một đại lý khác chịu trách nhiệm phân phối cho các tỉnh miền Trung.

*Del credere agent*: đại lý bảo đảm thanh toán, đại lý chịu trách nhiệm thanh toán cho công ty chủ quản nếu khách hàng không thanh toán; *a del credere agency contract*: hợp đồng đại lý mà trong đó nhà đại lý chịu thanh toán cho công ty chủ quản nếu khách hàng, vì nguyên nhân nào đó, không thanh toán nổi.

## An introduction to incoterms

It is absolutely necessary for the seller and the buyer to have a very clear understanding of the terms of delivery they involve themselves in. Since different laws contain different solutions for those questions pertaining to who will arrange and pay for the carriage of the goods from the seller's works/factory/warehouse to the buyer's premises, who bear the risk if these operations cannot be carried out, and who will bear the risk of loss of, or damage to, the goods in transit, the International Chamber of Commerce (ICC) has set out the Incoterms to overcome the problems of conflicting national laws and interpretations by establishing a standard set of trade terms and definitions that offer "neutral" rules and practices. As such, the Incoterms are used worldwide, and have become part of the sales contract if agreed between the seller and the buyer by simple reference to one of the trade terms expressly stating that it should be interpreted according to Incoterms.

It should be noted that special provisions in the individual contract will override anything provided in Incoterms. Parties may adopt Incoterms as a general basis of their contract but may also specify variations or additions to them so as to fit them to the particular trade or to their particular needs.

Due to limited space and the popularity of some Incoterms in Vietnam, the presentation of Incoterms will rather be confined to FOB, C&F and CIF.

### ***FOB : Free on Board (named port of shipment)***

The goods are placed on board a ship by the seller at a port of shipment named in the sales contract. The risk of loss of or damage to the goods is transferred from the seller to the buyer when the goods pass the ship's rail.

In this Incoterm, the responsibilities of the seller and the buyer are stipulated in the following :

#### ***The seller must :***

- Supply the goods in conformity with the contract of sale, together

with such evidence of conformity as may be required by the contract.

- Deliver the goods on board the vessel named by the buyer, at the port of shipment, in the manner customary at the port, at the date or within the period stipulated, and notify the buyer that the goods have been delivered on board.

- At his own risk and expense, obtain any export licence, export quota, or other authorisation necessary for the export of the goods.

- Bear all costs and risks of the goods until such time as they shall have effectively passed the ship's rail at the named port of shipment, including any taxes, fees or charges levied because of exportation, as well as the costs of any formalities which he shall have to fulfill in order to load the goods on board.

- Provide at his own expense the customary packing of the goods.

- Pay the costs of any checking operations (checking quality, measuring, weighing, counting) which shall be necessary for the purpose of delivering the goods.

- Provide at his own expense the customary clean document in proof of delivery of the goods on board the named vessel.

- At the buyer's request and expense, provide with the certificate of origin.

- At the buyer's request, risk and expense, assist him in obtaining a bill of lading and any documents, other than the certificate of origin, issued in the country of shipment and/or of origin and which the buyer may require for the importation of the goods into the country of destination.

## Vocabulary and explanation

*Incoterm* : tức *International commercial terms*, là các điều kiện giao hàng quốc tế.

*International Chamber of Commerce* : Phòng Thương mại quốc tế.

*To conform with* : phù hợp với ; *compliance* : sự phù hợp ; *in compliance with* hoặc *in conformity with* : phù hợp với.

*Port of shipment, port of origin, port of loading* : cảng giao hàng. *Port of destination, port of unloading* : cảng đến.

*In the manner customary at the port* : theo cách thức thông thường tại cảng. Điều này có nghĩa là gom hàng tại một nơi, hoặc để hàng trong kho, không để hàng chịu sương gió.

*Export licence* : giấy phép xuất khẩu ; *export quota* : hạn ngạch xuất khẩu. Thường, đối với các nhà xuất khẩu Việt Nam, giấy phép về hạn ngạch là quan trọng nhất.

- *Ship's rail* : lan can tàu ; *to pass the ship's rail* : qua lan can tàu.

- 1.14: Tất cả mọi vấn đề trong phần này có nghĩa là Bên xuất khẩu phải chịu mọi phí tổn về xuất hàng.

*Checking operations* : các hoạt động về kiểm tra hàng hóa. Ví dụ : kiểm tra chất lượng. Trong trường hợp Việt Nam, công ty Vinacontrol sẽ chịu trách nhiệm về kiểm tra chất lượng. Hoặc giả, nếu khách hàng yêu cầu một công ty danh tiếng đứng ra kiểm tra chất lượng hàng xuất của Việt Nam, ta có thể nhờ đến Công ty Société Générale de Surveillance (SGS) của Pháp thực hiện công tác này.

## FOB terms of delivery

In last issue, we talked about the responsibilities of the seller when he sells under the FOB terms of delivery. In this issue, the responsibilities of the buyer will be discussed.

*The buyer must :*

- At his own expense, charter a vessel or reserve the necessary space on board a vessel and give the seller due notice of the name, loading berth of and delivery dates to the vessel.

- Bear all costs and risks of the goods from the time when they shall have effectively passed the ship's rail at the named port of shipment, and pay the price as provided in the contract.

- Bear any additional costs incurred because the vessel named by him shall have failed to arrive on the stipulated date or by the end of the period specified, or shall be unable to take the goods or shall close for cargo earlier than the stipulated date or the end of the period specified and all risks of the goods from the date of expiration of the period stipulated, provided, however, that the goods shall have been duly appropriated to the contract, that it to say, clearly set aside or otherwise identified as the contract goods.

- Should he fail to name the vessel in time or, if he shall have reserved to himself a period within to take delivery of the goods and/or the right to choose the port of shipment, should he fail to give detailed instructions in time, bear any additional costs incurred because of such failure, and all the risks of the goods from the date of expiration of the period stipulated for delivery, provide, however, that the goods shall have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

- Pay any costs and charges for obtaining a bill of lading if incurred under Article 9 of the responsibilities of the seller.

- Pay all costs and charges incurred in obtaining the documents

mentioned in Article 8 and 9 of the responsibilities of the seller, including the costs of certificates of origin and consular documents.

## Vocabulary and explanation

*To charter* : thuê riêng một phương tiện.

*A chartered plane* : máy bay thuê riêng ; *A charter party* : hợp đồng thuê riêng một phương tiện vận tải.

- *If the quantity of goods to be exported warrants the hire of a complete ship, the terms of the contract of carriage are embodied in a document called the "Charter party".* (Nếu khối lượng hàng hóa xuất khẩu đủ để thuê riêng một chiếc tàu thì các điều kiện vận tải được ghi vào một chứng từ gọi là "hợp đồng thuê riêng chiếc tàu").

- *However, in this case is rare ; in most cases, the exporter's goods from only part of the intended cargo of the ship and they are carried in the ship together with goods belonging to other shippers ; here the terms of the contract of carriage are evidenced by a document called the "bill of lading".* (Tuy nhiên, trường hợp này rất hiếm ; trong đa số các trường hợp, hàng hóa của nhà xuất khẩu chỉ là một phần của tổng số hàng gửi đi và số hàng này được chuyên chở cùng với hàng của các chủ hàng khác).

*To stipulate* : qui định ; *stipulation* : sự qui định ; *stipulated*: được qui định ; *stipulated date* : ngày quy định.

- *Bear any additional costs incurred because the vessel named by him shall have failed to arrive on the stipulated date or by the end of the period specified, or shall be unable to take the goods or shall close for cargo earlier than the stipulated date or the end of the period specified and all the risks of the goods from the date of expiration of the period stipulated...* (Gánh chịu thêm phí tổn bởi chiếc tàu mà ông ta nêu tên không đến đúng ngày qui định hoặc cuối thời kỳ qui định, hoặc không thể chuyển hàng hóa lên tàu hoặc không lấy hàng hóa sớm hơn thời gian qui định hoặc vào cuối thời gian qui định và mọi rủi ro về hàng hóa kể từ ngày hết hạn qui định...)

*Consulate* : lãnh sự quán ; *General Consul* : tổng lãnh sự ; *consular documents* : các chứng từ lãnh sự.

## Cost and Freight delivery terms (C&F)

C&F means "Cost and Freight". The seller must pay the costs and freight necessary to bring the goods to the named destination but the risk of loss of or damage to the goods, as well as of any cost increases, is transferred from the seller to the buyer when the goods pass the ship's rail in the port of shipment. Here again, we will discuss the responsibilities of the seller and the buyer as we did in FOB. However, we will refrain from discussing any responsibilities that are similar to those of FOB. In this case, we will only point out to the reader those that are in addition to the responsibilities of the seller already stipulated in FOB.

### 1. The seller must :

1.1. Contract on usual terms *at his own expenses* for the carriage of the goods to the agreed port of destination by the usual route, in a seagoing vessel (not being a selling vessel) of the type normally used for transport of goods of the contract description, and pay freight charges and any charges for unloading at the port of discharge which may be levied by regular shipping lines at the time and port of shipment.

1.2. At his own expense furnish to the buyer without delay a clean *negotiable bill of lading* for the agreed port of destination, as well as the invoice of the goods shipped. The bill of lading must cover the contract goods, be dated within the period agreed for shipment, and provide by endorsement or otherwise for delivery to the order of the buyer or buyer's agreed representative. Such bill of lading must be a full set of "on board" or "shipped" bills of lading, or a "received for shipment" bill of lading duly endorsed by the shipping company to the effect that the goods are on board, such endorsement to be dated within the period agreed for shipment. If the bill of lading contains reference to the charter party, the seller must also provide a copy of this latter document.

*Note:* A clean bill of lading is one which bears no superimposed clauses expressly declaring a defective condition of the goods or packaging.

**2. The buyer must :**

2.1. Accept the documents when tendered by the seller, if they are in conformity with the contract of sale, and pay the price as provided in the contract.

2.2. Receive the goods at the agreed port of destination and bear, with the exception of the freight, all costs and charges incurred in respect of the goods in the course of their transit by sea until their arrival at the port of destination, as well as unloading costs, including lighterage and wharfage charges, unless such costs and charges shall have been included in the freight or collected by the steamship company at the time freight was paid.

*Note : If the goods are sold "C&F landed", unloading costs, including lighterage and wharfage charges, are borne by the seller.*

2.3. Bear all risks of the goods from the time when they shall have effectively passed the ship's rail at the port of shipment.

2.4. In case he may have reserved to himself a period within which to have the goods shipped and/or the right to choose the port of destination, and he fails to give instructions in time, bear the additional costs thereby incurred and all risks of the goods from the date of the expiration of the period fixed for shipment, provided always that the goods shall have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

2.5. Pay the costs and charges incurred in obtaining the certificate of origin and consular documents.

2.6. Pay all costs and charges incurred in obtaining other documents issued in the country of shipment and/or of origin and which the buyer may require for the importation of the goods into the country of destination.

2.7. Pay all customs duties as well as any other duties and taxes payable at the time of or by reason off the importation.

2.8. Procure and provide at his own risk and expense any import licence or permit which he may require for the importation of the goods at the port of destination.

## Vocabulary and explanation

*At someone's own expense* : bằng tiền riêng của người đó.

*At the expense of* : được trả giá bằng công sức của ai.

- *His rise to the top of the echelon has been achieved at the expense of his family.* (Anh ta đã lên đến đỉnh của nấc thang danh vọng bằng sự trả giá của gia đình).

*Seagoing vessel* : tàu đi biển.

*Sailing vessel* : thuyền buồm.

- *Any charges for unloading at the port of discharge which may be levied by regular shipping lines at the time and port of shipment.* (Bất cứ phí bốc dỡ nào tại cảng dỡ mà hãng vận tải có thể tính lúc bốc xếp tại cảng bốc xếp).

*A clean negotiable bill of lading* : vận tải đơn đường biển sạch và chuyển giao được. Một vận tải đơn đường biển sạch bao gồm các điều khoản sau đây :

a) Không có những câu phát biểu tình trạng bao bì đóng gói xấu. Thí dụ: "thùng dùng rồi", hoặc "hộp bị bể", ... .

b) Có những câu nhấn mạnh đến tính cách phi trách nhiệm của hãng tàu về những rủi ro xuất phát từ bản chất của hàng hóa hoặc bao bì của hàng hóa đó.

c) Có những câu phủ nhận kiến thức của hãng tàu về nội dung, trọng lượng, chất lượng hoặc quy cách kỹ thuật của hàng hóa được chở trên tàu.

Nên nhớ rằng hai câu (a) và (b) không biến vận tải đơn đường biển sạch thành vận tải đơn không sạch.

*Be dated within the period agreed for shipment* : được đề ngày trong khoảng thời gian vận tải qui định.

*Chú ý* : Nên so ngày đề ra trong vận tải đơn đường biển với:

a) Ngày hết hạn của Thư tín dụng (deadline of L/C).

b) Ngày hết hạn phải nộp chứng từ (đối với người bán).

*Endorsement* : sự bồi thụ, sự ký hậu.

*Charter party* : hợp đồng thuê tàu.

*To tender* : đưa ra, đề nghị.

- *He has tendered his resignation to the Director.* (Ông ta đã đề đơn xin từ chức với ông Giám đốc).

*In the course of their transit by sea* : trong quá trình đi biển.

*In the course of* : trong quá trình.

- *In the course of its operation, the joint venture company shall abide by the laws of Vietnam.* (Trong quá trình hoạt động, công ty liên doanh sẽ tuân thủ theo luật pháp Việt Nam).

*Unloading costs* : chi phí bốc dỡ hàng hóa.

*Ligterage charges* : phí lỏng hàng (tiền trả cho việc chuyên chở hàng hóa bằng xà lan từ tàu lớn đến cảng hoặc ngược lại).

*Wharfage charges* : phí neo tại cảng.

- *Unless such costs and charges shall have been included in the freight or collected by the steamship at the time freight was paid.* (Trừ phi các chi phí và phí tổn đó đã được gộp trong phí vận tải hoặc được công ty vận tải thu hồi lúc trả phí vận tải).

- *If the goods are sold "C & F landed", unloading costs, including and wharfage charges, are borne by the seller.* (Nếu bán hàng theo điều kiện "C & F dỡ lên bờ", thì các phí dỡ hàng, kể cả phí chuyển tải và phí neo tàu, sẽ do người bán chi trả).

- *In case he may have reserved to himself a period within which to have the goods shipped and/or the right to choose the port of destination and he fails to give instructions in time, bear the additional costs there by incurred and all risks of the goods from the date of expiration of the period fixed for shipment.* (Trong trường hợp người mua dành quyền chỉ định thời gian giao hàng và/hoặc quyền chọn cảng giao hàng, nếu người đó không thông báo kịp thời, thì người đó phải gánh chịu thêm các phí tổn và mọi rủi ro khi hết hạn giao hàng qui định).

## Cost, insurance and freight (CIF)

CIF means "Cost, Insurance and Freight". This term is the same as C&F but with the addition that the seller has to procure marine insurance against the risk of loss of or damage to the goods during the carriage. The seller contracts with the insurer and pays the insurance premium. The buyer should note that under the present term, unlike the term "Freight/Carriage and Insurance paid to", the seller is only required to cover insurance on minimum conditions (so-called FPA conditions).

Here again, not all the responsibilities of the seller are presented ; only the responsibility with respect to insurance will be discussed at length.

This term requires that the seller be responsible for procuring, at his own cost and in a transferable form a policy of marine insurance against the risks of carriage involved in the contract. The insurance shall be contracted with underwriters or insurance companies of good repute on FPA terms, and shall cover the CIF price plus ten percent (10 %). The insurance shall be contracted with underwriters or insurance companies of good repute on FPA terms, and shall cover the CIF prices plus ten percent (10 %). The insurance shall be provided in the currency of the contract, if procurable.

**Note :** The insurance terms are minimum and the period shall be warehouse to warehouse. Whenever the buyer wishes more than the minimum liability to be included in the contract, he should take care to specify that the basis of the contract is to be "Incoterms" with whatever addition he requires.

Unless otherwise agreed, the risks of carriage shall not include special risks that are covered in specific trades or against which the buyer may wish individual protection. Among the special risks that should be considered and agreed upon between the seller and the buyer are theft, pilferage, leakage, breakage, chipping, sweat, contact with other cargoes and others peculiar to any particular trade.

### Vocabulary and explanation

*Marine insurance* : bảo hiểm hàng hải, để phân biệt với các loại bảo

hiểm khác như bảo hiểm tài sản, bảo hiểm sinh mạng, bảo hiểm hỏa hoạn, bảo hiểm đệ tam nhân v.v...

*Insurer hay underwriter* : nhà bảo hiểm ; *to insure hay to underwrite* : bảo hiểm, bảo đảm.

*Insurance* : sự bảo hiểm ; *insurance company* : công ty bảo hiểm ; *insurance broker* : môi giới bảo hiểm.

*Insurance coverage* : lĩnh vực bảo hiểm ; *insurance premium* : phí bảo hiểm ;

*insurance policy* : hợp đồng bảo hiểm ; *To take out an insurance policy* : ký hợp đồng bảo hiểm.

*FPA terms* : các điều khoản bảo hiểm gọi là **"Free from Particular Average"** (Miễn tổn thất riêng). Điều khoản bảo hiểm này chỉ chịu trách nhiệm về các rủi ro có liên quan đến sự mất mát hay hư hỏng toàn bộ hàng hóa, và rủi ro liên quan đến tổn thất chung. Những điều khoản này sẽ được trình bày khi đến phần bảo hiểm.

*Warehouse to Warehouse* : từ kho đến kho, điều khoản này bao gồm việc bảo hiểm hàng hóa ngay từ khi chúng rời nhà kho tại địa điểm bắt đầu cuộc hành trình cho tới nhà kho tại địa điểm giao hàng hoặc cho tới một thời điểm quy định trong hợp đồng sau khi hoàn thành công tác bốc xếp tại cảng giao hàng, tùy theo điều nào xảy ra trước.

*Theft* : tội danh ăn trộm ; *thief* : người ăn trộm.

*Pilferage* : ăn cắp vặt ; *pilferer* : người ăn cắp vặt.

*Chipping* : sự nứt, vỡ.

## Modes of payment and securing payment in international trade

An export transaction inevitably implies risks for both the importer and the exporter. There is the risk of default of one or other of the parties to the contract and there may be political or economic risk in the countries involved. Moreover, it will not always be easy to evaluate the credit-worthiness and business reputation of the other contracting party. Consequently, payment on open account or by cheque or even by bill of exchange will not normally be acceptable unless the parties have a long-standing commercial relationship and the political, economic and legal situation in the importer's country is stable. If these conditions are not met additional security is generally required. The modes of securing payment reconcile the conflicting economic interests that are present in any export transaction : the exporter wishes to obtain the purchase price as soon as possible, but not to hand over to the importer the documents of title to the goods (such as bills of lading) before having received payment or, at least, being certain that his draft has been accepted. The interest of the importer, on the other hand, is to postpone payment of the purchase price until he has an opportunity of reselling the goods or, at least, of having examined them to ensure their conformity with the sales agreement. Customary modes of securing payment have therefore become established and the most important of these are documentary collections and banker's documentary credits. In both cases, one or more banks act as agents between the seller and the buyer.

In the following presentation, we will first be discussing the arrangements which provide for direct payment by the importer without the necessity for a bank to act as an agent for the parties.

### *The invoice*

With the invoice, the seller debits the buyer with the agreed price of the goods and any other costs that the buyer has to bear, such as the cost

of carriage and insurance. The sales contract may stipulate that the invoice is to be in a particular form and must contain particular items which the buyer may need for the purpose of complying with revenue and other laws of his country. If the invoice does not contain these specifications, the buyer may reject the document. In some cases the contract may require the seller to supply a proforma invoice to the buyer who may this document in order to be able to comply with foreign exchange and import regulations of his country.

## **Vocabulary and explanation**

*Modes of payment* : phương thức thanh toán ; *modes of transportation* : phương thức chuyên chở ; *modal (adjective)* : thuộc về phương thức ; *multi-modal means of transport* : phương thức vận chuyển bằng nhiều phương tiện khác nhau.

*Risk of default* : rủi ro không thanh toán.

*Political and economic risks* : các rủi ro về chính trị và kinh tế (ví dụ : cách mạng, chính phủ không ổn định, lạm phát gia tốc v.v...).

*Credit-worthiness* : sự tín nhiệm, tin tưởng vào một đối tác. Có thể sử dụng từ *credibility*.

- *After his default in payment for his goods indue time, he has lost all of his credibility (credit-worthiness) to his bank.*

*Open account* : ghi sổ, còn gọi là *credit* ; *account* : tín dụng thương mại ; *payment on open account* : chi trả theo tín dụng thương mại. Thường khi nhà xuất khẩu giao hàng, người đó sẽ gửi kèm theo hóa đơn. Việc chi trả sẽ dựa theo một thời khoản ân hạn (*grace period*) và một điều kiện giảm giá nếu hàng hóa được thanh toán sớm. Ví dụ, điều kiện "3/10 net 30" có nghĩa là người mua phải thanh toán trong vòng 30 ngày, và nếu trả trong vòng 10 ngày đầu thì sẽ được giảm giá 3 %. Một ví dụ nữa của sự thanh toán bằng tín dụng thương mại là người mua dàn xếp với các cửa hàng bách hóa để mua hàng hóa tới một trị giá thỏa thuận mỗi tháng và chi trả vào cuối thời hạn thỏa thuận như cuối tháng hay cuối quý.

*Conflicting economic interests* : các quyền lợi kinh tế mâu thuẫn.

*Draft hay bill of exchange* : hối phiếu tức lệnh chi trả bằng văn bản lệnh cho một người phải trả một số tiền cho một ai đó có tên khi có yêu cầu hoặc một thời hạn nào đó trong tương lai.

*Proforma invoice* : hóa đơn tạm.

## Instruments for securing payment

The documentary collection and the documentary credit are the two main and classic instruments for achieving security of payment in foreign trade transactions, the latter offering substantially higher security than the former. *Documentary credits therefore are the preferred mode of payment.*

### ***Documentary collection***

A documentary collection is an operation in which the exporter hands the shipping documents to his bank (remitting bank) with precise instructions to have them presented through a collecting bank in the importer's country. The collecting bank delivers the documents to the buyer only after he has satisfied all the requirements prescribed by the seller, such as delivery against payment or against acceptance of a bill of exchange drawn by the exporter upon the importer. For the importer, the documentary collection has the advantage that he obtains the shipping documents, which evidence the shipment of specific goods and give title to them, when making the payment or accepting the draft; thus, he may be reasonably sure that against his payment or acceptance he actually receives the goods sold. The exporter knows that the shipping documents will be delivered to the importer only if the latter actually satisfies all his requirements. The exporter can dispose of the sales proceeds only after the buyer has paid for the documents or paid the accepted bill of exchange at maturity, and even then only after the proceeds have been transferred. However, at the moment when the seller dispatches the goods, he has no assurance that the buyer will actually pay or accept the draft. Consequently, a documentary collection is suitable means of securing payment only if the parties to the export transaction have a relationship of trust, and where the political, economic and legal situation in the importer's country is stable. Nonetheless, a documentary collection offers much higher security than direct settlement by the buyer on open account.

### ***Basically, a documentary collection involves three stages :***

- The exporter and the importer agree in the sales contract upon the terms of payment, including the terms of collection.
- The exporter dispatches the goods in accordance with the terms of the sales agreement. Thereafter, he sends all necessary documents (invoices, bills of lading, insurance certificates, certificates of origin,

etc.) to his own bank (called the remitting bank) together with his precise collection order. The remitting bank then forwards the documents to a correspondent bank (collecting bank) at the importer's residence indicating under which conditions the documents may be released to the importer.

- The collecting bank informs the importer of the arrival of the documents and notifies him of the terms of their release. The importer makes payment, or accepts the bill of exchange, and in return he receives the documents. The collecting bank then transfers the collected amount or the accepted draft to the remitting bank, which credits such an amount to the exporter's account or delivers the accepted bill to him.

## **Vocabulary and explanation**

*Documentary collection* : thu thập chứng từ ; *Documentary credit* còn gọi là *letter of credit* : thư tín dụng.

*To hand to, to hand over* : giao, chuyển giao ; *to hand in* : nộp (bài vở, tập, tài liệu).

- *We handed over to the police the thief we had caught. Our professor asked us to hand in our homework by next Friday.*

*Delivery against payment* : chuyển giao chứng từ khi thanh toán ; *delivery against acceptance of a bill of exchange* : chuyển giao chứng từ khi chấp nhận hối phiếu.

*Remitting bank* : ngân hàng chuyển (tiền, chứng từ) ; *collecting bank* : ngân hàng thu (tiền, chứng từ). *To remit (v), remittance (n)* : chuyển, sự chuyển (tiền, chứng từ).

- *The foreign party may remit its profits overseas, but such remitted profits must be subject to the withholding tax.* (Bên nước ngoài có quyền chuyển lợi nhuận ra nước ngoài, nhưng phải chịu thuế chuyển lợi nhuận).

- *The collecting bank informs the importer of the arrival of the documents and notifies him of the terms of their release. The importer makes payment, or accepts the bill of exchange, and in return he receives the documents. The collecting bank then transfers the collected amount or the accepted draft to the remitting bank, which credits such an amount to the exporter's account or delivers the accepted bill to him.* (Ngân hàng thu thông báo cho nhà nhập khẩu là chứng từ đến rồi và thông báo luôn các điều kiện giao chứng từ. Nhà nhập khẩu thanh toán hoặc chấp nhận hối phiếu, rồi nhận chứng từ. Sau đó, ngân hàng thu chuyển số tiền này hoặc hối phiếu đã được chấp nhận qua ngân hàng chuyển để ngân hàng này ghi có số tiền này vào tài khoản của nhà xuất khẩu hoặc chuyển giao hối phiếu cho người đó).

## Documentary letters of credit

If the exporter cannot rely on the buyer's ability and readiness to pay the purchase price and/or if the political, economic and legal conditions in the importing country cannot be considered to be stable, the exporter will insist upon securing payment by means of a documentary letter of credit. This instrument involves a payment obligation assumed by one or more banks, and consequently offers greater security than a documentary collection.

A documentary credit is a written undertaking by a bank (call the issuing bank) given to the seller at the request of, and in accordance with, the instructions of the buyer to effect payment up to a stated sum of money within a prescribed time limit and against stipulated documents.

The procedure for payment by a documentary credit involves the following steps :

1. The exporter and the importer conclude a sales contract providing for payment by documentary credit. The "letter of credit clause" must spell out all the terms and conditions of the documentary credit which the importer is requested to open in favour of the exporter.

2. The importer instructs his bank (the issuing bank) to issue a credit in favour of the exporter.

3. The issuing bank requests another correspondent bank, usually in the country of the exporter, to advise or confirm the credit.

4. The exporter's bank advises the exporter that a letter of credit has been issued.

5. Upon receipt of the letter of credit, the exporter will arrange shipment of the goods.

6. After shipment of the goods, the exporter presents the documents to the bank (negotiating bank or paying bank) for payment.

7. The negotiating bank pays the exporter and sends the negotiated documents to the issuing bank for reimbursement.

8. The issuing bank reimburses the negotiating bank and delivers the documents to the importer against payment.

9. On settlement of the bill the importer will use the shipping documents to claim delivery of the goods from the carrier.

## **Vocabulary and explanation**

*To insist on* : đòi cho được, khẳng khái yêu cầu ; *insistence* : sự đòi cho được, khẳng khái yêu cầu.

- *He insisted on going out even though he had not felt well.*

*To secure* : đạt được, có được.

- *One of the obligations of the Foreign Partner is to secure a loan from an international financial institution on behalf of the joint venture company.* (Một trong những nghĩa vụ của bên nước ngoài là thay mặt liên doanh lấy cho được một khoản vay từ một định chế tài chính quốc tế).

*Security* : an ninh, an toàn ; *national security* : an ninh quốc gia.

*To prescribe* : quy định ; *as prescribed* : như quy định ; *prescribed capital* : vốn quy định.

- *If a limited liability company is engaged in the manufacturing industry, its prescribed capital shall be about 250 million dong.* (Nếu một công ty trách nhiệm hữu hạn tham gia vào ngành công nghiệp chế tạo, vốn quy định phải là 250 triệu đồng).

*In favour of* : cho ai hưởng lợi.

*Terms and conditions* : các điều khoản và điều kiện cơ bản. Đây là cụm từ thường dùng trong hợp đồng.

- *Any change of the terms and conditions stipulated in this contract shall be subject to approval of SCCI.* (Bất cứ sự thay đổi nào về các điều khoản và điều kiện quy định trong hợp đồng này phải được Ủy ban Nhà nước về Hợp tác và Đầu tư phê chuẩn).

*Documents against payment* : thanh toán đối chứng từ.

# Methods of direct payment by the buyer

## ***1. Cash with order***

The simplest case is where the parties agree on "cash with order" terms. A sale on these terms will usually eliminate all financial for the exporter.

## ***2. Sight payment***

If the parties agree on "sight payment", the importer must remit the purchase prices against delivery to him of the documents of title to the goods sold. In this case, the exporter will generally send the documents via a bank to the importer who will make payment to the exporter by cheque or, more often, through a bank by telegraphic or mail transfer.

Sight payment is suitable only when the exporter has no doubt about the solvency and integrity of the buyer.

## ***3. Payment by bill of exchange***

### ***a. Advantages of bill of exchange***

If the exporter is not willing, or not able, to pay the purchase price on open account, payment by a bill of exchange will often be agreed upon. This arrangement, which is a form of direct payment by the buyer, offers considerable advantages to both parties; the exporter obtains a bill of exchange accepted by the importer which is immediately negotiable; the buyer, on the other hand, is granted a definite period for settlement (unless, of course, the bill is payable at sight). In the absence of specific arrangements made by the parties, the customs prevailing in the particular trade will determine whether the price is to be paid on which the bill has to be drawn by the exporter upon the importer.

### ***b. Nature of the bill of exchange***

A bill of exchange is unconditional written order, addressed by one person (the drawer) to another (the drawee, also called the acceptee) requiring the drawee to pay on demand or at a fixed determinable future

time, a certain sum in money to the drawer or to the order of a specified person (the payee), or to a bearer. Thus, there are three original parties to a bill of exchange: the drawer (exporter), the drawee (importer or, possibly, his bank) and the payee, normally the exporter.

The obligations resulting from a bill of exchange are abstract and separate from the underlying transaction in connection with which it was issued (sales agreement, letter of credit, etc.). The drawee/acceptee cannot raise objections relating to the underlying transaction as grounds for refusing to make payment to a *bona fide* holder of the bill of exchange which is complete and regular on its face. Finally, most countries have special accelerated procedures for the recovery of the debt if the bill of exchange is not paid at its maturity.

## **Vocabulary and Explanation**

*Cash with order* : trả tiền ngay khi đặt hàng

*Sight payment* : thanh toán ngay khi thấy hối phiếu ; *sight* : thời điểm mà hối phiếu được xuất trình cho người có trách nhiệm thanh toán nó ; *at sight* : thanh toán khi được xuất trình cho con nợ.

- *A bill payable at sight is called a sight bill.*

*Telegraphic or mail transfer* : chuyển trả bằng điện tín hoặc thư tín. *Telegraphic transfer* là một hình thức chuyển tiền nhanh bằng điện tín cho một người ở một nước khác. Người được chi trả có thể nhận tiền mặt hoặc tín dụng chuyển thẳng vào ngân hàng của mình. Người chuyển tiền phải gánh chịu phí tổn điện tín trừ phí người đó cho thấy chi phí này do người được chi trả gánh chịu.

*Solvency* : khả năng chi trả ; *insolvency* : sự mất khả năng chi trả dẫn tới trường hợp *bankruptcy* (phá sản).

*Integrity* : sự lương thiện.

- *His business is well known for its highly professional integrity.*

*To draw* (a bill of exchange, a draft) : ký phát (hối phiếu) ; *drawer* : người ký phát ; *drawee* : người được ký phát ; *payee* : người được chi trả ; *bearer* : bất cứ người nào nhận hối phiếu.

Như vậy, hối phiếu được người được ký phát thanh toán hoặc cho người ký phát hoặc cho người thứ ba (người được chi trả, bất kỳ ai nắm giữ nó).

*Bona fide* (Latin) : *honestly, truthfully, with good intentions*. *Bona fide holder* : người nắm giữ hối phiếu chân thật, có thiện chí.

- *I do not accept his bona fides : I believe he is not acting in good faith.*

## Technical aspects of a letter of credit

The following paragraphs shall examine those technical aspects that must be paid attention to by the beneficiary of a letter of credit. Overlooking these technical aspects may lead to a complete refusal by the negotiating bank when the beneficiary presents his documents to such bank. The following points must be borne in mind when the beneficiary examines the credit.

**Irrevocable Credit :** The credit must be issued by a bank and expressly marked "Irrevocable".

**Beneficiary :** The full name and address of the beneficiary must be correctly stated there in, because the commercial invoices must be made out in the name of the applicant for the credit.

**Amount of Credit :** The beneficiary should see to it that the amount specified in the credit should be sufficient to cover the cost of the goods to be shipped. However, if the credit amount is prefixed by the word "about", this will permit a leeway of 10 % more of the original amount. For example : "about US \$ 6,000" shall mean an availability of up to US \$ 6,600 only.

**Bank Discount Charges :** Usually a letter of credit is available by the beneficiary's draft drawn at sight. When it is available by usance draft or with deferred payment term, either the beneficiary or the buyer may have to bear the discount charges. If the exporter is not willing to bear such charges, he should see that the credit has expressly authorised negotiation to be effected on a sight basis and discount charges are for the buyer's account.

**Description of Merchandise :** Even though the description of goods is to be stated briefly in general term, the description of the goods in the commercial invoice must correspond with the description in the credit.

**Quantity :** If the credit expressly states that the specified quantity of goods must not reduce or exceed a certain percentage, this means the specified quantity must only strictly complied with. However, in the absence of such stipulation, it is to be understood the a difference of up

to 5 % more or less of the specified quantity of goods will be allowed by the credit provided that the drawing is not in excess of the credit amount. For example, if the credit specifies 10,000 tons of rice, it could mean that a maximum of 10,500 tons or a minimum of 9,500 tons will be shipped provided always that the invoice value shall not exceed the credit amount. But this tolerance is not applicable when the credit specifies quantity in terms of a stated number of packing units or individual items, e.g. 80 units of machines, 100 sets of furniture, 400 cartons of milk powder, etc.

### ***Partial shipments***

Partial shipments are permitted, unless the credit expressly states otherwise. If partial shipments are not allowed, it means that the stipulated quantity of goods must be carried by the same ship and in one delivery only. However, goods carried by the same vessel or aircraft will not be considered as partial shipment even if the bills of lading indicated "On board" bear different dates and/or different ports of loading.

### ***Shipment by instalments***

If the credit stipulates shipment by instalments is to be made within specific periods, and any instalment which is not shipped within the period allowed for that instalment, the credit will cease to be available for that or any remaining instalments.

### ***Transshipment***

Unless transshipment is not permitted in the credit, banks will accept transport documents which indicate that the goods will be transhipped, provided the entire carriage is covered by one and the same bill of lading (through bill of lading).

### ***Dispatch by post***

If the credit stipulates dispatch of goods by post, then the postal receipt or certificate of posting must be stamped or authenticated and dated in the place from which the credit stipulates the goods are to be sent.

### ***Deadline for shipment***

The exporter must ensure that shipment of the goods is made within the shipment date. Documents date later than the specified date for shipment will be rejected by banks for reason of late shipment.

**Validity date for negotiation**

The beneficiary must ensure that he is able to present the required documents to the negotiating bank for negotiation before the expiry date of the credit.

When the specified expiry date falls on a Sunday or a public holiday, the expiry day will be extended until the first following business day.

**Deadline for presentation of documents**

As soon as shipment of goods is completed, it is necessary to have all the documents presented to the negotiating bank within the specified period stated in the credit. Attention should be paid to the following :

a) In addition to stipulating an expiry for presentation of documents, every credit which calls for a transport document (s) should also stipulate a specified period of time after the date of issuance of the transport document (s) during which presentation of documents for payment, acceptance or negotiation must be made. If no such period of time is stipulated, bank will refuse documents presented to them later than 21 days after the date of issuance of the transport document (s). In every case, however, documents must be presented not later than the expiry date of the credit.

b) The date of issuance of a transport document (s) shall be deemed to be :

i) In the case of a transport document evidencing carriage by air - the date of issuance indicated on the transport document or, if the credit stipulates that the transport document shall indicate an actual flight date, the actual flight date as indicated on the transport document.

ii) In the case of a transport document evidencing loading on board a named vessel - the date of the issuance of the transport document or, in the case of an on board notation, the date of such notation.

**Vocabulary and explanation**

*To overlook* : xem nhẹ, bỏ qua.

*Beneficiary* : người thụ hưởng, tức người bán, nhà xuất khẩu ; *to benefit* : thụ hưởng, thu lợi.

*Negotiating bank* (xem phần ngân hàng) : ngân hàng của người bán, nhà xuất khẩu. Đây là ngân hàng mà người bán có thể chuyển nhượng hối phiếu của mình để được chi trả giá trị của thư tín dụng. Bằng cách

này, ngân hàng chiết khấu (discount) giá trị của hối phiếu. Vì vậy, ngân hàng này còn được gọi là ngân hàng chiết khấu.

*Leeway* : quyền tự do dành cho ai đó di chuyển, thay đổi.

*Bank discount charges* : phí chiết khấu.

*Usance draft* : hối phiếu định kỳ. Đây là loại hối phiếu sử dụng theo Thư tín dụng theo sự chấp nhận. (*Letter of Credit available by acceptance*). Loại tín dụng này cho phép người mua nhận hàng trước và thanh toán sau. Theo loại tín dụng này, hối phiếu định kỳ có thể được ký phát thanh toán theo một thời hạn nào đó, thí dụ, 30 ngày, 60 ngày hoặc 90 ngày sau khi xuất trình (*after sight*). Mặc dù các hối phiếu định kỳ chỉ được thanh toán sau một thời hạn quy định, chúng cũng có mức độ an toàn như các hối phiếu *at sight* bởi vì khi ngân hàng cấp phát thư tín dụng chấp nhận chúng, ngân hàng này chịu trách nhiệm thanh toán chúng khi đến hạn.

*Deferred payment* : trả chậm. Đi kèm theo thư tín dụng trả chậm (*Letter of Credit with Deferred Payment*). Theo loại thư tín dụng này, người mua có thể nhận hàng trước bằng cách chấp nhận chứng từ và thanh toán sau một thời hạn quy định, thí dụ 120 ngày hoặc 180 ngày, sau ngày ghi trên vận đơn hoặc sau ngày xuất trình chứng từ cho ngân hàng chiết khấu. Loại thư tín dụng này không cần hối phiếu của người thụ hưởng. Thông thường loại thư tín dụng này sẽ ghi rõ tỷ lệ ứng trước của ngân hàng chiết khấu là bao nhiêu khi xuất trình chứng từ và phần còn lại được thanh toán sau bao nhiêu ngày ghi trên hóa đơn.

*Partial shipment* : giao hàng từng phần.

*Shipment by instalments* : giao hàng từng đợt ; *instalment* : số tiền thanh toán từng đợt, nhất là khi mua chịu (*on credit*) ; *payment by instalment* : trả tiền từng đợt.

- *In leasing, the lessee will have to make payment in equal instalments throughout the lease period.* (Đối với việc thuê (thiết bị là chủ yếu), người thuê phải thanh toán những đợt bằng nhau trong suốt thời gian thuê.)

*Transshipment* : chuyển tải.

*Dispatch by post* : giao hàng qua bưu điện

*To authenticate* : chứng thực ; *authentication* : sự chứng thực.

*Deadline for shipment* : hạn chót giao hàng.

*Date of issuance* : ngày cấp (phát) ; *date of expiry* : ngày hết hạn.

# Transport contracts - Carriage by sea

## *Definitions*

The contract concluded between the exporter (referred to as the "shipper") and the shipowner (referred to as the "carrier") is known as a "contract of carriage by sea". The fee to be paid by the shipper to the carrier is the "freight".

If the quantity of goods to be exported warrants the hire of a complete ship, the terms of the contract of carriage are embodied in a document called the "charter party". However, this case is rare. In most cases, the exporter's goods form only part of the intended cargo of the ship and they are carried in the ship together with goods belonging to the other shippers ; here the terms of the contract of carriage are evidenced by a document called the "bill of lading". This is a receipt by the shipowner acknowledging that goods have been delivered to him for the purpose of carriage and reiterating the terms of the contract which is concluded prior to the issue of the document. Thus the bill of lading merely evidences the terms of a contract which has already been partly performed.

The shipper may be the seller or buyer under a sales agreement, or he may be a freight forwarder or any other consignor. The person to whom the goods are shipped is called the consignee ; he may be the buyer, or a freight forwarder or any other person acting for the importer. The legal carrier may himself be the actual carrier or he may procure carriage by another, in which case he is usually responsible for the acts and omissions of the latter. In the former case, the carrier may be the owner of the ship or a charterer. With the development of combined transport, many freight forwarders now contract (vis-a-vis the shipper) as carriers, although they are not in any way personally involved in the sea transport.

## Vocabulary and explanation

*Shipper* : người gửi hàng.

*Carrier* : người chuyên chở.

*Charter party* : hợp đồng thuê tàu chuyên.

(Giải thích thêm về *charter party*: vận đơn được cấp phát theo những điều kiện của một *charter party* được gọi là *charter party bill of lading* (vận đơn theo hợp đồng thuê tàu). Sự khác biệt duy nhất giữa một vận đơn thường và vận đơn thuê bao là vận đơn này được ký bởi nhà đại lý của cửa hàng thuê bao. Trừ khi thư tín dụng cho phép sử dụng vận đơn thuê bao, ngân hàng thường không chấp nhận loại vận đơn này).

*Freight* : phí vận chuyển.

*To reiterate* : lặp lại.

- *We would like to reiterate our position in this matter.* (Chúng tôi xin lặp lại quan điểm của chúng tôi về vấn đề này).

*Freight forwarder* : người giao nhận.

*Shipping agent* : Đây là một tổ chức chịu trách nhiệm tổ chức thu gom hàng hóa, vận tải và giao hàng, chuẩn bị các chứng từ vận tải, sắp xếp chỗ trên tàu, bảo hiểm, và giải quyết thủ tục hải quan. Tất cả những dịch vụ này được thực hiện nhằm mục đích kiếm hoa hồng.

*Vis-a-vis* : trực diện, đối lại với.

# The bill of lading

## *Legal nature and form of the bill of lading*

The bill of lading is a document evidencing shipment which is issued by the carrier or his agent as a receipt for the goods. It also contains the terms and conditions of the contract of carriage. The bill of lading is a document of title and only the holder of the bill of lading can take possession of the goods.

### *There are three basic types of bills of lading :*

a) An "on board" bill of lading is issued after the goods have been received on board ship. It is the most secure type of bill of lading from the point of view of the importer and the banks involved, since it shows when and in which vessel the goods were dispatched.

b) A "received for shipment" bill of lading merely confirms that the carrier has received the goods for shipment.

c) A "through" bill of lading is issued when the journey will involve various modes of transport.

### *Particulars contained in the bill of lading*

In view of its practical importance in the export trade, the bill of lading has been standardised by various maritime conferences. The usual form of bill of lading includes the following particulars :

- The name of the shipping company.
- The name of the exporter (shipper).
- The name and address of the importer (consignee) or order.
- The name and address of the party to be notified on arrival of the shipment, usually the importer. This only applies when the bill has been made out to order.
- The name of the carrying vessel.
- The name of the port of loading and discharge.
- Where freight is payable and whether it has been paid.
- The number of originals in the set.
- The marks and numbers identifying the goods.
- A brief description of the goods (possibly including weights and dimensions).

- The number of packages.
- The signature of the ship's master or his agent.
- The date on which the goods were received for shipment and/or loaded on the vessel (this must not be later than the shipment date indicated in the credit).
- The signature of the exporter (or his agent) and his designation if applicable.

Any other points or conditions considered important by the parties should be mentioned, such as the date of delivery and the number of originals of the bill of lading, if more than one has to be issued. A bill of lading is "clean" if it contains no remarks that the condition and packing of the merchandise is defective. A bill of lading which contains such remarks will normally not be acceptable to the buyer of the goods under a CIF contract, or to a bank which has agreed to pay the seller under a documentary credit on receipt of the documents.

## **Vocabulary and explanation**

*Secure* (adj) : an toàn ; *security* (n) : sự an toàn, an ninh.

- *The use of a large amount of cash for payment is not a secure method.* (Chi trả bằng một lượng lớn tiền mặt là không an toàn).

*Point of view, viewpoint, standpoint* : quan điểm.

- *From the security point of view, non-cash payments such as credit cards or cheques will be much preferable.* (Trên quan điểm an toàn, người ta thích phương thức thanh toán không dùng tiền mặt như thẻ tín dụng hoặc ngân phiếu hơn).

*To standardise* : chuẩn hóa ; *standardisation* : sự chuẩn hóa ; *Institute of Standardisation* : Viện Định chuẩn.

- *Today, all the spare parts and components are standardised so that they can fit in all machines and equipment.* (Ngày nay, mọi phụ tùng và linh kiện đều được chuẩn hóa, nên chúng có thể ráp vào bất cứ máy móc thiết bị nào).

*Maritime* (adj) : thuộc về hàng hải ; *The Maritime Joint Stock Bank* : Ngân hàng cổ phần hàng hải.

*Particulars* : chi tiết.

*To be made out to order* : được lập theo lệnh.

*Ship's master* : thuyền trưởng.

# Responsibilities of the Carrier and the Shipper

## ***1. Duties and liabilities of the carrier***

The carrier is bound to exercise due diligence to make the ship seaworthy, to properly man, equip and supply the ship and to make the holds, refrigerating and cool chambers and all other parts of the ship in which goods are carried, fit and safe for their reception, carriage and preservation. Moreover, the carrier must properly and carefully load, handle, stow, carry, keep, care for and discharge the goods carried. This includes a duty to take reasonable steps to ensure that the cargo is not damaged by dangerous cargo shipped by other shippers. The carrier is required to commence and complete the voyage contracted for with reasonable despatch, and to follow the agreed route, or, if none is agreed, then the usual route, without unreasonable deviation.

Under the various international rules mentioned above the carrier will not be liable for loss of or damage to the cargo arising from certain events which are not the responsibility of the carrier. These include perils of the sea, acts of god, of war, or public enemies, inherent vice of goods, strikes, lock-out, etc. Moreover, the carrier's liability for loss of or damage to cargo and for delay is normally limited to a fixed sum for each package or unit shipped.

## ***2. Duties and liabilities of the shipper***

The shipper (i.e., normally the exporter) must deliver the goods to the carrier at the time and place, and of the number, weight and quantity, specified by the contract. He is deemed to have guaranteed to the carrier the accuracy at the time of shipment of the marks, number, quantity and weight as stated by him, and the shipper must indemnify the carrier against all loss, damages and expenses arising or resulting from. Finally, unless the shipper has specifically informed the carrier that the goods shipped are dangerous, he impliedly warrants that the cargo is free from undisclosed dangers and that the protective casing or packaging is adequate.

The shipper is bound to pay to the carrier the freight, i.e., the charge

for the transporting the goods. The carrier has a lien on the goods to secure payment of freight.

### 3. Rights and duties of consignees and endorsees

As holder of the bill of lading, the consignee or endorsee is entitled to delivery of the goods from the carrier at the port of destination on presentation of, and upon terms contained in, the bill of lading. In case of default he may bring proceeding against the carrier, and he may also claim for any damage to the goods caused by the wilful act or negligence of the carrier. However, under the applicable law, acceptance of the goods may raise a presumption that he has undertaken to make payment to the carrier. This will be the case if the payment clause of the bill of lading specifies that the freight is to be paid by the consignee. Consequently, all parties should pay close attention to the payment clause of the bill of lading.

## Vocabulary and Explanation

*Diligence* : cần mẫn, chăm chỉ ; *due diligence* : sự siêng năng, cần mẫn phải có.

- *His diligence coupled with caution has made him successful businessman.* (Sự siêng năng cần mẫn cộng với sự thận trọng đã làm ông ta trở thành một doanh nhân thành công).

*Seaworthy* : có khả năng đi biển.

*To man* : bố trí thuyền viên.

- *This vessel has been well manned by an experienced crew.* (Chiếc tàu này được điều khiển bởi một thủy thủ đoàn có kinh nghiệm).

*Refrigerating and cool chambers* : phòng lạnh đông và làm mát.

*Perils of the sea* : những hiểm nguy ngoài biển cả.

*acts of god* : thiên tai.

*public enemy* : kẻ thù chung.

*inherent vice of goods* : khuyết tật cố hữu của hàng hóa.

*lock-outs* : sự đóng cửa nhà máy.

*A proceeding*: vụ thưa kiện. *To bring a proceeding against someone*: kiện tụng ai. *Wilful act or negligence* : hành động cố chủ tâm hoặc lơ đãnh.

- *These fragile goods have been heavily damaged due to the carrier's wilful act or negligence.*

# Insurance contract

## 1. General

a) In every insurance agreement one party (normally an insurance company) undertakes to indemnify the other (the insured party) in the event of the latter suffering damage or loss caused by the occurrence of a specified event (the risk), in consideration of the payment of a certain amount of money (the premium).

b) Since export agreements always require the handling and transportation of goods, they involve certain risks against which the parties to the contract normally wish to insure. The determination of which party is to insure the goods during which part of the journey, what type of insurance is to be contracted and who will bear the cost of paying for the insurance, is therefore a very important part of the agreement.

The insurance of goods carried by sea has been largely standardised. However, this is not the case for the carriage of goods by land and air, although insurance contracts for land and air carriage are based on marine insurance practice wherever possible.

The basic principle for insurance contracts is that the insured party must have an "insurable interest". The buyer may take out a policy on the goods he has thought, but he cannot make any claim in respect of loss or damage to them if the risk has not yet passed to him at the time when the loss occurred. Similarly, the seller cannot claim damages under a policy if at the time of loss or damage to the goods the risk has already passed on to the buyer.

It should be noted that the rights of the insured under a marine insurance policy can be assigned to the assignee (i.e. the buyer) by endorsing and delivering the policy to the buyer. The question involved are very complex and an exporter who intends to take out an insurance policy and is not yet familiar with the subject should contact an insurance broker for advice.

c) The trade terms, in particular the Incoterms, used by the parties in their export agreements normally indicate which party is to bear the cost of insuring the goods. Thus, the use of an FOB contract shows that the

seller is under no obligation to insure the goods sold, nor to bear the cost of that insurance, while the use of CIF or CIP clauses impose on the seller the duty to insure the goods sold.

The CIF condition provides for the minimum terms on a FPA basis (Free from particular average), from warehouse to warehouse. Whenever the buyer wishes more than the minimum liability to be included in the contract, he should take care to specify that the basic of the contract is to be "Incoterms" with whatever addition he requires.

Under a CIP clause, the buyer bears all risks of the goods from the time when they have been delivered into the custody of the first carrier.

d) Even if the buyer is bound to pay separately for the insurance, the seller may be asked to arrange the insurance of the goods at the buyer's expense and according to his instructions. When the seller does this he is of course acting for the account of the buyer and not on his own behalf as will be the case if the contract stipulates that the seller must insure the goods at his own expense (the cost for the insurance having been included in the price quotation).

## **2. Types of Insurance Policies**

An insurance policy is a document which describes the insurance arrangements and defines the rights of the parties. The policy is issued by the insurance company or its agents.

As to the types of insurance policy, the most frequent types of policies are :

### **2.1 "Valued" or "Unvalued" Policies**

*Valued* policies specify the value of the *insured* goods, so that this amount will be payable to the insured party if the risk occurs. If the policy is *unvalued* and the risk occurs, it will be necessary to determine the value of the subject matter of the insurance before the insurance will be paid. The subject matter may consist not only of goods, but also related expenses like customs duties, freight charges, etc.

### **2.2 "Floating" or "Open Cover" Policies**

These policies are normally used by large-scale exporters who do not wish to conclude an individual insurance agreement for every sale they make.

a) A *floating* policy states only the general conditions of the insurance contract and is intended to cover goods and other items against risks that may occur in multiple future voyages. The “floating” policy does not identify the exact subject matter of the insurance, nor the voyages during which the risk may occur : this information will be detailed at a later date, before the actual voyages begin, normally by notice given by the insured party to the insurer.

b) The *open cover* policy is similar to the floating policy in that it only contains the general terms and conditions of the insurance, but not the details of the subject matter of the insurance nor the specified voyages during which the risk may occur. Unlike the floating policy, where the value of the risk insured on each voyage is deducted from the value of the insurance contracted until fully absorbed, the open cover policy insurance limit is automatically renewed up to the specified maximum amount after each voyage. In open cover policies, the identification of the subject matter insured and the specific voyage, is normally found in “certificates of insurance”, issued by the insurers according to the insured party’s instructions. Such certificates may also contain a summarised version of the terms and conditions of the open cover policy.

### 2.3 Time and Voyage policies

*Time policies* insure against the risks that may occur during a specified period of time, while *voyage policies* cover the risks that may occur during a journey from one specified place to another. A combination of these two types of insurance is, however, common (i.e. the “warehouse to warehouse” clauses cover a certain voyage plus a certain period of time after the voyage is terminated).

## Vocabulary and explanation

*Insurance* : bảo hiểm ; *to insure* : bảo hiểm ; *insurance company* : hãng bảo hiểm ; *insurance brokerage* : môi giới bảo hiểm ; *insurance broker* : người môi giới bảo hiểm ; *to insure against something* : bảo hiểm về một điều gì.

*Insurer* : hãng bảo hiểm ; *insured party* : bên được bảo hiểm ; *premium* : phí bảo hiểm ; *marine insurance* : bảo hiểm hàng hải ; *life insurance* : bảo hiểm nhân thọ ; *property insurance* : bảo hiểm tài sản ; *fire insurance* : bảo hiểm hỏa hoạn ; *accident insurance* : bảo hiểm tai nạn ; *third-party insurance* : bảo hiểm đệ tam nhân ; *vehicle insurance* : bảo hiểm xe cộ.

*Risk* : sự nguy hiểm, rủi ro, *to take risk* : chịu rủi ro.

*Insurable interest* : quyền lợi có thể bảo hiểm.

*To take out an insurance policy* : ký hợp đồng bảo hiểm.

*Insurance contract, insurance policy* : hợp đồng bảo hiểm.

*CIP: Freight Carriage and Insurance Paid to*. Về một mặt nào đó, điều kiện giao hàng này giống như CIF, chỉ khác một điều là với điều kiện CIP, người mua bắt đầu gánh chịu rủi ro kể từ khi hàng được giao cho người chuyên chở chứ không qua lan can tàu, rồi sự rủi ro mới bắt đầu chuyển từ người bán sang người mua.

*Insurance policy* : hợp đồng bảo hiểm.

*Valued policy* : hợp đồng bảo hiểm định giá ; *unvalued policy* : hợp đồng bảo hiểm không định giá.

*Floating policy* : hợp đồng bảo hiểm thả nổi.

*Open cover policy* : hợp đồng bảo hiểm bao.

Cả hai hợp đồng này được sử dụng bởi các nhà xuất khẩu qui mô lớn, hàng năm xuất đi nhiều chuyến hàng. Cho nên, để tiết kiệm thì giờ, một hợp đồng bảo hiểm nguyên năm sẽ được ký giữa nhà xuất khẩu và hãng bảo hiểm. Trong trường hợp hợp đồng bảo hiểm thả nổi, trị giá bảo hiểm của mỗi chuyến hàng giao sẽ trừ dần vào trị giá bảo hiểm nguyên năm cho tới khi trị giá bảo hiểm toàn năm còn lại số không. Trong khi đó, đối với hợp đồng bảo hiểm bỏ ngõ, mỗi một chuyến hàng sẽ quy định một giới hạn tối đa về giá trị bảo hiểm. Nếu trị giá thực tế vượt quá mức này, thì phần chênh lệch sẽ được chữa ra và đến cuối năm các khoản chênh lệch này sẽ được cộng lại và đưa vào một hợp đồng mới.

*Time and voyage policies* : hợp đồng bảo hiểm thời gian và hải trình.

*Warehouse to warehouse clauses* : các điều khoản bảo hiểm từ kho này sang kho khác.

# Common clauses in insurance contracts

The most common clauses in insurance contracts are the following :

## 1. *FPA and WA clauses*

a) FPA (Free from particular average) clauses cover only the risk of total loss or damage of the goods, and the risk of **general average**. An act of general average is any expense or damage caused voluntarily, in a situation of danger, for the purpose of preserving the property threatened by a common danger. As the expense or damage is caused voluntarily for the benefit of all the interests involved in the voyage, all such interests must contribute proportionally to the party that suffered the loss or damage or incurred the expense. The most common forms of general average are the jettisoning of merchandise during storms and the towage of disabled ships. An FPA policy will not insure against the risk of partial loss or damage. Under FPA clauses, however, each package bale, crate or box is treated individually, so that if one box is totally lost, the insurers will indemnify for the loss, but will not have to pay any amount if all the boxes are only partially damaged.

b) WA (with average) clauses cover both general and particular average, and in many cases are quite similar to the "all risks" clauses. All damages not resulting from an act of general average constitute particular average.

## 2. *"All risks" clauses*

Despite their denomination, "all risks" clauses do not cover all and every risk that may occur to the goods. They include most risks of loss or damage to the goods, but not the delay in the arrival at the port of destination. If the goods thought to be lost are found and reach their point of destination, the insurers are not obliged to pay any insurance, and if the insured party has already received an advance against the insurance proceeds, it will be obliged to return the money received. In

addition to this, the "all risks" policies will not cover damages or losses caused by an inherent vice or a defect of the goods.

### 3. SRCC clauses

These clauses cover the physical loss or damage to the goods, caused by strikes, riots and civil commotion (SRCC), but do not cover damages caused by civil wars or revolutions. These latter events are, however, covered by the "war" clause, which includes the risk of capture, seizure, and acts of belligerent armies.

## Vocabulary and explanation

*Free from particular average clauses* : các điều kiện bảo hiểm miễn tổn thất đặc biệt.

*General average* : tổn thất chung. Như đã giải thích, đây là trường hợp một tàu chở hàng gặp phải một thiên tai ngoài biển như bão, sóng thần, động đất v.v... có thể gây nguy hiểm cho tàu, hàng hóa và sinh mạng thủy thủ đoàn trên tàu. Để cứu chiếc tàu, hàng hóa và sinh mạng trên tàu, người thuyền trưởng có thể phải hy sinh một số hàng hóa trên tàu bằng cách ném xuống biển. Chủ hàng nào có hàng bị ném xuống biển có thể nhận được *sự đóng góp theo tỷ lệ* của các chủ hàng không có hàng bị ném đi.

*Partial loss or damage* : mất mát, hay hư hỏng một phần.

*To treat individually* : xử lý từng trường hợp.

*Treatment* : sự xử lý.

*Water treatment plant* : nhà máy xử lý nước (nhà máy lọc nước).

*Riot* : sự dấy loạn, nổi loạn.

*Civil commotion* : bạo động dân sự.

*Civil war* : cuộc nội chiến.

*Risk of capture, seizure and acts of belligerent armies*: hiểm nguy bị bắt, cầm giữ và các hành động của quân thù.

# Other insurance clauses frequently used

## 1. "Warehouse to warehouse" clause

The "warehouse to warehouse" clause insures the goods from the moment they leave the warehouse at the place of commencement of the voyage, to the warehouse or point of storage at the place of destination or up to a moment in time specified in the policy after unloading is complete in the final port of discharge, whichever comes first.

## 2. So-called "important" clause

The "important" clause (*so-called* because it is frequently headed by this word) or "obligations of the insured party" clause requires the insured party to take all reasonable measures to minimize the losses or damages, and to preserve all rights and exercise all available actions against the carriers or other third parties who might be responsible for the damage or loss.

## 3. "Constructive total loss"

The "constructive total loss" clause treats as a total loss any damage suffered by the goods, where the cost of saving the goods, together with the cost of sending them to their destination, would be higher than the value of the goods at the place of destination.

## 4. "Free from..." clause

The "free from..." clause (ie. "free from strikes, riots and civil commotion") indicates that the policy does not cover the particular risk mentioned, while the "warranted..." or "warranted free..." clauses make reference to a condition which it is not complied with, allows the insurer to avoid paying out the insurance.

## What to do when the risks occur ?

### 1. Signing of statements

The insured party must be careful to comply with his duties under the "important" clause. In particular, the insured party who has received the goods must avoid signing statements or receipts confirming that the goods received are in good order or condition, when they have not been thoroughly inspected.

### *2. Assessment*

Once the claim has been submitted to the insurer, the amount of insurance to be paid must be determined. This determination will depend on whether the policy is "valued" or "unvalued". In the first case, the full value of the contract will be paid if the loss is total, while if the loss is partial the amount paid will normally be a percentage of the insured value equal to the actual damage to the goods. If the policy is unvalued, the value of the goods at their port of arrival will have to be determined, and the insurer will then pay either this amount (in the case of total loss) or the actual value of the partial damages.

### *3. Subrogation*

When the insurer pays out on a loss, he is entitled to benefit from the rights of the insured party against those responsible for the loss or the damage. This is known as the right of *subrogation*. Through this subrogation, the insurer takes the place of the insured party as against those parties who may be responsible for the occurrence of the risk, and may exercise any right which the insured had before the subrogation, i.e. the right to sue the party liable for the damage and to require indemnification.

## **Vocabulary and explanation**

*Point of storage* : điểm tồn trữ.

*The so-called* : cái gọi là.

*To exercise* : hành xử một quyền, trách nhiệm, nghĩa vụ.

*- He must exercise all responsibilities entrusted to him to complete this project successfully.*

*"Constructive total loss"*: tổn thất cấu trúc toàn phần. Đây là trường hợp bất kỳ tổn thất nào được xem là tổn thất toàn phần nếu như phí tổn sửa chữa hàng hóa và phí gửi hàng tới cảng đến cao hơn là giá trị hàng hóa tại cảng đến.

*"Free from..." clauses* : các điều khoản miễn...

*Assessment* : đánh giá, lượng giá, thẩm định.

*Subrogation* : thế quyền.

# Choice of applicable law - jurisdiction - settlement of disputes

## ***1. Introduction***

An export transaction has connections with at least two countries, that of the exporter and that of the importer. The performance of the agreement may also involve contacts with other countries, e.g. where goods are transported through a third country. It is therefore necessary to determine which law is to apply to the transaction. Moreover, once a contract has entered into effect, a number of factors may disturb its smooth performance and disputes may arise which can not be solved through friendly negotiations between the parties. One way of settling disputes is to resort to the ordinary jurisdiction of one of the countries involved ; in such a case, the question necessarily arises whether the plaintiff should take action in the courts of his own country or in those of the other party's country. In commercial matters parties may often use arbitration (i.e. a private procedure agreed upon by the parties) as a means of settling their dispute.

When negotiating the contract, businessmen are often reluctant to consider the important issue of which law shall govern their agreement and how potential disputes will be settled. This attitude is normally based on the belief that, once the basic questions (price, quality, payment conditions, etc.) have been agreed upon, the question of potential disputes is inappropriate or even irrelevant. Such an attitude is understandable, but can often cause greater problems. Importers and exporters should not hesitate to insist upon the inclusion in the contract of clear provision covering the governing law and the settlement of any disputes.

## ***2. Applicable law***

There has not been up to now no specific universally recognised law for international business transactions. In the absence of such a truly international business law, the agreement will normally be governed by the national law (s) of one or more countries involved in the export transaction.

### 3. Principle of party autonomy

Most national legal systems permit parties to an export transaction to choose the law which will govern their contractual relationship. This so-called "principle of party autonomy" generally allows the importer and the exporter to choose the law which, in their view, is most appropriate to their agreement. This law may be that of the importer's or that of the exporter's country, but it may also be of a third, neutral country. Very often, a neutral law is chosen for the reason that it is particularly well developed, such as the British shipping and insurance law. Such choice of a third "neutral" law will generally be accepted as reasonable by tribunals all over the world.

### Vocabulary and explanation

*To enter into effect* : to take effect, to be valid : có hiệu lực.

- *The new land law will enter into effect beginning this year and will not be retroactive.* (Luật đất đai mới sẽ có hiệu lực bắt đầu từ năm nay và không có tính cách hồi tố).

*To dispute* : tranh chấp, tạo nghi vấn ; *disputable* : có thể gây tranh chấp, nghi vấn.

- *This provision in the contract should be left out for it may be disputable.* (Điều khoản này không nên để vào hợp đồng vì nó có thể gây tranh chấp).

*Jurisdiction* : quyền lực pháp lý, quyền xét xử, quyền tài phán.

- *The Steel Corporation is a state-owned company under the jurisdiction of the Ministry of Heavy Industry.* (Tổng công ty thép là một công ty quốc doanh thuộc quyền quản lý của Bộ Công nghiệp nặng).

*Plaintiff* : người thưa kiện, bên nguyên cáo.

*Arbitration* : sự phân xử, sự làm trọng tài.

*Autonomy* : tính độc lập, tự quản, tự chủ ; *autonomous* : có tính độc lập, tự quản, tự chủ.

- *Most of the state-owned companies in Vietnam are given an autonomy in running their businesses.*

*Neutral* : có tính trung lập.

# Introduction to securities

Naturally, an investor is interested primarily in eventually selling a security for more than he paid for it. Including the receipt of interest or dividends during the time the security is held, the investor hopes to achieve a higher reward than would have been possible simply placing the same amount of money in a savings account. This reward, or return, must be measured and estimated for each security being considered, with appropriate adjustments for decision-making costs.

But in seeking rewards that exceed those available on savings accounts, every investor, consciously or not, faces the very risk that his hoped-for return will fall short of his expectation. Risk means the uncertainty in the probability distribution of returns. This aspect of investing in securities must also be measurable and estimated for each security being considered. The entire process of estimating return and risk for individual securities is known as security analysis.

Traditionally, analysts have attempted to identify undervalued securities to buy, and overvalued securities to sell. Modern-day thinking, strongly influenced by the efficient market hypothesis, questions the validity of or benefit to be derived from traditional security analysis. The concept of market efficiency means that stock prices nearly always fully reflect all available information. If this is so, it would be exceedingly difficult for the average investor or analyst to earn exceptional returns.

Securities that have return and risk characteristics of their own, in combination, make up a portfolio. Portfolios may or may not take on the aggregate characteristics of their individual parts. Portfolio analysis thus takes the ingredients of risk and return for individual securities and consider the blending or interactive effects of combining securities. Portfolio selection entails choosing the one best portfolio to suit the risk-return preferences of the investor. Portfolio management is evaluating and revising the portfolio in terms of stated investor objectives.

## Vocabulary and explanation

*Securities*: chứng khoán. Từ *securities* dùng để chỉ các loại đầu tư vào các cổ phiếu (*stocks, shares*) và trái phiếu (*bonds*).

*Investor* : nhà đầu tư. Ở đây không chỉ các nhà đầu tư sản xuất, mà chỉ các nhà đầu tư vào các tài sản trên chứng từ (*paper assets*).

*Return* : thu nhập, lợi tức.

*Risk* : rủi ro.

*Undervalued securities* : chứng khoán có giá thị trường thấp.

*Overvalued securities* : chứng khoán có giá thị trường cao.

*Efficient market theory* : lý thuyết thị trường hữu hiệu. Lý thuyết này cho rằng giá thị trường phản ánh kiến thức và kỳ vọng của mọi nhà đầu tư.

*Portfolio* : tập hợp các vốn đầu tư, thí dụ như cổ phiếu, trái phiếu, hàng hóa, đầu tư vào địa ốc hoặc các tích sản khác. Mục đích của *portfolio* là giảm bớt rủi ro bằng cách đa dạng hóa.

## Investment versus speculation

An investment is a commitment of funds made in the expectation of some positive rate of return. If the investment is properly undertaken, the return will be commensurate with the risk the investor assumes.

Generally, investment is distinguished from speculation by the time horizon of the investor, and often by the risk-return characteristics of the investment. The true investor is interested in a *good* rate of return, earned on a rather consistent basis for a relatively long period of time. The speculator seeks opportunities promising *very large* returns, earned rather quickly. The speculator is less interested in consistent performance than is the investor, and is more interested in the abnormal, extremely high rate of return than the normal, more moderate rate. Furthermore, the speculator wants to get these high returns in a short time and then seek greener pastures in other investment outlets.

The same stock can be purchased as a speculation or an investment depending on the motivation of the purchaser. For example, AT&T - American Telephone and Telegraph - is generally considered an investment-grade security. That is, it represents a basic service in the American economy, and therefore the firm and the price of its shares should grow pretty much with the economy on average over time.

Despite his motivations, the speculator's adds to the market's liquidity and depth, for he is frequently "turning over" (changing) his portfolio. Thus his presence provides a market for securities (depth) and a wider distribution of ownership of securities (breadth) and enhances the capital markets.

Investment in securities in the *capital markets* is a key factor in most economies of the world. If the economic environment is ripe and corporate management expectations are optimistic, a firm normally wishes to expand. This expansion can take the form of an enlarged physical facility, an increased sales force, or any one of a number of such factors. If conditions are appropriate, all this will lead to higher earnings

and higher prices for the firm's outstanding securities. Financing this expansion often comes about by gaining access to the capital market—namely, through the sale of stocks and bonds. Investors earn profits and these profits are called *capital gains*.

## **Vocabulary and explanation**

*To speculate* : đầu cơ ; *speculation* : sự đầu cơ ; *speculator* : người đầu cơ.

*Rate of return* : tỷ suất thu hồi vốn (lãi).

*To be commensurate with* : *to be equal to* ; *to be tantamount to*: tương ứng với.

- *The worker's salary must be commensurate with his labour.* (Lương bổng của người lao động phải tương ứng với công lao động của người ấy).

*The time horizon of the investor* : khoảng thời gian các nhà đầu tư theo đuổi và thực hiện các dự án đầu tư của mình.

*Greener pasture* : các đồng cỏ xanh hơn (ý nói các cơ hội kiếm lời tốt hơn).

*Abnormal* : bất bình thường.

*Capital market* : thị trường vốn. Thị trường này là thị trường cho các chứng khoán đáo hạn trên một năm, khác với *Money market* là thị trường cho các chứng khoán có thời gian đáo hạn dưới một năm.

*Depth* : bề sâu. Trong thuật ngữ đầu tư, từ này chỉ một hay hai chứng khoán, nhưng trong mỗi chứng khoán có nhiều loại.

*Breadth* : bề rộng. Chỉ nhiều chứng khoán, nhưng số loại không nhiều.

*Capital gain* : tiền lãi có được do sự chênh lệch giữa giá mua và giá bán một chứng khoán.

## The investment process - security analysis

Traditional investment analysis, when applied to securities, emphasises the projection of prices and dividends. That is, the potential price of a firm's common stock and the future dividend stream are forecast, then discounted back to the present. This *intrinsic value* is then compared with the security's current market price (after adjusting for taxes and commissions). If the current market price is below the intrinsic value, a purchase is recommended. Conversely, if the current market price is above this intrinsic value, a sale is recommended.

Although modern security analysis is deeply rooted in the fundamental concepts just outlined, the emphasis has shifted. The more modern approach to common-stock analysis emphasises return - and - risk estimates rather than more price and dividend estimated. The return - and risk estimates, of course, are dependent on the share price and the accompanying dividend stream.

Any forecast of securities must necessarily consider the prospects of the economy. The economic setting greatly influences the prospects of certain industries, as well as the psychological outlook of the investment public. Among industries the impact of the economy will differ, and thus it is incumbent on the analyst to be thoroughly informed about any industry peculiarities. Even within industries, the outlook for specific firms will differ. A company's outlook will be related to such things as product line, production efficiency, marketing force, finances, and management capability.

### Vocabulary and explanation

*To discount* : chiết khấu ; *discount rate* : lãi suất chiết khấu (dùng cho các ngân hàng trung ương) hoặc chiết khấu dùng trong quy đổi về hiện giá.

*Present value* : hiện giá ; *discounted back to the present value* : chiết khấu (quy đổi) về hiện giá. Xin giải thích như sau : nếu một người cho

vay 100 USD với lãi suất 5 %/năm, vào cuối năm người đó sẽ nhận lại vốn lẫn lãi là :  $100 \text{ USD} + 100 \text{ USD} \times 5 \% = 105 \text{ USD}$ . Nếu người đó không lấy lại vốn lẫn lãi sau một năm mà cho vay thêm một năm nữa, thì cuối năm thứ hai, người đó sẽ nhận vốn lẫn lãi là :  $105 + 105 \times 5 \% = 105 (1 + 0,05)$  hay  $100 \text{ USD} (1 + 0,05)^2 = 110,25 \text{ USD}$ . Bây giờ đặt câu hỏi ngược lại là nếu cuối năm người đó sẽ nhận một số tiền là 105 USD, vậy hiện giá của số tiền đó là bao nhiêu ? Câu trả lời là 100 USD ở lãi suất 5 % nghĩa là hiện giá của một 100 USD =  $105 \text{ USD} / (1 + 0,05)$ . Hiện giá của một số tiền 110,25 USD là  $100 \text{ USD} = 110,25 \text{ USD} / (1 + 0,05)^2$ . Theo định nghĩa 0,05 là lãi suất và  $1/(1 + 0,05)$  là suất chiết khấu.

*Intrinsic value* : giá trị thực chất ; *intrinsic value of a bond* : giá trị thực chất của một trái phiếu. Giá trị thực chất của một trái phiếu là giá trị của nó chiết khấu về hiện giá. Một trái phiếu có một mệnh giá (*nominal value*) và một lãi suất (*yield*), và thời gian đáo hạn là  $n$  năm. Lãi của một trái phiếu được hưởng hàng sáu tháng. Vậy nếu một trái phiếu có mệnh giá là 1.000 USD, thời gian đáo hạn là ba năm, và lãi là 5 %, thì mỗi năm người giữ trái phiếu được hưởng lãi là  $5 \% \times 1.000 \text{ USD} = 50 \text{ USD}$ . Sau khi trái phiếu đáo hạn, người đó được hưởng trọn mệnh giá của trái phiếu, tức 1.000 USD. Hiện giá của trái phiếu này như vậy là  $PV = 50 \text{ USD} / (1 + 0,05) + 50 \text{ USD} / (1 + 0,05)^2 + 50 \text{ USD} / (1 + 0,05)^3 + 1.000 \text{ USD} / (1 + 0,05)^4$ .

Khi so sánh giá thị trường của trái phiếu với hiện giá của nó, người ta sẽ quyết định bán nó ra hay mua vào.

*Economic setting* : hoàn cảnh, môi trường kinh tế.

*Return - and - risk estimates* : sự suy đoán về mức lợi và rủi ro.



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## Import - Export

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# Importing : selecting products and suppliers

1. Selecting the right product is among the most important steps in founding a successful import/export business.

While an excellent choice of products does not guarantee success, a very poor choice will all but guarantee failure. This chapter will help you learn how to develop product ideas, test them for feasibility, and locate and work with foreign suppliers.

## *Getting product ideas*

Traveling is a great way to get product ideas. A few weeks ago, I was sitting in the Hostal Los Alpes in Quito, Ecuador. That morning I had bought a fabulously beautiful wool sweater for 720 Sucres, \$ 8.37 at the current rate of exchange. Should I have bought a hundred to sell back in the United States ? Should I have taken a few to show to buyers in several stores so that, if I found a great deal of interest, I could return to purchase a great quantity ?

Another excellent way to find products to import is to read specialized publications from foreign countries. Many of these are published by public and private-sector export promotion organizations abroad. Most countries have export promotion offices in New York ; Washington. DC ; Los Angeles ; and other major United States cities, and if you call or visit them they can give you sample copies of useful publications. Some of these offices can also show you product samples, give you names and addresses of potential suppliers, and even publish your inquiries in their countries.

2. *Trade Promotion Organizations.* As mentioned before, many countries have public and/or private sector trade promotion offices in the United States that can help you find suppliers. Two countries that do this well are Brazil and South Korea. If you write the New York office of the Korea Traders Association (KTA), and say you want to import (an example I was involved in) high-density plastic bags, you'll receive several offers over the next couple of months.

*Electronic Bulletin Boards.* There are some trade opportunity electronic bulletin boards that you can use. One, called "Network," is operated by the World Trade Centers Association. You can get information about Network by calling 212-466-7196, or from any of the World Trade Centers that have been established in major U.S. cities. Another, named "International Business Network," is based in Rye, New York (telephone 914-921-1400). The cost as of early 1991 was \$50 for registration plus \$30 per hour of network time. Both of these systems can be accessed by computer and enable you to communicate electronically with other subscribers. The firm in Rye has other on-line services such as a worldwide list of trade exhibits.

*Import-Export Service Companies.* Import-export service firms also can help you find potential suppliers, with the obvious purpose of keeping and increasing your business.

## **Terminology study**

*To import :* nhập khẩu

*To export :* xuất khẩu

*Import :* sự nhập khẩu ; *importer :* nhà nhập khẩu

*Export :* sự xuất khẩu ; *exporter :* nhà xuất khẩu

- *Selecting the right product is among the most important steps in founding a successful import/export business.* (Chọn được đúng sản phẩm là một trong các bước quan trọng nhất trong việc thiết lập công cuộc kinh doanh xuất nhập khẩu có kết quả).

*To supply :* cung cấp, cung ứng

*Supplier :* nhà cung cấp

- *This chapter will help you learn how to develop product ideas, test them for feasibility, and locate and work with foreign suppliers.* (Chương này sẽ giúp quý vị biết được cách triển khai các ý tưởng về sản phẩm, thử chúng về tính khả thi, xác định ra và làm việc với các nhà cung cấp nước ngoài).

*Specialized publications :* các ấn phẩm chuyên ngành

- *Another excellent way to find products to import is to read specialized publications from foreign countries.* (Một cách rất hay nữa nhằm tìm ra các sản phẩm để nhập khẩu là đọc các ấn phẩm chuyên ngành của nước ngoài).

*Public-sector* : khu vực công

*Private-sector* : khu vực tư

- *These publications are published by public and private-sector export promotion organizations abroad.* (Các ấn phẩm này được các tổ chức khuyến khích xuất khẩu, khu vực công cũng như khu vực tư ở nước ngoài xuất bản).

*An offer* : sự chào hàng (do người bán thực hiện)

*An order* : sự đặt hàng (do người mua thực hiện)

- *Our company has placed an order for a new fax machine.* (Công ty chúng tôi đã đặt mua một máy fax mới).

- *You will receive several offers over the next couple of months.* (Quý vị sẽ nhận được nhiều đề nghị cung cấp (chào hàng) trong vài tháng tới).

*Electronic bulletin boards* : bản tin điện tử

- *There are some trade opportunity electronic bulletin boards that you can use.* (Có vài bản tin điện tử về cơ hội mậu dịch mà quý vị có thể sử dụng).

*Subscriber* : người thuê bao

- *Telephone subscribers will receive a bill every month.* (Những người thuê bao điện thoại sẽ nhận được hóa đơn tính tiền hàng tháng).

*On-line* : được nối mạng với trung tâm dữ liệu của một hệ thống máy vi tính.

- *On-line updating of the customer orders database.* (Cập nhật hóa trung tâm dữ liệu về các đơn đặt hàng của khách hàng được nối mạng).

## Getting Samples for Testing

In the process of getting product ideas, you will have probably found several potential foreign suppliers. Contact them, by mail or fax, and ask for their catalogs and export price lists. At this stage, you don't have to give information about yourself or your company.

When the catalogs come, examine them carefully and, if possible, show them to people who are in business and can give you good advice as to what will sell. Pick out a small number of items that you think you can (1) transport to the United States at a reasonable cost, (2) bring into the country with minimum difficulty, and (3) sell in sufficient quantities to be profitable. (Future chapters will explain each of these points in detail). Then, ask for samples.

If the items are inexpensive and you want to try to get samples for free, write a very professional letter on your new business stationery. Explain that you are an importer and that you have potential customers for products of the exporting firm. Then ask for a small number of samples, "for testing", and specify exactly which models you want and how many you want of each. If the package will be too valuable, bulky, or heavy to send by air mail, you should ask that it be shipped collect by courier or air freight. This procedure will usually get you either the samples or a quick reply explaining that you will have to pay for them.

### Terminology study

*Samples* : hàng mẫu

- *If the items are inexpensive and you want to try to get samples for free, write a very professional letter on your new business stationery.* (Nếu các món hàng giá không đắt và quý vị muốn thử có các hàng mẫu miễn phí, quý vị hãy viết một lá thư rất chuyên môn trên giấy thương mại mới).

*Exporting firm* : hãng xuất khẩu, công ty xuất khẩu.

- *Explain that you are an importer and that you have potential customers for products of the exporting firm.* (Hãy giải thích rằng quý vị

là một nhà nhập khẩu và quý vị có các khách hàng tiềm tàng cho các sản phẩm của hãng xuất khẩu đó).

*Bulky (adj.)* : cồng kềnh

*To be shipped collect* : được gửi, cước phí do người nhận trả.

- *If the package will be too valuable, bulky, or heavy to send by air mail, you should ask that it be shipped collect by courier or air freight.* (Trường hợp kiện hàng rất có giá trị, cồng kềnh hoặc quá nặng không gửi được bằng thư hàng không, quý vị nên yêu cầu được gửi bằng hãng đưa tin hoặc bằng đường hàng không, do quý vị trả cước phí).

*Model* : kiểu, kiểu mẫu (hàng hóa, sản phẩm).

- *Specify exactly which models you want and how many you want of each.* (Hãy chỉ định rõ quý vị muốn kiểu nào và mỗi kiểu là bao nhiêu).

## Testing Product Ideas

The sad fact is that most foreign products, as you receive them, will not be "right" for the United States market. They may not satisfy government regulations or consumer preferences, the price may be too high, or buyers may not be interested. Therefore, you should go through a testing process to find out whether the product will sell as is, will not sell at all, or (the most likely) will sell with modifications in its design, size, package, brand, price, or other characteristics.

First, try to determine the uses of your product and who would be the consumers (actual users) and the customers (buyers). Often the two are different. Then try to determine where (from which kinds of stores or other suppliers) the customers would buy the product. Identify several of these, make appointments to see them, and show them the product. Try making appointments by saying that you are an importer of (type of product), you have a new item that you are considering adding to your line, and you would appreciate the buyer's opinion of the new item.

When you meet with buyers, ask them what they think of the product, whether they would recommend any changes in the product or its package, whether they would be likely to buy it from an importer (or from a foreign exporter through you as an agent), if so, how often they would order and in which season, how many they would order at a time, *and how much they would pay.*

### Terminology Study

*Regulations* : các quy định

*To regulate in detail* : quy định chi tiết

- *The Government has just promulgated the regulations on mortgaging and pledging assets against bank loans.* (Chính phủ vừa ban hành các quy định về thế chấp và cầm cố tài sản để vay vốn ngân hàng).

*Preference* : sở thích, sự ưu đãi ; *Preferential (adj.)* : ưu đãi

- *They may not satisfy government regulations or consumer preferences.* (Có thể chúng không thỏa mãn được các quy định của chính phủ hoặc sở thích của người tiêu dùng).

*To modify* : sửa đổi ; *modification (n.)* : sự sửa đổi

*Design* : kiểu dáng, thiết kế.

*Size* : kích thước, cỡ

*Package* : bao bì

*Brand* : nhãn hàng, hiệu

- *The product will sell with modifications in its design, size, package, brand, price or other characteristics.* (Sản phẩm sẽ bán được với sự sửa đổi về kiểu dáng, kích thước, bao bì, nhãn hàng, giá cả hoặc các đặc điểm khác).

*Agent* : đại lý

*To order* : đặt hàng ; *Order* : sự đặt hàng, đơn đặt hàng

- *You can place an order through an agent.* (Quý vị có thể đặt hàng thông qua một đại lý).

## Finding foreign suppliers

Let's suppose that one of the products you looked at has passed the market test with flying colors. You will probably be inclined to start doing business with the company you got samples from, but this is not necessarily the best option. You should explore other options in the same country and perhaps in other countries as well.

In the process of finding products by traveling, reading specialized publications, attending trade shows, and perhaps checking statistics, you will develop a list of potential suppliers. If you do not have such a list, you can look at foreign manufacturers or exporters directories, ask for help from the countries' trade promotion organizations, consult electronic trade opportunity services, contact import/export service firms, and/or travel abroad.

**Foreign business directories.** Business directories from most countries can be found in their trade promotion offices or embassies in the U.S. and in major libraries. Also, several can be purchased from Croner Publications in Westbury, New York, (telephone 516-333-9085). The *Kompass* directories, for example, give excellent information on substantial firms in most major countries. You should be somewhat wary of using directories of exporters from developing countries. I've seen cases in which, to make the directory look good, it is padded by putting in tiny companies that have only dreamed of selling abroad.

**Traveling Abroad.** Finally, you can identify potential suppliers by traveling abroad. Suppose you want to import artificial flowers and you get off a plane in Tegucigalpa, Honduras. Check in at the Hotel Maya, or wherever you plan to stay, then visit the Promotion Department of the Directorate General of Foreign Trade, of the Ministry of Economy, to get a list of exporters. Call them to make appointments. If you need an interpreter, the American Chamber of Commerce can help you find one to hire. There is an AMCHAM in almost every country, and the United States embassy can direct you to it. This method works in most

countries, except that your first visit should sometimes be to an association of exporters rather than a government office. You can identify these organizations before your trip by looking in *Croner's Reference Book for World Traders*, which is in libraries and is for sale by Croner Publications in Westbury, N.Y. (New York City telephone 718-464-0866). In general, there is no point in visiting the commercial office at the American Embassy. It will take you 20 minutes to get past the embassy guards; then, when you say you want to import to the United States, you will be given little or no assistance.

In some cases, you can plan your trip abroad to coincide with a trade exhibit. Want to import exotic clothing? Why not visit Trinidad during the "Colour Me Caribbean" Fashion Week. Call Trinidad Express Newspapers at 809-623-1111 to ask when the next one will be held. There are hundreds of trade shows overseas. You can find out about many of them from foreign countries' trade promotion offices, the International Business Network.

## Terminology Study

*With flying colors* : với thành công to lớn, một cách mỹ mãn.

- *Let's suppose that one of the products you looked at has passed the market test with flying colors.* (Hãy giả dụ là một trong các sản phẩm quý vị lưu tâm đã qua được sự sát hạch của thị trường một cách mỹ mãn).

*Trade promotion organizations* : các tổ chức xúc tiến mậu dịch.

*Directory* : quyển niên giám.

- *Business directories from most countries can be found in their trade promotion offices or embassies in the U.S.* (Có thể có được các quyển niên giám kinh doanh từ hầu hết các nước tại các văn phòng xúc tiến mậu dịch hoặc tại các tòa đại sứ các nước đó tại Mỹ).

*To purchase* : mua, thu mua.

*Purchase (n.)* : sự mua, sự thu mua.

- *This company is a hub of purchase of commodities for export.* (Công ty này là một đầu mối thu mua hàng hóa xuất khẩu).

*To be wary of* : thận trọng, dè dặt.

- *You should be somewhat wary of using directories of exporters from developing countries.* (Quý vị nên thận trọng một chút khi sử dụng các quyển niên giám của các nhà xuất khẩu từ các nước đang phát triển).

*To pad* : dộn thêm, nhồi thêm (để trông lớn hơn, tăng kích thước).

*To identify* : xác định được, xác định được căn cước.

- *Finally, you can identify potential suppliers by traveling abroad.* (Cuối cùng quý vị có thể xác định được các nhà cung cấp có tiềm lực bằng cách đi du lịch nước ngoài).

*Artificial flowers* : hoa giả.

*To check in* : làm thủ tục thuê phòng.

*To check out* : làm thủ tục trả phòng.

- *Check in at the Hotel Maya or wherever you plan to stay.* (Hãy làm thủ tục thuê phòng tại khách sạn Maya hoặc bất cứ chỗ nào khác mà quý vị dự trù lưu trú).

*AMCHAM (American Chamber of Commerce)*: Phòng Thương mại Mỹ.

- *There is an AMCHAM in almost every country, and the United States embassy can direct you to it.* (Tại hầu hết mỗi quốc gia đều có một Phòng Thương mại Mỹ và Đại sứ quán Mỹ có thể hướng dẫn quý vị tới đó).

# International Trade Agreement

The following are some topics that international trade agreements often include. Many of these are relevant to both foreign and domestic purchasing, as well as foreign and domestic selling, whether you plan to work as an agent or as a merchant.

**The Products.** An agreement usually names the products you will handle. The supplier may, for example, give you her line of TV sets but not her computers monitors.

**Competing Products.** Some suppliers will try to restrict you from handling products that compete with theirs. Other will want you to handle several lines, so the customers will go to you instead of to another agent or importer.

**Sales Targets.** Suppliers often want to have sales targets or minimums written into agreements. A target tells you how much you are supposed to sell, tells the supplier how much you are likely to sell, and gives the supplier a way to void the agreement if you do not perform satisfactorily.

**The Territory.** This is the geographical area in which you are authorized to sell the product and which you are supposed to cover. If you have exclusivity in the territory as a merchant, the supplier should not deal with any other importer who sells there. If you have exclusivity as an agent, you should receive a commission on every sale made to a customer in the area.

**Prices, mark-ups, commissions.** The "principal" - (the foreign supplier in this instance) - usually sets the price at which his agents must sell. The agreement will specify the percent of commission to be paid as well as when it will be paid. For example, a U.S. agent for heavy equipment from Germany might receive 5 percent of the f.o.b./vessel value of shipments, payable when the German supplier receives a letter of credit.

It is common also to have allowable mark-ups for import merchants included in their contracts. This is because an importer may be able to earn more by selling a small quantity, for a large mark-up, than by selling a large quantity for a small mark-up. In such a case, however, the supplier will not do well.

**Payment terms.** International trade agreements usually say how the supplier wants to be paid, either by an agent's customers or by his

importer. If the supplier agrees to sell on other than secure terms such as Cash in Advance, orders will be subject to approval by his credit department.

**Shipping terms.** Agreements between exporters and importers usually state how the exporter intends to ship, that is, to which point in the journey he will make shipping arrangements, retain title to the merchandise, and be responsible for loss or damage. This kind of clause is often omitted in an agency agreement.

**Level of Effort.** The exporter may want a clause that gives a minimum number of person-hours or sales calls that you must devote to selling the product. More often a vague term such as "best effort" is used, but if the supplier wants to cancel the contract and finds no other grounds for doing so, you may be accused of not putting forth your best effort.

**Promotion.** There are often clauses in a contract that state how much promotion an importer will be responsible for and/or how much assistance the exporter will provide. For example, an importer of new canned food products may get 13 cases for every 12 he orders in the first year. The extra case is for promotional use.

**Service and Warranties.** Any product can be defective, and there should be contractual provisions that say what will happen in such instances. The exporter may agree to replace defective products at his expense, take them back for repair, or pay you for repairing them. The exporter will be very concerned about the warranty given to final buyers because, in most cases, he will end up paying the cost of repairs done under warranty.

**Priority of Orders.** Export merchants or agents will always want their orders to be given priority over the supplier's domestic orders. This decreases the possibility that a customer tires of waiting and cancels his or her order.

**Order Lead Times.** This is a clause similar to the above, that specifies how soon the supplier should ship after receiving an order from you. It may say, for example, that your orders will be shipped within 30 days of receipt by the exporter.

**Reporting.** The supplier may want a clause that specifies how often you should send reports. These reports may cover your sales activities, sales results, and changes in the market country including the economy, government regulations, competition, and customers.

**Patent and Trademark.** Foreign manufactures' products may be patented or carry unique trade names or marks. In such case, they will usually apply for U.S. patents and/ or register the names or marks in the United States, or ask you to do so on their behalf. Both registrations are with the Commissioner of Patents and Trademarks, Washington, DC 20231. Getting a patent is often time consuming and expensive, while registering a trademark, if it is truly unique, is quick and inexpensive.

You may want to register your own trademark and have the supplier put it on the items you purchase. Then you will own it and can use it even if you change suppliers. As an option, you can have labels printed and send them to the foreign manufacture. Under new, simplified rules you can register a U.S. trademark without having previously used it in interstate or international commerce.

Trademarks and brand names can also be registered with the U.S. Customs Service. Then Customs will try to stop imports of counterfeit goods, such as fake Apple computers. As it now stands, however, Customs will not normally enforce business agreements. If you are the exclusive U.S. importer of "Beautiful You" cosmetics, and your supplier ships legitimate Beautiful You products to someone else in the United States, they will probably be allowed entry.

If your suppliers hold U.S. patents or trademarks, they may ask you to watch for cases of infringement. What action you must take if you hear of infringement depends on your agreements with the suppliers.

**Relabeling and Repackaging.** Sometimes manufacturers will want you to agree not to relabel or repackage their merchandise. In other cases it will be better for them to ship in bulk and have you repackage, under their labels or yours. Suppose, for example, that you import catfish for human consumption. The market for catfish in America is comprised significantly of strong, patriotic people who buy Fords and Chevrolets no matter how much better and cheaper Toyotas are. You probably couldn't sell catfish in consumer packages that said, "Produce of China".

**Legal Agent.** Most supply agreements have simple statements that the agent or importer is not a legal agent of the supplier. That is, you cannot enter into commitments that the supplier will be obliged to fulfill.

**Assignment.** There is usually a clause that says you can't assign the agreement to anyone else without the supplier's approval. Without this clause, the supplier would have no control over who ended up representing him.

**Duration and termination.** There is usually a statement that sets forth the term of the contract, whether it will automatically be renewed if not canceled by either party, and how it can be canceled. Normally, the initial term of an agency or distributorship agreement should be for about two years. You don't want to work very hard for a year and have the agreement canceled just when you begin to write orders.

**Disputes.** Finally, there is a clause that relates to the settlement of disputes. The agreement may say in which country disputes will be settled and which country's laws will apply. It is more common, however, to specify arbitration. International contractual disputes are often settled by arbitration under the auspices of the American Arbitration Association in Washington, DC or the International Chamber of Commerce in Paris.

If, however, you choose your suppliers carefully and deal with them competently and honestly, you should be able to resolve any disputes with neither law suits nor arbitration. Ultimately, a long-term business arrangement will not benefit you if it does not benefit the other party. Throughout the world, business is fueled by- profit, but it is oiled by friendship and trust.

## Terminology study

*International trade agreement* : hợp đồng mậu dịch quốc tế.

- *The following are some topics that international trade agreements often include.* (Sau đây là một số nội dung mà các hợp đồng mậu dịch quốc tế thường bao gồm).

*An agent* : một đại lý.

- *An agent is a person or an organization that buys or sells goods for someone else.* (Đại lý là một người hay một tổ chức mua hoặc bán hàng hóa cho người khác).

*A merchant* : một thương nhân, một nhà bán buôn.

- *Many of these are relevant to both foreign and domestic purchasing and selling, whether you plan to work as an agent or as a merchant.* (Nhiều trong số nội dung này có liên quan đến cả mua và bán trong nước cũng như nước ngoài, cho dù quý vị dự trữ làm ăn như một đại lý hay một thương nhân).

*Sales targets* : chỉ tiêu doanh số bán.

- *Suppliers often want to have sales targets or minimums written into agreements.* (Các nhà cung cấp thường muốn ghi chỉ tiêu doanh số bán hoặc doanh số bán tối thiểu vào hợp đồng).

*To void* : làm vô hiệu (một hợp đồng), làm mất hiệu lực.

*Null and void* (adj) : vô hiệu

- *The document was declared null and void.* (Chứng từ đã bị tuyên bố vô hiệu).

*Territory* : lãnh thổ.

- *This is the geographical area in which you are authorized to sell the product and which you are supposed to cover.* (Đây là khu vực được ủy quyền bán sản phẩm và là phạm vi mà quý vị nghĩ là quý vị có thể phụ trách, bán được).

*Mark-up* : tỷ lệ phần trăm giá bán buôn hoặc giá vốn được phép thêm vào để thành giá bán lẻ hoặc giá bán.

- *It is common also to have the allowable mark-ups for import merchants included in their contracts.* (Thông thường tỷ lệ phần trăm cho phép sai biệt giữa giá buôn và bán lẻ cũng được bao gồm trong hợp đồng).

*Commission* : tiền hoa hồng.

- *The estate agent required 2% commission on the proceeds from the sale of the house.* (Nhà đại lý bất động sản đòi 2% tiền hoa hồng trên số tiền bán ngôi nhà).

*Payment terms* : điều khoản thanh toán, điều kiện thanh toán.

- *Under the payment terms of the contract, the importer must open an irrevocable confirmed letter of credit.* (Theo điều khoản thanh toán của hợp đồng, nhà nhập khẩu phải mở một tín dụng thư không hủy ngang, có xác nhận).

*Shipping terms* : điều khoản, điều kiện chuyên chở.

- *Shipping terms are often omitted in an agency agreement.* (Điều khoản về chuyên chở thường không được nói đến trong một hợp đồng đại lý).

*Title* : quyền sở hữu.

*Title deeds* : bằng khoán đất, chứng từ sở hữu đất.

- *Do you have proof of title?* (Ông có chứng cứ về quyền sở hữu không ?).

*Defective products* : các sản phẩm bị khuyết tật, các sản phẩm không hoàn hảo.

- *The exporter may agree to replace defective products at his expense.*  
(Nhà xuất khẩu có thể đồng ý thay thế các sản phẩm không hoàn hảo và hoàn toàn chịu mọi chi phí).

*At one's expense* : chịu mọi chi phí.

- *Defective products will be repaired at the exporter's expense.* (Các sản phẩm khuyết tật sẽ được sửa chữa do nhà xuất khẩu chịu mọi chi phí).

*Priority of orders* : ưu tiên cho các đơn đặt hàng.

- *Their orders are given priority over the supplier's domestic orders.*  
(Các đơn đặt hàng của họ được ưu tiên hơn các đơn đặt hàng trong nước của nhà cung cấp).

*To cancel order* : hủy bỏ một đơn đặt hàng.

- *This decreases the possibility a customer tires of waiting and cancels his order.* (Điều này làm giảm khả năng một khách hàng chán nản trong việc chờ đợi và hủy bỏ đơn đặt hàng).

*Service* : sửa chữa, bảo trì.

*Warranty* : đảm bảo bồi thường (nếu sản phẩm bị khuyết tật, hư hỏng do kỹ thuật sản xuất).

*To report* : báo cáo, tường trình.

*Report* : bản báo cáo, bản tường trình.

- *The supplier may want a clause that specifies how often you should send reports.* (Nhà cung cấp có thể muốn có một điều khoản quy định sẽ bao lâu quý vị nên gửi các bản báo cáo).

*Government regulations* : các qui định của chính phủ.

*To regulate* : quy định.

- *This Circular regulates in detail the implementation of law on land.* (Thông tư này qui định chi tiết việc thực hiện luật đất đai).

*Patent* : bằng sáng chế, bằng phát minh.

*Trademark* : nhãn hiệu hàng hóa, nhãn hiệu cầu chứng.

- *Getting a patent is often time-consuming and expensive, while registering a trademark, if it is truly unique, is quick and inexpensive.* (Nhận được bằng sáng chế thường mất nhiều thời gian và tốn kém, trong khi đăng ký nhãn hiệu hàng hóa, nếu thực sự đó là nhãn hiệu hàng hóa duy nhất, thì nhanh và không tốn kém).

*Label* : nhãn, nhãn hàng

- *I read the information on the label before deciding which kind to buy.* (Tôi đọc các thông tin ghi trên nhãn trước khi quyết định mua loại nào).

*Counterfeit goods* : hàng giả.

- *Customs will try to stop imports of counterfeit goods.* (Hải quan sẽ cố gắng ngăn chặn việc nhập khẩu các hàng giả).

*Fake Apple computers* : máy vi tính hiệu Apple giả.

*Exclusive importer* : nhà nhập khẩu độc quyền.

- *This is the exclusive importer of "Beautiful You" cosmetics.* (Đây là nhà nhập khẩu độc quyền loại mỹ phẩm hiệu Beautiful You).

*Infringement* : sự vi phạm.

- *If your suppliers hold U.S. patents or trademarks, they may ask you to watch for cases of infringement.* (Nếu các nhà cung cấp của quý vị sở hữu các bằng sáng chế hoặc các nhãn hiệu hàng hóa Mỹ, họ có thể yêu cầu quý vị lưu ý đến các trường hợp vi phạm).

*Relabeling* : dán lại nhãn khác.

*Repackaging* : đóng lại bao bì khác.

- *Sometimes manufacturers will want you to agree not to relabel or repackage their merchandise.* (Đôi khi các nhà sản xuất muốn quý vị thỏa thuận là sẽ không dán lại nhãn hàng hóa hoặc bao bì hàng hóa của họ).

*Legal agent* : đại lý hợp pháp.

*Supply agreement* : hợp đồng cung cấp.

*To assign* : chuyển nhượng quyền sở hữu.

*Assignment* : sự chuyển nhượng quyền sở hữu.

- *There is usually a clause that says you can't assign the agreement to anyone else without the supplier's approval.* (Thường có một điều khoản qui định rằng quý vị không thể chuyển nhượng hợp đồng cho một người khác nếu không có sự đồng ý của nhà cung cấp).

*Duration* : thời hạn (hợp đồng).

*Termination* : sự chấm dứt (hợp đồng).

*To renew* : gia hạn (hợp đồng) ; *renewal* : sự gia hạn.

- *The duration of this contract is for two years.* (Thời hạn của hợp đồng này là hai năm).

- *Any renewal and/or termination must be subject to mutual agreement.* (Bất cứ sự gia hạn và/hoặc chấm dứt hợp đồng phải được sự chấp thuận của hai bên).

*Dispute* : sự tranh chấp.

*Settlement of dispute* : sự giải quyết tranh chấp.

- *Finally, there is a clause that relates to the settlement of disputes.* (Sau cùng, có một điều khoản liên quan đến việc giải quyết các tranh chấp).

*Arbitration* : sự trọng tài.

*The American Arbitration Association* : Hiệp hội Trọng tài Mỹ.

*Under the auspices of* : dưới sự bảo trợ của.

- *The seminar is held under the auspices of the World Bank.* (Cuộc hội thảo được tổ chức dưới sự bảo trợ của Ngân hàng Thế giới).

- *The award of the arbitration body shall be final.* (Quyết định của cơ quan trọng tài là quyết định cuối cùng).

## Marketing imports as a merchant

As a merchant, you will actually import goods from overseas, take title to them and probably (but not necessarily) possession of them, and sell and deliver them to your customers. A merchant normally invests more money and performs more functions than an agent, but has the potential to make a larger profit. Unfortunately, since a merchant loses if he or she cannot sell, or sells but cannot collect, there is also a potential for losing money.

In general, an import merchant will not sell to importers but to retailers, wholesalers, industrial users, and industrial distributors. The term *retailers* includes chain stores, independent stores, mail order retailers, flea market operators, and other kinds of businesses that sell directly to individual consumers. The term *industrial users* includes business, government, and nonprofit organizations of all types. In general, *wholesalers* are merchant (buy and sell) firms that sell to retailers and *industrial distributors* are merchant firms that sell to industrial users.

If you choose to sell directly to retailers, you can identify them from telephone directories or from specialized directories such as the *Salesman's Guide* series from the publishing company of the same name in New York City. There are similar books available from Merchandiser Publishing Company in New York City and from Phelon, Sheldon & Marsar Inc. in Fairlawn, New Jersey. These directories list the names and telephone numbers of the buyers of each kind of merchandise in major stores and store chains.

### Terminology study

*To take title* : thủ đắc quyền sở hữu.

*Title document* : chứng từ sở hữu.

*To take possession* : chiếm hữu, nắm giữ (tài sản).

- *You will import goods, take title to them and take possession of them.*  
(Quý vị sẽ nhập khẩu hàng hóa, thủ đắc quyền sở hữu và chiếm hữu hàng hóa).

*Retailer* : người bán lẻ, nhà buôn lẻ.

*Wholesaler* : người bán sỉ, người bán buôn.

*Mail order retailer* : nhà buôn bán lẻ, đặt hàng qua bưu điện.

*Flea market* : chợ lạc xoong, chợ trời.

*Consumer* : người tiêu dùng.

*User* : người dùng, người tiêu thụ.

*Distributor* : người (nhà) phân phối.

- *In general, wholesalers are merchant firms that sell to retailers and industrial distributors are merchant firms that sell to industrial users.* (Nói một cách tổng quát, nhà buôn bán là các hãng thương nhân bán hàng cho những nhà buôn bán lẻ, còn nhà phân phối công nghiệp là các hãng thương nhân bán hàng cho những người tiêu thụ công nghiệp).

*Telephone directory* : niên giám điện thoại.

- *If you choose to sell directly to retailers, you can identify them from telephone directories.* (Nếu quý vị chọn phương thức bán hàng trực tiếp cho những nhà buôn lẻ; quý vị có thể nhận biết họ trong các quyển niên giám điện thoại).

## Marketing exports

Assuming you are not a manufacturer, but choose to export products made by other firms, you will have to select and test products, select market countries and perhaps market segments, decide how to make your product available to each market segment (which kind of distribution channel), develop the channel, and price and promote the products so as to maximize your profit. All these activities are critical to your success.

Suppose, for example, that you have worked as a head nurse and want to become an exporter of nurses' uniforms, from the cap to the shoes. You begin by contacting the sales representatives, whom you already know, of several American manufacturing firms. You find several who are willing to work with you, select three or four whose products will give you a complete line, and sign a preliminary agreement with each one. In speaking with them you find that very few have substantial export experience and are willing to perform the export function. Thus, you will probably have to work as an export merchant. This will make it easier for you to combine products from various manufacturers in the same shipment in order to serve your customers better.

Next, you must select market countries in which there are substantial numbers of nurses, competition is not overly severe, and there is money to pay for imported goods.

### Terminology study

*Market country* : quốc gia có nền kinh tế theo cơ chế thị trường, thị quốc.

*Market segment* : phân thị trường, thị phần.

- *Our products take up a considerable market segment in the United States.* (Sản phẩm của chúng tôi chiếm một thị phần đáng kể ở Mỹ).

*To maximize* : tối đa hóa.

- *You will have to decide how to make your product available to each*

*market segment so as to maximize your profit.* (Quý vị sẽ phải quyết định xem phải làm sao để sản phẩm của quý vị có mặt tại mỗi thị phần nhằm tối đa hóa lợi nhuận).

*Nurses' uniforms* : đồng phục của y tá.

*Sales representative* : người (hãng) đại diện bán hàng.

- *You begin by contacting the sales representatives, whom you already know, of several American manufacturing firms.* (Quý vị bắt đầu bằng cách tiếp xúc với các đại diện bán hàng mà quý vị đã biết, của nhiều hãng sản xuất Mỹ).

*Preliminary agreement* : hợp đồng mở đầu, hợp đồng sơ bộ.

- *A preliminary agreement just sets forth general terms and conditions used as grounds for detailed agreements to follow.* (Một hợp đồng sơ bộ chỉ nêu các điều kiện tổng quát dùng làm cơ sở cho các hợp đồng chi tiết sau này).

*Imported goods* : hàng nhập.

*Exported goods* : hàng xuất.

*Export function* : chức năng xuất khẩu.

*Shipment* : sự chở hàng, chuyển hàng.

## Establishing distribution abroad

Note that emphasis here is on setting up long-term distribution arrangements rather than on making *ad hoc* sales that may never be repeated. Some ways of finding foreign representatives are using the "Agent/Distributor Service" (ADS) of the U.S. Department of Commerce, contacting firms listed in the USDC "Foreign Trade Index", advertising in foreign trade magazines, and exhibiting in trade shows in your target markets.

Several years ago I used ADS to help me find potential agents for office products in Nigeria. You can do likewise for any product and country. For a small fee, U.S. commercial officers will select and send you information on three potential agents or distributors. You can also identify potential "reps" by having a computer run done from the Foreign Trade Index. You can ask, for example, for medium and large importing firms in Italy that handle machine tools. You will be charged according to the number of firms on your computer printout.

If you choose to advertise for agents or distributors you can use a variety of international, regional, or local publications. Some of these are published in foreign languages in the United States, for example, by Johnson International Publications in Great Neck, New York. Many more are published overseas, some in multilingual versions. If you want to find European importers for carambola (starfruit) from Florida, *EuroFruit* magazine, published in England, will spread your message throughout the continent.

### Terminology study

*Ad hoc* : đặc biệt, ngoài thể thức.

- *The emphasis here is on setting up long-term distribution arrangements rather than on making ad hoc sales.* (Nhấn mạnh ở đây là về việc thiết lập các sắp xếp cho sự phân phối lâu dài, hơn là việc chỉ thực hiện các thương vụ mua bán đặc biệt).

*USDC (The United States Department of Commerce)*: Bộ Thương mại Mỹ.

*Agent/distributor service* : dịch vụ về người phân phối đại lý, người đại lý.

- *Some ways of finding foreign representatives are using the agent/distributor service of the USDC.* (Một vài cách thức nhằm tìm ra các nhà đại diện ở nước ngoài là sử dụng dịch vụ về người phân phối/đại lý của Bộ Thương mại Mỹ).

*Fee* : lệ phí

- *For a small fee, US commercial officers will select and send you information on three potential agents or distributors.* (Với một lệ phí nhỏ, các viên chức thương mại Mỹ sẽ tuyển chọn và gửi đến quý vị các thông tin về ba người đại lý hoặc phân phối tiềm tàng).

## Selecting foreign representatives

When you have candidates to represent you in a country, correspond with each to exchange information about your companies and ideas about how you can work together. Then you will probably want to travel abroad to make the final selection and, hopefully, sign an agency or distributorship agreement. This is not as easy as it sounds. The firms you would most like to work with will probably not be available to you. Try to interest the best ones by showing that you are a valuable supplier with products that will sell well in the target country.

If you select an agent or distributor who has a poor reputation in his/her own country, your reputation will suffer, and if you select one who cannot sell effectively you will be wasting time and money. Also, if you pick the wrong representative, local laws may make it nearly impossible for you to let him go. I once heard of an American exporter who traveled to Saudi Arabia and fired his local agent, and was later detained at the airport with the accusation that he had violated Saudi law.

Your main criterion for choosing foreign agents or distributors should be how well equipped they are *to do the job you need done*. If you are exporting electronic products that will need servicing, your distributors must have service facilities and trained personnel.

### Terminology study

*To correspond with* : liên lạc thư từ.

- *When you have candidates to represent you in a country, correspond with it to exchange information about your companies.* (Khi quý vị có các ứng viên đại diện cho quý vị tại một quốc gia, hãy liên lạc thư từ với mỗi ứng viên để trao đổi thông tin về các công ty của quý vị).

*To be available* : có sẵn, sẵn sàng để, có thì giờ để tiếp.

- *The firms you would most like to work with will probably not be available to you.* (Các công ty mà quý vị thích cộng tác nhất lại có thể không sẵn sàng làm việc với quý vị).

*Reputation* : danh tiếng, tiếng tăm.

- *If you select an agent or distributor who has a poor reputation in his own country, your reputation will suffer.* (Nếu quý vị chọn một đại lý hoặc một nhà phân phối có tiếng xấu tại xứ của người đó, tiếng tăm của quý vị sẽ chịu ảnh hưởng lây).

*To fire* (tiếng lóng - slang) : sa thải, cách chức.

- *If you don't work well, you may be fired at any time.* (Nếu bạn không làm việc tốt, bạn có thể bị sa thải bất cứ lúc nào).

*Criterion* (số ít) : tiêu chuẩn ; *criteria* (số nhiều) : các tiêu chuẩn.

- *Your main criterion for choosing foreign agents or distributors should be how well equipped they are to do the job you need done.* (Tiêu chuẩn chính để chọn đại lý hoặc nhà phân phối nước ngoài là xem họ được trang bị tốt đến cỡ nào để thực hiện công việc mà quý vị cần được thực hiện).

## Starting with the market

Let's now assume a very different situation. You know which country you want to sell to, but not which product you intend to sell. Or, you plan to find and pursue specific export trade opportunities.

If you have picked a country to sell to, you obviously had a reason for doing so. Hopefully this reason is (or includes) a good contact who is ready to buy from you. If, for example, you have a good friend in Hyundai Heavy Industries Division in South Korea, and that friend has asked you to quote on supplying certain kinds of machinery or components, you have a good reason for seeking to sell to Korea.

In addition to speaking with friends, you can look at U.S international trade statistics to see which products your selected country is buying from the United States. If you visit that country's commercial office, usually in Washington, D.C ; New York ; Los Angeles ; or San Francisco, you can also see what the country is importing from other parts of the world. If you see, for example, that Korea is buying increasing quantities of tropical fruits from several countries, it may be a good market for mangos from Florida. If the value of imports is increasing faster than the quantity, you can conclude that prices are rising. This is another good indicator of market potential.

### Terminology study

*Heavy industry* : ngành công nghiệp nặng.

*Light industry* : ngành công nghiệp nhẹ.

*Machinery* : máy móc.

*Components* : bộ phận lắp ráp.

- *If you have a good friend in Hyundai Heavy Industries Division in South Korea, and that friend asked you to quote on supplying certain kinds of machinery or components.* (Nếu quý vị có một người bạn tốt trong một

cơ sở công nghiệp nặng của hãng Hyundai ở Hàn Quốc, và người bạn đó yêu cầu quý vị báo giá nhằm cung cấp loại máy móc hoặc các bộ phận lắp ráp nào đó).

- *You have a good reason for seeking to sell to Korea.* (Quý vị có lý do chính đáng để tìm kiếm việc bán hàng cho Hàn Quốc).

*U.S International trade statistics* : thống kê mậu dịch quốc tế của Mỹ.

- *You can look at U.S. international trade statistics to see which products your selected country is buying from the United States.* (Quý vị có thể tìm trong số liệu thống kê mậu dịch quốc tế của Mỹ để biết xem quốc gia mà quý vị đã chọn đang mua gì của Mỹ).

*Indicator* : vật chỉ thị (cho thấy một điều gì).

- *This is another good indicator of market potential.* (Đây là một vật chỉ thị khác nữa cho thấy rõ tiềm năng thị trường).

# Why someone would buy from you

Why would someone buy a product from you? There are several possible reasons. You have to find at least one of them that fits your situation.

First, you might be selling a desirable product that buyers can't get anywhere else. This is rarely possible, but you may be able to get exclusive rights to sell a particular brand of a product in the United States or in foreign markets. A good friend of mine was one of the first Americans to bring cloisonne artware from mainland China when trade was resumed in the early 1970s. For several months, he practically had the U.S. market to himself. By the time competition came on the scene, my friend's brand name was well established. If you can't find a unique product, you may be able to create one, like the "Chia Pet" or the "Wacky Wall Walker" (both imports) of a few years ago.

Second, you can try to offer the buyers a better value than anyone else can offer. This implies providing them with a product which, by comparison with those of competing suppliers, is of better design or quality, has more attractive packaging or a more appealing brand name, is sold more cheaply or on more liberal credit terms, is delivered faster, or is promoted more extensively. For example, Nantucket Corp., a computer software maker in Los Angeles, recently opened a sales office in Moscow. This office will surely help Nantucket provide Soviet buyers with products that are better designed for the market, perhaps sold more cheaply, and certainly delivered faster than they would otherwise.

## Terminology study

*To fit* : thích hợp với, vừa vặn với.

- *You have to find at least one of them that fits your situation.* (Quý vị phải tìm ra ít nhất một trong số đó thích hợp với tình huống của quý vị).

*Desirable product* : sản phẩm được ưa chuộng.

- *You might be selling a desirable product that buyers can't get anywhere else.* (Quý vị có thể bán một sản phẩm được ưa chuộng mà người mua không thể mua được tại bất cứ chỗ nào khác).

*Exclusive rights* : độc quyền.

- *You may be able to get exclusive rights to sell a particular brand of product.* (Quý vị có thể có được sự độc quyền để bán một hiệu sản phẩm nào đó).

*On more liberal credit terms* : với điều kiện bán chịu thoải mái hơn.

- *This is sold more cheaply or on more liberal credit terms.* (Cái này được bán rẻ hơn hoặc với các điều kiện bán chịu thoải mái hơn).

*To provide someone with something* : cung cấp cho ai cái gì đó.

- *Vietnam can provide the North American market with agricultural products and garments.* (Việt Nam có thể cung cấp các sản phẩm nông nghiệp và quần áo cho thị trường Bắc Mỹ).

## Protecting your interest

I once worked with a small company in the Boston area that acted as an import merchant for books from Africa and an export agent for American books and school supplies. We received an inquiry from a company in Haiti about desks for schools. After contacting a number of potential suppliers, we chose to quote on products of a company named Adirondack Chair. This manufacturer agreed to pay us an agent's commission. We sent the manufacturer's catalogs and prices to Haiti and, after only a few phone calls and letters, the customer wrote an order to Adirondack Chair and mailed it to us. We forwarded it immediately and followed up by phone to make sure it was acceptable to the manufacturer. The goods were shipped, the importer paid, and the manufacturer promptly remitted our commission.

Unfortunately, not all export transactions go so smoothly. It is tempting for a U.S. exporter and a foreign importer to try to save money by eliminating the middleman, especially if (1) they are experienced international traders, (2) the transaction is large, and (3) they don't know you.

It is very frustrating to be working on an export sale, have it fail to materialize, and then somehow find out that it was made without you. There are a few ways to protect yourself: first, try to deal with reputable companies; second, obtain letters or other evidence that your commissions will be paid.

### Terminology study

*Import merchant* : thương nhân nhập khẩu.

*Export agent* : đại lý xuất khẩu.

- *That company acts as an import merchant for books from Africa and an export agent for American books and school supplies.* (Công ty đó hoạt động như một thương nhân nhập khẩu sách từ châu Phi - và như một đại lý xuất khẩu sách và tiếp liệu trường học của Mỹ).

*Inquiry* : sự hỏi mua, hỏi giá.

- *We received an inquiry from a company in Haiti about desks for schools.* (Chúng tôi đã nhận được của một công ty ở Haiti hỏi mua các bàn viết dùng cho trường học).

*To follow up* : theo dõi.

- *We forwarded the order immediately and followed up by phone to make sure it was acceptable to the manufacturer.* (Chúng tôi đã gửi đơn đặt hàng đi ngay và theo dõi bằng điện thoại để đảm bảo chắc chắn là nó được nhà sản xuất chấp nhận).

*Evidence* : bằng chứng, chứng cứ.

## General comments on safeguarding against risks in foreign trade

The sale of goods and services to foreign buyers entails more varied and greater risks than those encountered on domestic markets. In the case of an export order, such risks can crop up all along the line - from the obtaining of raw materials, to the manufacturing and storing of the finished product and, finally, to the delivery and payment within the agreed time. Providing services entails the same risks - but to a lesser degree. This does not deal with the actual risks that may occur, but explains how the interests of buyers and sellers can be protected.

For the buyer, adherence to the terms of performance is of primary importance and for the seller, adherence to the payment terms. The risks involved are accentuated in foreign operations since the buyer is not in as good a position to judge the reliability of a supplier in another country as that of one at home. In addition, legal action in the event the terms of the contract are not fulfilled is much more difficult to initiate.

The same applies, of course, to the seller or exporter, who not only incurs additional transport risks but also the increased risk of taking a loss on receivables. Furthermore, difficulties may arise in appraising conditions in the country of the buyer's or importer's domicile, such as currency and transfer risks and problems in the social, political and military spheres.

### Terminology study

*Risks in foreign trade* : rủi ro trong ngoại thương.

- *Risks in foreign trade are more varied and greater than those encountered on domestic markets.* (Các rủi ro trong ngoại thương thì đa dạng và lớn hơn các rủi ro gặp phải trên thị trường nội địa).

*To crop up* : nảy sinh, xảy ra bất ngờ.

- *In the case of an export order, such risks can crop up all along the line.*

(Trong trường hợp một đơn đặt hàng xuất khẩu, các rủi ro như thế có thể nảy sinh trong suốt quá trình).

*Adherence to* : tuân thủ, thực hiện đúng theo.

- *For the buyers, adherence to the terms of performance is of primary importance and for the seller, adherence to the payment terms.* (Đối với người mua, việc tuân thủ các điều kiện thực hiện có tầm quan trọng hàng đầu, còn đối với người bán, đó là việc tuân thủ các điều kiện về thanh toán).

*Reliability* : sự đáng tin cậy, mức độ đáng tin cậy.

- *Your correspondent banks are always in a good position to judge the reliability of a supplier.* (Các ngân hàng đại lý của quý vị luôn luôn ở một vị thế thuận lợi để xét đoán mức độ đáng tin cậy của một nhà cung cấp).

*To initiate (take) legal action* : kiện, khởi tố.

- *It is complicated, time-consuming and costly to take legal action in foreign trade.* (Rất phức tạp, tốn nhiều thì giờ và tốn kém để khởi tố trong ngoại thương).

# Summary of instruments for securing performance and payment

## ***How the buyer can secure performance***

The buyer wants to be certain that the seller is in a position to honor his commitment as offered or contracted. The former therefore makes it a condition that appropriate security be provided. Such security may be obtained through banks in the form of the following guarantees.

1. The bid bond guarantees that the seller considers his bid to the buyer binding until the contract is awarded. The buyer thus protects himself from the seller backing out of the offer before an agreement can be reached.

2. The performance bond is designed to provide financial assurance that the seller meets his obligations in the manner and within the time contractually agreed upon.

## ***How the buyer can secure payment***

Contracts frequently stipulate that the seller is to receive an advance payment. This payment is intended to allow the seller to purchase raw materials or to cover initial production costs. To ensure that such funds are not used for purposes other than those stated in the contract, the buyer may demand that an advance payment guarantee be provided through a bank.

## ***How the seller can secure payment***

Payment methods according to degrees of security :

1. Open account
2. Documentary collection
3. Revocable documentary credit
4. Irrevocable, unconfirmed documentary credit.
5. Irrevocable, confirmed documentary credit.

6. Letter of indemnity in case of nonpayment (payment guarantee).
7. Standby credit.

**Opent account :**

When it comes to payment, various arrangements are possible, with the form of payment chosen often depending on how well the buyer and seller know each other. If the amount involved is fairly small and mutual trust exists between the two parties to the transaction, a foreign business deal may under certain circumstances be carried out preferably on an open account basis. This method does not give any special security for the payment but has the advantage that the administrative work involved with a transaction can be kept to a minimum. On the other hand, it would be irresponsible for a company to supply goods or services to a foreign buyer if a relationship of mutual trust is lacking or if the country involved presents too many risks for this type of settlement. The method of securing payment must therefore be carefully considered by both supplier and importer.

**Terminology study**

*Instruments for securing performance and payment* : các công cụ nhằm đảm bảo việc thực hiện và thanh toán.

- *Instruments for securing performance and payment apply to both parties : importer and exporter.* (Các công cụ nhằm đảm bảo việc thực hiện và thanh toán được áp dụng cho cả hai bên : nhà nhập khẩu và nhà xuất khẩu).

*Bid bond (B/B)* : giấy đảm bảo ký kết hợp đồng (nếu không ký sẽ mất số tiền ký quỹ ghi trong B/B, được thực hiện dưới hình thức một giấy bảo lãnh ngân hàng).

*Performance bond (P/B)* : giấy đảm bảo thực hiện hợp đồng (nếu không thực hiện sẽ mất số tiền ký quỹ ghi trong P/B, được thực hiện dưới hình thức một giấy bảo lãnh ngân hàng).

- *A bid bond or a performance bond is made out in form of a bank guarantee.* (Một B/B hoặc một P/B được thực hiện dưới hình thức một giấy bảo lãnh ngân hàng).

*To back out* : rút lui, đánh tháo, bỏ cuộc.

- *The buyer protects himself from the seller backing out of the offer before an agreement can be reached.* (Người mua bảo vệ mình trong trường hợp người bán rút lại đề nghị cung cấp hàng nửa chừng trước khi có thể đạt được một hợp đồng).

*Open account* : tài khoản ghi sổ.

· *Documentary collection* : thủ ngân chứng từ.

*Revocable documentary credit* : tín dụng chứng từ có thể hủy ngang.

*Irrevocable, unconfirmed documentary credit* : tín dụng chứng từ không xác nhận, không thể hủy ngang.

*Inrevocable, confirmed documentary credit* : tín dụng chứng từ có xác nhận, không thể hủy ngang.

*Letter of indemnity in case of non-payment (payment guarantee)*: thư đảm bảo bồi thường trong trường hợp không thanh toán (giấy bảo lãnh thanh toán).

*Standby credit* : tín dụng dự phòng.

- *Open account is a series of transactions that give rise to credits and debits, but that results in a single liability.* (Tài khoản ghi sổ là một chuỗi các giao dịch làm phát sinh các khoản có và các khoản nợ, nhưng hình thành một trách nhiệm duy nhất).

*Mutual trust* : tín nhiệm lẫn nhau.

- *If the amount involved is fairly small and mutual trust exists between the two parties, a foreign business deal may be carried out on an open account basis.* (Trường hợp số tiền liên hệ không lớn, hai bên tín nhiệm lẫn nhau thì một giao dịch ngoại thương có thể được thực hiện trên cơ sở một tài khoản ghi sổ).

# The documentary credit in export and import operations

## *Basic information on the documentary credit*

A documentary credit represents a commitment of a bank to pay the seller of goods or services a certain amount provided he presents stipulated documents evidencing the shipment of goods or the performance of services within a prescribed period of time.

As a credit instrument and as a means of making and securing payment, the documentary credit is an essential implement for conducting world trade today. It fulfills all the requirements for this role, provided the conditions regulating its use are stated in clear and unambiguous terms.

Strict requirements govern the composition of the documents used in the documentary credit. It is important for the beneficiary of a documentary credit to know that payment will be made only if the documents are in absolute conformity with the required terms and that the bank has to decide on the basis of the documents alone whether payment may be made or whether a draft may be accepted. The Uniform Customs and Practice for Documentary Credits (UCP) prepared by the International Chamber of Commerce in Paris provides the basis for judging the conformity of the documents. Article 4 of the UCP states : "In credit operations all parties concerned deal in documents, and not in good, services and/ or other performances to which the documents may relate".

## **Terminology study**

*Documentary credit in export and import operations* : tín dụng chứng từ trong các nghiệp vụ xuất nhập khẩu.

- *Documentary credit is a commercial letter of credit provided for payment by a bank to the named beneficiary, usually the seller of merchandise, against delivery of documents specified in the credit.* (Tín

dụng chứng từ là một tín dụng thư thương mại do một ngân hàng cung cấp để thanh toán cho một người thụ hưởng đích danh, thường là người bán hàng hóa khi người này giao chứng từ được qui định trong tín dụng thư).

*In clear and unambiguous terms*: bằng các thuật ngữ rõ ràng, chính xác, không mơ hồ.

- *The terms and conditions of a documentary credit must be stated in clear and unambiguous terms.* (Các điều khoản của một tín dụng chứng từ phải được quy định bằng các thuật ngữ chính xác, rõ ràng).

*In absolute conformity with* : tuyệt đối phù hợp với, tuyệt đối đúng y theo.

- *The documents are in absolute conformity with the required terms.* (Các chứng từ được thực hiện đúng y theo các điều khoản bắt buộc).

*Uniform Customs and Practice for Documentary Credits (UCP)*: các tập quán và phương thức thực hành thống nhất về tín dụng chứng từ.

## Basic forms of documentary credits

### *Documentary collection*

a) *Documents against payment*. With regard to the collection against documents, the bank so authorized (collecting bank) may release the shipping documents only when the invoiced amount has been paid. This is, however, a means of payment to be used only if stable conditions exist and absolute trust between the contractual parties prevails. In the event of the buyer refusing to honor the documents, it is often extremely difficult to regain possession of the merchandise without suffering sizeable losses.

b) *Documents against acceptance*. This is a special type of documentary collection. As a rule, the shipping documents are sent via the seller's bank to the importer's bank with the instructions to release the documents only upon acceptance of the accompanying draft. In most cases, the buyer accepts the draft, but an additional guarantee, known as a bill of exchange guarantee or aval, may be obtained from a bank.

This procedure has the disadvantage that the buyer can take possession of the goods before actual payment is made. The buyer has a commitment to pay, but it is not always easy to collect the sum represented by the draft in the buyer's country.

### *Irrevocable, confirmed documentary credit*

A confirmed documentary credit means that in addition to the issuing bank a second bank (the confirming bank) assumes the commitment to pay if the terms of the credit are fulfilled. The seller thus avoids the del credere and the sovereign risks. (Sovereign risk = the risk that moneys due from a foreign country cannot be repatriated because of events which may be caused or influenced at least partly by the government concerned but over which privately owned companies or individual persons have absolutely no influence. The sovereign risk consists of the so-called political and transfer risk).

### *Letter of indemnity in case of nonpayment (payment guarantee)*

A payment guarantee contrains the promise of a bank to pay an exporter on first demand if the latter presents a statement to the bank

confirming that he had not been paid for the goods or services he has supplied. Such a guarantee is subject to time limits and is particularly suitable for trade in consumer goods. The payment guarantee is frequently used with the "open account" method of payment.

A documentary credit is not used exclusively for the delivery of goods but may also be employed for other purposes. For example, it is common for entire turnkey projects to be secured by documentary credits. Service contracts, recurring payments, or commitments similar to guarantees may also be combined with documentary credits. The prerequisite is the insertion of a clause allowing payment against presentation of a prescribed document. A documentary credit may also be used as a means of obtaining credit when it is employed for example in transit trade as a basic instrument to provide secondary credits.

#### ***Revocable credit***

A revocable credit may be amended or cancelled by the issuing bank at any time. Since in most cases the issuing bank takes such action only at the instigation of the buyer, it is obvious that the seller or exporter must rely fully on the buyer of his goods.

The issuing bank pledges payment upon presentation of the proper documents. If a sight credit is involved, the bank may not revoke the credit after payment nor make any changes affecting the payment. The important point is not the time of the documents delivery to the bank, but whether payment has already been made. Nor in the case of deferred payment may the issuing bank amend its later payment commitment after the documents have been taken up, that is, after the bank has examined the documents and found them to be correct.

#### ***Irrevocable, unconfirmed documentary credit***

In the case of irrevocable, unconfirmed documentary credits, the issuing bank (usually the bank of the buyer) assumes a commitment to pay the seller, provided the proper documents are presented within the time and at the terms stipulated in the credit. No commitment on the part of a second bank exists, which in countries where substantial political or transfer risks are involved can lead to difficulties. With regards to this type of documentary credit, the financial standing of the issuing is of great importance.

#### ***Standby credit***

A standby credit is essentially a substitute for a payment guarantee ;

it is, however, subject to the Uniform Customs and Practice for Documentary Credits (UCP). As a rule payment is made upon the presentation of copies of shipping and other documents, including sight drafts, and against a statement confirming that payment has not been made.

This type of credit has the nature of a guarantee and is used primarily in the United States, where the granting of European type bank guarantees is not permitted by law.

## **Terminology Study**

*Documentary collection* : thu ngân chứng từ

- *There are two types of documentary collection : documents against payment (D/P) and documents against acceptance (D/A).* (Có hai loại thu ngân chứng từ : thanh toán đổi chứng từ và chấp nhận hối phiếu đổi chứng từ).

*Invoiced amount* : số tiền hóa đơn

- *With regard to D/P, the collecting bank may release the shipping documents only when the invoiced amount has been paid.* (Trong phương thức D/P, ngân hàng thu ngân chỉ được phép giao chứng từ chuyên chở khi nào số tiền hóa đơn đã được thanh toán xong).

*To accept* : chấp nhận (hối phiếu)

*Acceptance* : sự chấp nhận (hối phiếu)

- *With regard to D/A, the importer's bank is instructed to release the shipping documents only upon acceptance of the accompanying draft.* (Trong phương thức D/A, ngân hàng của nhà nhập khẩu được chỉ thị chỉ giao chứng từ chuyên chở khi nào người mua đã chấp nhận hối phiếu gửi kèm).

*Additional guarantee* : giấy bảo lãnh bổ sung

- *An additional guarantee, known as a bill of exchange guarantee may be obtained from a bank.* (Một giấy bảo lãnh bổ sung, thường gọi là giấy bảo lãnh hối phiếu, có thể có được do một ngân hàng cấp).

*Irrevocable confirmed documentary credit* : tín dụng thư chứng từ xác nhận, không hủy ngang.

- *A confirmed documentary credit means that in addition to the issuing bank, a second bank (the confirming bank) assumes the commitment to*

*pay if the terms of the credit are fulfilled.* (Tín dụng chứng từ xác nhận có nghĩa là, ngoài ngân hàng phát hành, một ngân hàng thứ hai (gọi là ngân hàng xác nhận) cam kết trả tiền nếu các điều khoản của tín dụng thư được thực hiện đầy đủ).

*Del Credit* : giao kèo bảo đảm (thanh toán), hoa hồng bảo đảm (thanh toán)

*Sovereign risk* : rủi ro về chủ quyền (một chính phủ nước ngoài có thể không trả nợ, không cho chuyển tiền về nước hoặc không thực hiện các cam kết thương mại khác do có sự thay đổi trong chính sách thuộc chủ quyền nước đó, còn gọi là rủi ro chính trị hoặc rủi ro quốc gia).

- *The sovereign risk consists of the so-called political and transfer risk.* (Rủi ro về chủ quyền gồm có cái gọi là rủi ro về chuyển ngân và chính trị).

*Letter of Indemnity* : thư đảm bảo bồi thường.

- *A letter of indemnity contains the undertaking of a bank to pay an exporter upon first demand attached with the latter's statement confirming that he has not been paid for the goods he has supplied.* (Thư đảm bảo bồi thường chứa nội dung cam kết của một ngân hàng rằng ngân hàng sẽ thanh toán cho nhà xuất khẩu ngay lần yêu cầu đầu tiên, đính kèm lời khai trình của nhà xuất khẩu xác nhận là ông ta chưa được thanh toán tiền hàng hóa ông ta đã cung cấp).

*Turnkey project* : dự án chìa khóa trao tay.

- *It is common for entire turnkey projects to be secured by documentary credits.* (Thường các dự án chìa khóa trao tay được đảm bảo toàn thể bằng các tín dụng chứng từ).

*Prerequisite* : điều kiện tiên quyết.

- *The prerequisite is the insertion of a clause allowing payment against presentation of a prescribed document.* (Điều kiện tiên quyết là thêm vào một điều khoản cho phép thanh toán khi nào một chứng từ quy định được xuất trình).

*To revoke* : hủy bỏ.

*To be revocable* : có thể hủy ngang.

- *A revocable credit may be amended or cancelled by the issuing bank at any time.* (Một tín dụng thư có thể hủy ngang có thể được ngân hàng phát hành sửa đổi hoặc hủy bỏ bất cứ lúc nào).

*Sight credit* : tín dụng thư trả ngay.

- *If a sight credit is involved, the bank may not revoke the credit after payment.* (Nếu đó là một tín dụng thư trả ngay, ngân hàng không được phép hủy bỏ tín dụng thư sau khi đã thanh toán tiền).

*Deferred payment credit* : tín dụng thư trả chậm.

*Deferred payment 60 days after sight* : trả chậm 60 ngày sau ngày xuất trình hối phiếu.

*Deferred payment 60 days after date* : trả chậm 60 ngày sau ngày ghi trên hối phiếu.

*Deferred payment 60 days after B/L* : trả chậm 60 ngày sau ngày ghi trên vận tải đơn.

*Irrevocable, unconfirmed documentary credit* : tín dụng chứng từ không xác nhận, không hủy ngang.

- *With regard to an irrevocable unconfirmed documentary credit, the financial standing of the issuing bank is of great importance because in this case, there is no commitment on the part of a second bank.* (Đối với một tín dụng chứng từ không xác nhận, không hủy ngang, vị thế tài chính của ngân hàng phát hành tín dụng thư hết sức quan trọng, vì trong trường hợp này, không có sự cam kết nào nữa của ngân hàng thứ hai).

*Standby credit* : tín dụng thư dự phòng.

- *A standby credit is essentially a substitute for a payment guarantee.* (Tín dụng thư dự phòng chủ yếu dùng để thay thế cho một giấy bảo lãnh thanh toán).

*Sight - draft* : hối phiếu trả ngay.

*(Usance, term, time, deferred payment) draft* : hối phiếu trả chậm.

*European type bank guarantee* : giấy bảo lãnh ngân hàng theo kiểu châu Âu.

- *A standby credit has the nature of a guarantee and is used primarily in the States, where the granting of European type bank guarantees is not permitted by law.* (Tín dụng thư dự phòng có bản chất của một giấy bảo lãnh và chủ yếu được sử dụng ở Mỹ, nơi mà việc cấp các bảo lãnh ngân hàng theo kiểu châu Âu không được luật pháp cho phép)

# Sight credit and acceptance credit

## *Sight credit*

The beneficiary receives the proceeds of the credit upon presentation and examination of the documents. There is a step-by-step process of documents against payment, whereby the bank is given reasonable time to examine the documents. There are, however, sight credits in connection with which payment is made with the value date extended by a few days. This occurs mainly when the paying bank must obtain cover via several intermediaries.

## *Acceptance credit (credit with time drafts)*

In the case of an acceptance credit, the exporter draws a time draft either on the issuing or confirming bank, on the buyer or on another bank depending on the credit terms. The payment date under an acceptance credit may be, for example, 90 days after the invoice date or the date of the transport document. When the documents are presented, the draft is accepted instead of payment being made. If drafts are accepted by third parties (for example, by the buyer), the issuing and confirming banks guarantee the acceptance of the draft and its payment at maturity.

If the credit provides for negotiation through one or several banks, the issuing and confirming banks have a commitment under the credit to pay the after-sight draft or have it paid without taking recourse on the drawer and/or on the bona fide holder.

## Terminology study

*Sight credit* : tín dụng thư trả ngay, tín dụng thư hoạt kỳ.

- *In the case of a sight credit, the beneficiary receives the proceeds of the credit upon presentation and examination of the documents.* (Trong trường hợp một tín dụng thư trả ngay, người thụ hưởng sẽ nhận được một số tiền thuộc tín dụng thư đó, ngay khi xuất trình và kiểm tra chứng từ).

*Step - by - step process* : quá trình từng bước.

- *There is a step - by - step process of documents against payment, whereby the bank is given reasonable time to examine the documents.* (Có một quá trình từng bước trong thể thức "thanh toán xong, giao chứng từ", nhờ đó ngân hàng được cho một thời hạn hợp lý để kiểm tra chứng từ).

*Cover* : tiền bảo chứng, tiền đảm bảo (để đảm bảo việc thanh toán tín dụng thư).

- *This occurs mainly when the paying bank must obtain cover via several intermediaries.* (Việc này xảy ra, chủ yếu là khi ngân hàng trả tiền phải nhận được tiền bảo chứng thông qua nhiều trung gian).

*Acceptance credit* : tín dụng thư chấp nhận.

*Credit with time drafts* : tín dụng thư với hối phiếu hạn kỳ.

- *In the case of an-acceptance credit, the exporter draws a time draft either on the issuing or confirming bank.* (Trong trường hợp một tín dụng thư chấp nhận, nhà xuất khẩu sẽ ký phát một hối phiếu hạn kỳ để đòi tiền ngân hàng phát hành hoặc ngân hàng xác nhận tín dụng thư).

*To accept* : chấp nhận (hối phiếu hạn kỳ) ; *acceptance* : sự chấp nhận (hối phiếu hạn kỳ).

*To negotiate* : thương lượng (chứng từ) ; *negotiation* : sự thương lượng (chứng từ).

# Deferred payment credit

## *Deferred payment credit*

The credit with deferred payment differs only slightly in its effect on the beneficiary from the time draft. The main difference is the lack of a draft. Upon presentation of the proper documents, the bank so authorized (the issuing or confirming bank) issues a written promise to make payment on the due date. It must, of course, be possible to calculate the due date on the basis of the credit terms. Deferred payments are possible under confirmed and unconfirmed credits.

From the standpoint of commissions, the credit with deferred payment can be more economical than the credit with term draft. The disadvantage compared with the acceptance credit is that an advance payment of the credit amount may normally be obtained only from the issuing or confirming bank, whereas there are various possibilities for discounting a draft.

Term credits, i.e., acceptance credits and deferred payment credits, are financing instruments for the buyer. During the payment period, the buyer can often sell the goods and pay the credit amount with the proceeds.

## Terminology study

*Deferred payment credit* : tín dụng thư trả chậm.

- *In case of a deferred payment credit, the issuing or confirming bank issues a written promise to make payment on the due date.* (Trong trường hợp một tín dụng thư trả chậm, ngân hàng phát hành hoặc ngân hàng xác nhận tín dụng thư sẽ phát hành một lệnh phiếu cam kết trả tiền vào ngày đáo hạn).

*Lack* : sự thiếu, không có,

- *The main difference is the lack of a draft.* (Sự khác biệt chính là không có một hối phiếu).

*To discount a draft* : chiết khấu một hối phiếu.

- *An exporter can negotiate a draft by selling it, using it as collateral or discounting it.* (Một nhà xuất khẩu có thể thương lượng một hối phiếu bằng cách bán nó, dùng làm vật đảm bảo, hoặc chiết khấu nó).

*Financing instruments* : các công cụ tài trợ.

- *Term credits, i.e., acceptance credits and deferred payment credits, are financing instruments for the buyer.* (Các tín dụng thư hạn kỳ, tức là các tín dụng thư chấp nhận và các tín dụng thư trả chậm, là những công cụ tài trợ cho người mua / nhà nhập khẩu).

*To calculate* : tính, tính toán.

- *It must, of course, be possible to calculate the due date on the basis of the credit terms.* (Dĩ nhiên, phải có thể tính được ngày đáo hạn trên cơ sở các điều khoản của tín dụng thư).

# Credit with advance payment

## *Credit with advance payment*

Advance payments under a documentary credit may take very different forms. Generally speaking however, we distinguish between so-called unsecured and secured advances. In the case of the latter, the bank of the beneficiary of the credit must put up a guarantee. The guaranteed amount is normally reduced as the deliveries are made.

Unsecured advance payments do not give the importer any protection against their misuse.

A special type of advance under a letter of credit is the so-called "red clause" credit. The red clause incorporates a special concession to the seller. It authorizes the advising bank to advance a part of the credit amount to the seller for the delivery of the merchandise. This type of credit is used particularly in the Australian wool trade. The clause was formerly written in red ink - hence its name - and may, for example, read: "red clause A\$ 50,000 permitted". This clause means that, with the issuing bank assuming liability for the transaction, the advising bank is authorized to advance the beneficiary 50,000 Australian dollars prior to the presentation of the documents. The payment of such advances is usually made against receipt, and the beneficiary also has to pledge to present the required documents before credit expiry. Such advance payments are made at the risk of the applicant.

## Terminology study

*Credit with advance payment* : tín dụng thư có thanh toán ứng trước.

- *Advance payments under a documentary credit may take very different forms.* (Các khoản thanh toán ứng trước theo một tín dụng thư chứng từ có thể thực hiện dưới rất nhiều hình thức khác nhau).

*Secured advance* : ứng trước có đảm bảo.

*Unsecured advance* : ứng trước không có đảm bảo.

- *In the case of a secured advance, the bank of the beneficiary of the*

*credit must put up a guarantee.* (Trong trường hợp một khoản ứng trước có đảm bảo, ngân hàng của người thụ hưởng tín dụng thư phải phát hành một giấy bảo lãnh ngân hàng).

*Misuse* : sự lạm dụng.

- *Unsecured advance payments do not give the importer any protection against their misuse.* (Các khoản thanh toán ứng trước không có đảm bảo sẽ làm cho nhà nhập khẩu không được bảo vệ đối với việc lạm dụng các tiền ứng trước đó).

*Red - clause credit* : tín dụng thư có điều khoản đỏ.

- *A special type of advance under a letter of credit is the red- clause credit.* (Một loại hình ứng trước đặc biệt theo tín dụng thư là tín dụng thư có điều khoản đỏ).

- *At the risk of* : (ai đó) chịu rủi ro.

- *Such advance payments are made at the risk of the applicant.* (Các khoản thanh toán ứng trước như thế được thực hiện mà người mở tín dụng thư phải chịu rủi ro).

# Revolving credit

## *Revolving credit*

Buyers often order more merchandise than they may actually need at the time in order to obtain a better price. The delivery of the goods is made in instalments and at stipulated intervals. In such cases, the seller can request that a revolving credit be issued which guarantees each part payment. The text for such a credit might read as follows: "amount of credit Fr. 10,000, revolving 5 times to maximum Fr. 60,000". As soon as the first instalment of Fr. 10,000 has been utilized, the credit automatically becomes valid for the next Fr. 10,000 until the maximum amount of Fr. 60,000 is reached. The so-called "revolving" clause can be formulated in many different ways according to circumstances. It is also possible to fix the dates of individual instalments; for example, the following wording might be used: "credit amount Fr. 10,000, revolving every month for the same amount, for the first time in January, for the last time in May 19 maximum amount payable under this credit Fr. 60,000". If an instalment with a fixed date is omitted or only partially used, the words "cumulative" and "noncumulative" may be used to indicate precisely whether unutilized instalments or balances may or may not be added to later instalments.

## Terminology study

*Revolving credit* : tín dụng thư tuần hoàn.

*In instalments* : thành nhiều kỳ, nhiều đợt.

*At stipulated intervals* : vào những khoảng cách thời gian đều đặn theo quy định.

- *The delivery of the goods is made in instalments and at stipulated intervals.* (Việc giao hàng được thực hiện thành nhiều kỳ và vào những khoảng cách thời gian đều đặn được quy định trước).

- *In such cases, the seller can request that a revolving credit be issued which guarantees each part payment.* (Trong các trường hợp như thế, người bán có thể yêu cầu mở một tín dụng thư tuần hoàn để đảm bảo mỗi đợt thanh toán).

*To be utilized* : được sử dụng, được thực hiện.

- *As soon as the first instalment of FrF 10,000 has been utilized, the credit automatically becomes valid for the next FrF 10,000 until the maximum amount of FrF 60,000 is reached.* (Ngay khi đợt đầu tiên trị giá 10.000 franc đã được thực hiện, tín dụng thư tự động trở nên có hiệu lực cho đợt tới, trị giá 10.000 franc cho tới khi đạt đến số tối đa 60.000 franc).

*Cumulative* : tích lũy, dồn (vào đợt sau).

*Non-cumulative* : không tích lũy, không dồn (vào đợt sau).

- *If an instalment with a fixed date is omitted or only partially used, the words "cumulative" and "non-cumulative" may be used to indicate precisely whether unutilized instalment or balances may or may not be added to later shipments.* (Nếu một kỳ giao hàng vào một ngày nhất định bị bỏ qua, không thực hiện hoặc chỉ thực hiện từng phần, các chữ "dồn" hoặc "không dồn" có thể được dùng để chỉ rõ rằng các kỳ không thực hiện hoặc số lượng còn lại được phép hoặc không được phép cộng dồn vào các chuyển sau hay không).

# Authority to purchase

## *Authority to purchase*

Authorities to purchase are used exclusively in trade with the Far East. Originally, these were not actual documentary credits, but authorizations to purchase drafts with the right of recourse to the drawer of the draft. The bank in the country of the importer authorized a bank in the country of the exporter to purchase drafts of the supplier which were drawn on the buyer and were accompanied by the prescribed documents, with full recourse to the drawer of the draft. Over the years, these bill purchases assumed a form equivalent to that of the actual documentary credit, although the term "authority to purchase" remained.

Particularly after the Second World War, sellers were no longer satisfied with a notification that was not binding from the participating banks. They also refused to assume the risk that they would be made liable, as drawers of a draft with recourse, in the event of the buyer not paying. Subsequently, irrevocable authorities to purchase with drafts drawn on the buyers "without recourse" were issued. Frequently, the issuing bank requests the correspondent bank to confirm such authorities to purchase. In this case, the seller attains virtually the same degree of security as is given by an irrevocable, confirmed documentary credit. An "authority to pay" serves a similar function, but is seldom used to day.

## Terminology study

*Authority to purchase* : quyền mua.

*Authorization to purchase* : ủy quyền mua, ủy thác mua, được phép mua.

- Originally, authorities to purchase were not actual documentary credits, but authorizations to purchase drafts with the right of recourse to the drawer of the draft. (Khởi thủy, quyền mua không phải là các tín dụng thư chứng từ thực sự, nhưng chỉ là sự ủy thác mua các hối phiếu, với quyền truy đòi người ký phát hối phiếu).

*To be binding* : ràng buộc.

- *After the Second World War, sellers were no longer satisfied with a notification that was not binding from the participating banks.* (Sau Thế chiến thứ hai, những người bán không còn thỏa mãn với một sự thông báo không có tính chất ràng buộc từ các ngân hàng tham gia).

*With recourse to* : được quyền truy đòi.

*Without recourse to* : không được quyền truy đòi.

- *This draft has been endorsed without recourse to the drawer.* (Hối phiếu này đã được ký hậu không có quyền truy đòi người ký phát).

*Authority to pay* : quyền trả.

*Authorization to pay* : ủy quyền trả, ủy thác trả.

# Opening the credit

## *Opening the credit*

In our example, the Industrial Bank of Asia, Tokyo (IBA) opens the credit at the instruction of Electricity Supply Ltd., Osaka (ESL), the buyer and the seller having agreed upon the delivery and the mode of payment. After receiving the buyer's request, the Industrial Bank of Asia checks to see whether the necessary collateral in the form of credit balances or open credit lines is available. In addition, the bank examines the order to determine whether there are any points that need to be cleared with the client. Only after all particulars have been clarified does the opening, or issuing, bank arrange for the opening advice to be mailed or telexed to the bank in the country of the seller (in our example, Union Bank of Switzerland (UBS), with the instructions or the authorization to confirm the credit. Notification that this has been done is sent at the same time to the buyer.

The bank in the country of the seller (UBS) examines the contents of the credit, the credit standing and reputation of the opening bank and of the country of the buyer. If the result of the analysis is positive, the bank will not hesitate to confirm the documentary credit, but it is in no way obliged to do so. Should the bank refuse to confirm the credit, it may pass it on unconfirmed and inform the Industrial Bank of Asia accordingly.

Immediately upon receipt of the credit, the exporter should check the credit text. Should it not comply with the wording of the contract or if it contains terms which the seller cannot meet, the necessary changes must be arranged with the buyer as quickly as possible.

## **Terminology study**

*To open a letter of credit (L/C) : mở một tín dụng thư.*

- *The Industrial Bank of Asia, Tokyo (IBA) opens the credit at the instruction of Electricity Supply Ltd., Osaka (ESL).* (Ngân hàng IBA mở tín dụng thư theo chỉ thị của Công ty ESL).

*Collateral* : vật thế chấp, vật đảm bảo.

*Credit balance* : kết số dư

*Credit line* : tín dụng khoản.

- *IBA checks to see whether the necessary collateral in form of credit balances or open credit lines is available.* (IBA kiểm tra xem vật đảm bảo đang có hiệu lực sẽ là kết số dư hay tín dụng khoản mở).

*Opening advice* : thông báo mở tín dụng thư.

*Opening bank, issuing bank* : ngân hàng mở tín dụng thư.

- *The issuing bank arranges for the opening advice to be mailed or telexed to the bank in the country of the seller.* (Ngân hàng mở tín dụng thư sắp xếp việc gửi thông báo mở tín dụng thư bằng thư hoặc bằng telex cho ngân hàng tại xứ người bán).

*Should the bank refuse = if the bank refuses* : nếu ngân hàng từ chối.

- *Should the bank refuse to confirm the credit, it may pass it on unconfirmed and inform IBA accordingly.* (Nếu ngân hàng từ chối xác nhận tín dụng thư, nó có thể chuyển mà không xác nhận và báo cho IBA một cách phù hợp).

*Upon receipt of the credit* : ngay khi nhận được tín dụng thư.

- *Upon receipt of the credit, the exporter should check the credit text.* (Ngay khi nhận được tín dụng thư, nhà xuất khẩu nên kiểm tra lại nội dung của tín dụng thư).

## What special points must the seller observe in documentary credit operations ?

### *Before the credit is opened*

- The seller should already decide during the sale negotiations which form of credit will be the most appropriate. The manner by which payment is to be made is already determined when the buyer and seller agree upon the sale contract and the mode of payment. The risk for the seller in foreign transactions is greater if he has no experience with deliveries to the buyer in question or to other buyers in the same country.

- The seller obtains the best guarantee of payment when the credit is confirmed by his bank. Although the costs are somewhat higher, the better security offsets the higher cost. However, in selecting this type of credit the seller should make certain prior to concluding the contract that the bank with which he does business is prepared to confirm the credit of the buyer's bank.

- In the case of countries with foreign exchange restrictions and other regulations impeding foreign trade transactions, documentary credits may be delayed. It is therefore advisable for the seller to stipulate in the contract the date by which he must be in possession of an acceptable documentary credit.

- To avoid controversies over details of the planned credit, the points important to the seller should be stipulated in writing in the contract. These are:

- Amount and currency (especially important when the contract amount and the credit amount are different):

- With regard to the credit amount and/or the quantity, the seller should decide whether the necessary flexibility be granted by inserting the term "about" (plus/minus 10% tolerance);

- The place where the credit is available and payable;
- Whether the credit is to be confirmed and if so by whom ?
- Whether the credit must be transferable;
- Duration of the credit, delivery date of the goods and the period in which the documents are to be presented;
- Whether payment is to be made at sight or on a time basis;
- Whether partial shipments and transshipping is permitted;
- The delivery terms, dispatching and arrival points of the merchandise (regarding delivery terms, it is advisable to consult the International Chamber of Commerce's "International rules for the interpretation of trade terms" - "Incoterms" for short);
- The documents to be presented upon utilization.
- Which credit costs are to be borne by whom.

***After the credit is opened***

- The seller should check to see whether the documentary credit sent by the bank correctly reflects the credit terms agreed upon with the buyer. If not, he should immediately request the buyer to have the credit amended.

- The seller should make certain that the individual terms can be met to the letter. If any of the terms can be met, the bank security is lost ; the bank can refuse to accept the documents even if only apparently insignificant discrepancies exist.

***Terms relating to dates in the credit***

When a credit is valid "for one month", "for six months", etc., the period during which the credit is to run will be deemed to start on the date the credit is opened, unless otherwise stipulated.

In addition to the expiry date, all credits calling for transport documents should also stipulate the date by which the transport and other documents must be presented to the bank. If no such period is stipulated, banks will refuse documents presented to them later than 21

days after the transport documents have been issued.

If the last date for the presentation of documents falls on a Sunday or a holiday, banks may accept documents presented on the first following business day.

If the validity period of a credit is extended, the date of dispatch or the 21-day period is not automatically prolonged but has to be extended as well.

## Terminology study

*To observe* : tuân theo, tuân thủ

- *What special points must the seller observe in documentary credit operations ?* (Các điểm đặc biệt nào người bán phải tuân thủ trong các nghiệp vụ tín dụng thư chứng từ ?).

*To offset* : bù đắp

- *The better security offsets the higher cost.* (Sự đảm bảo tốt hơn sẽ bù đắp lại các chi phí cao hơn).

*Foreign exchange restrictions* : các khống chế về ngoại hối

- *In case of countries with foreign exchange restrictions, documentary credits may be delayed.* (Trường hợp các nước có khống chế về ngoại hối, các tín dụng thư chứng từ có thể bị chậm trễ).

*To impede* : cản trở, ngăn cản

- *Such regulations may impede foreign trade transactions.* (Các qui định như thế có thể cản trở các giao dịch ngoại thương).

*To be in possession of* : thủ đắc, có được

- *It is advisable for the seller to stipulate in the contract the date by which he must be in possession of an acceptable documentary credit.* (Người bán được khuyên là nên qui định rõ trong hợp đồng ngày tháng mà theo đó ông ta phải có được một tín dụng thư chứng từ có thể chấp nhận được).

*To avoid controversies over details of the planned credit* : nhằm tránh các tranh cãi về các chi tiết của tín dụng thư dự kiến.

*Tolerance* : dung sai +/- 10 % (số lượng nhiều hơn hoặc ít hơn 10 %)

*To insert* : xen vào, thêm vào

- *The seller should decide whether the necessary flexibility be granted by inserting the term "about".* (Người bán nên quyết định xem có cần phải có sự linh động không, bằng cách thêm vào từ : độ chừng").

- *The place where the credit is available and payable.* (Nơi tín dụng thư có hiệu lực thanh toán).

*Partial shipment* : chở hàng từng phần

*Transshipping* : chuyển tải

*To be borne* : chịu, gánh chịu

- *Which credit costs are to be borne by whom.* (Chi phí nào của tín dụng thư và do ai gánh chịu).

- *The banking charges outside Viet Nam are to be borne by the exporter.* (Các chi phí ngân hàng ngoài Việt Nam phải do nhà xuất khẩu chịu).

*To have the credit amended* : đề nghị tu chỉnh (sửa đổi) tín dụng thư.

- *He should immediately request the buyer to have the credit amended.* (Ông ta nên tức khắc yêu cầu người mua cho tu chỉnh tín dụng thư).

*Insignificant discrepancies* : các sai biệt nhỏ, không quan trọng.

- *The bank can refuse to accept the documents even if only apparently insignificant discrepancies exist.* (Ngân hàng có thể khước từ chấp nhận chứng từ ngay cả khi chỉ có những sai biệt ngoài mặt rất nhỏ).

*To fall* : rơi vào (một ngày nào đó)

*Business day* : ngày làm việc

- *If the last date for the presentation for documents falls on a Sunday or a holiday, banks may accept documents presented on the first following business day.* (Nếu ngày chót để xuất trình chứng từ rơi vào ngày chủ nhật hoặc lễ, các ngân hàng có thể chấp nhận chứng từ xuất trình vào ngày làm việc đầu tiên tiếp ngay sau đó).

*To extend* : gia hạn, triển hạn.

*Extension* : sự gia hạn, triển hạn.

- *If the validity period of a credit is extended, the date of dispatch is not automatically prolonged but has to be extended as well.* (Nếu thời hạn hiệu lực của tín dụng thư được gia hạn, ngày gửi hàng không đương nhiên được kéo dài mà cũng phải được gia hạn).

## Check-list for the seller after the documentary credit opening

1. Does the documentary credit correspond with the contract, especially in connection with the following points ?

- Amount/unit price.
- Period of validity/time limit for shipment.
- Terms of delivery.
- Description and origin of the merchandise.

2. Is the documentary credit revocable, irrevocable/uncon-firmed or confirmed ?

3. Is it transferable, if necessary ?

4. Where and when is the credit available and payable ?

5. If unconfirmed or confirmed by a bank abroad, how do you assess the

a. credit risk (del credere bank).

b. conditions in the buying country (political and transfer risks).

c. mailing risk (if credit is available abroad) ?

- Are the names and addresses of the applicant and the beneficiary correct ?

- Is the documentary credit subject to the ICC's currently valid Uniform Customs and Practice for Documentary Credits ?

- Is there sufficient time available to complete attestation and authentication procedures ?

- Are declarations requested in the documents which cannot be made ?

- Are documents stipulated which are contradictory to the terms of delivery ?

- Does the credit stipulate documents which need to be drawn up or countersigned by the buyer or his bank ? In such a case, the utilization of the credit depends to a large extent on the goodwill of the buyer.

- Can the required number of specified documents be furnished ?

***Deadlines and shipment of goods***

1. Can the shipment deadline be met ?

Are the terms regarding the place where the goods are to be taken into possession and the points of departure and arrival feasible ?

2. Are partshipments and transshipments prohibited contrary to the terms of contract ?

3. Can the prescribed marks and modes of transport be provided ?

4. Can the documents be presented in the desired form by the dates specified in the credit ? (If the credit stipulates a transport document, the documents have to be presented at the bank not later than 21 days after the issue date of the transport document unless the credit stipulates another time limit).

5. Are you familiar with the expressions of time utilized in the credit ?

***Draft***

Are you absolutely certain about the way the draft should be made out ?

***Invoice***

Can the description of the goods in the invoice be taken word for word from the documentary credit ?

**Terminology study**

- *Checklist for the seller after the documentary credit opening.* (Danh sách kiểm tra mà người bán cần rà soát lại sau khi người mua đã mở tín dụng thư).

- *Does the documentary credit correspond with the contract ?* (Tín dụng thư chứng từ có theo đúng hợp đồng không ?)

- *Where and when is the credit available and payable ?* (Tín dụng thư có hiệu lực thanh toán lúc nào và ở đâu ?).

- *Is the documentary credit subject to the ICC's currently valid UCP ?* (Tín dụng thư chứng từ có căn cứ vào tập quán và cách thực hành thống nhất về tín dụng chứng từ đang có hiệu lực của phòng thương mại quốc tế không ?).

- *Is there sufficient time available to complete attestation and authentication procedures ?* (Có đủ thời gian cần thiết để hoàn tất các thủ tục chứng thực và xác nhận không ?).

*To draw up* : thảo, ký phát.

*To countersign* : phó thư, tiếp ký.

- *Does the credit stipulate documents which need to be drawn up or countersigned by the buyer or his bank ?* (Tín dụng thư có quy định các chứng từ cần người mua hoặc ngân hàng của ông ta ký phát hoặc phó thư không ?).

*Deadline* : thời hạn chót, cuối cùng.

- *Can the shipment deadline be met ?* (Thời hạn chót để chở hàng có thể kịp không ?).

*Prescribed mark* : dấu hiệu quy định (đóng trên thùng hàng hoặc chứng từ).

*Mode of transport* : phương thức chuyên chở (vận tải).

- *Can the prescribed marks and modes of transport be provided ?* (Các dấu hiệu và phương thức chuyên chở quy định có thể cung cấp được không ?).

- *If the credit stipulates a transport document, the documents have to be presented at the bank not later than 21 days after the issue date of the transport document unless the credit stipulates another time limit.* (Nếu tín dụng thư có quy định một chứng từ chuyên chở thì chứng từ phải được xuất trình cho ngân hàng chậm nhất là 21 ngày sau ngày phát hành chứng từ chuyên chở đó, trừ phi tín dụng thư có quy định một thời hạn khác.).

- *Are you familiar with the expressions of time utilized in the credit ?* (Quý vị có nắm vững các nhóm từ chỉ thời gian được sử dụng trong tín dụng thư không ?).

## Terms relating to dates in the credit

Expressions such as “prompt”, “immediately”, “as soon as possible” and the like used in connection with the day delivery or taking charge of goods will be interpreted to mean that the shipment must be made within 30 days from the date the credit is opened.

Such expressions as “on or about” will be interpreted to mean that the shipment will be made within 5 days prior to the stipulated date or within 5 days after it, both the first day and the last day being included.

If the words “to”, “until”, “till” and “from” are used, it will be understood that the date mentioned is included in the period of time. If the word “after” is used, it will be understood that the date referred to is excluded from the period of time.

Such terms as the “beginning of the month”, “first half of the month” and so forth that do not refer to a specific date will be interpreted as follows :

First half of the month = from the 1st to and including the 15th of the month.

Second half of the month = from the 16th to and including the last day of the month.

Beginning of the month = from the 1st to and including the 10th of the month.

Middle of the month = from the 11th to and including the 20th of the month.

End of the month = from the 21st to and including the last day of the month.

### Terminology study

*Prompt* : nhanh chóng, ngay.

*Immediately* : ngay.

*As soon as possible (ASAP)* : càng sớm càng tốt.

- Expressions such as "prompt", "immediately", "as soon as possible" and the like mean that the shipment must be made within 30 days from the date the credit is opened. (Các từ hoặc nhóm từ như "nhanh chóng", "ngay", "càng sớm càng tốt" có nghĩa là việc chở hàng phải được thực hiện trong vòng 30 ngày kể từ ngày mở tín dụng thư).

*First half of the month* : nửa đầu của tháng (từ ngày 1 cho đến và bao gồm ngày 15).

*Second half of the month* : nửa sau của tháng (từ ngày 16 cho đến và bao gồm ngày cuối cùng của tháng).

*Beginning of the month* : đầu tháng (từ ngày 1 cho đến và bao gồm ngày 10).

*Middle of the month* : giữa tháng (từ ngày 11 cho đến và bao gồm ngày 20).

*End of the month* : cuối tháng (từ ngày 21 cho đến và bao gồm ngày cuối cùng của tháng).





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# Securities market

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# Call Options

A call option gives its holder the right to buy a specified number of shares of the underlying stock at a predetermined price (called the striking or exercise price) between the date of purchase and the option's expiration date. It must be emphasized that an option gives an investor the right to purchase, but not the obligation to do so. A single call option gives the holder the right to buy 100 shares.

For example, an investor who bought an XYZ October 40 call option would have the right, but not the obligation, to buy 100 shares of XYZ common stock at a cost of \$40 per share at any time before the option expires in October. The right to purchase common stock at a fixed price becomes more valuable as the price of the underlying common stock increases.

## **Example :**

Suppose you buy an XYZ 40 call option when the price of the stock is \$40 and pay a premium of \$2. A premium or price of \$2 means that the option will cost \$200 (an option contract is based upon 100 shares). If the price of XYZ stock climbs to \$45 before expiration and the premium rises to \$6, an investor has two choices in disposing of the option :

1. The option can be exercised and the underlying XYZ common stock can be bought for a total cost of \$4,200 (including the \$200 premium). The shares can then be sold for \$4,500, yielding a net profit of \$300.

2. The option contract can be sold for \$600, earning a profit of \$400 (\$600-\$200 premium). Here, the investor makes a profit of 33 1/3 percent (200/600), while the profit on an outright purchase given the same price movement would be only 12 1/2 percent ( (45-40)/40).

## **Terminology study**

*Call option* : quyền chọn mua.

- *There are three kinds of options : call option, put option and double option.* (Có ba loại quyền chọn : quyền chọn mua, quyền chọn bán, và quyền chọn mua, chọn bán).

*Underlying stock* : cổ phiếu cơ sở.

- *The underlying stock is the stock that must be delivered in completion of an option or futures contract.* (Cổ phiếu cơ sở là cổ phiếu phải được giao khi hoàn tất một hợp đồng quyền chọn hoặc một hợp đồng hạn kỳ).

*Obligation* : nghĩa vụ bắt buộc, trái - vụ.

- *It must be emphasized that an option gives an investor the right to purchase, but not the obligation to do so.* (Cần phải nhấn mạnh là quyền chọn cho phép một nhà đầu tư được quyền mua, nhưng không phải là nghĩa vụ bắt buộc phải thực hiện việc mua đó).

*Premium* : tiền cược.

- *Premium in terms of options is the price paid by the buyer of an option contract.* (Tiền cược theo nghĩa các quyền chọn là giá mà người mua một hợp đồng quyền chọn phải trả).

## Put Options

A put option gives the holder the right to sell a specified number of shares of the underlying common stock at a redetermined price (striking or exercise price) on or before the expiration date of the contract. Buying an XYZ October 40 put gives an investor the right to sell 100 shares of XYZ stock at \$40 per share at any time before the option expires in October.

### *Example :*

Assume that you buy an XYZ October 40 put at a premium of 2 (or \$200) when the price of the underlying common shares is \$40 per share. If the price of XYZ stock fall to \$35 before October and the premium rises to 6, you have two choices in disposing of these in-the-money put options :

1. One hundred shares of XYZ stock can be purchased at \$35 per share. Then, you can exercise your put option to sell XYZ at \$40 per share. This produces a profit of \$300 (\$500 profit on the common stock minus the \$200 option premium).

2. The put option contract can be sold, producing a profit of \$400 (\$600 premium received less the \$200 premium paid).

As discussed previously, you don't have to exercise an option to realize the profit. It is generally a better strategy to sell an option than to exercise it. Sales of options usually involve lower transactions costs than exercising options.

If XYZ stock had climbed to \$45 before expiration and the premium fell to 1, the option would be out of the money. You could continue to hold the option, hoping the price will drop, or sell it for \$100. A sale for \$100 would mean a \$100 loss (\$200-\$100). It is often a good strategy to sell an option at a loss rather than wait for the price of the stock to change in the investor's favor. The time value of an option rapidly shrinks toward zero starting about six weeks before expiration.

## Terminology study

*Put Option* : quyền chọn bán.

- *A put option gives the holder the right to sell a specified number of shares of the underlying common stock at a predetermined price on or before the expiration date of the contract.* (Quyền chọn bán cho người sở hữu quyền được bán một số cổ phần nhất định thuộc cổ phiếu thường cơ sở với một giá được quy định trước vào thời điểm, hoặc trước thời điểm mãn hạn hợp đồng).

*In-the-money put option* : quyền chọn bán khi giá thực hiện cao hơn giá thị trường.

- *You have two choices in disposing of these in-the-money put options.* (Quý vị có hai cách chọn lựa để xử lý các quyền chọn bán khi giá thực hiện cao hơn giá thị trường).

*Out-of-the-money-put option* : quyền chọn bán khi giá thực hiện thấp hơn giá thị trường.

- *If XYZ stock had climbed to \$45 before expiration and the premium fell to 1, the option would be out of the money.* (Nếu giá cổ phiếu XYZ đã leo lên đến 45 USD trước ngày mãn hạn, đồng thời tiền cược tuột xuống còn 1, quyền chọn bán sẽ được bán với giá thực hiện thấp hơn giá thị trường).

# Financial futures

A financial futures contract is, in brief, an agreement between two parties for the deferred delivery of financial instruments. The price for the instruments is established at the time the contract is initiated. The term "financial futures" is generally used to describe futures contracts not only for financial instruments but also for precious metals, stock indexes and foreign currencies. The term "interest rate futures" refers to the narrower range of contracts on interest-sensitive securities or financial instruments.

## *Comparison with the forward market*

The futures market differs from the forward market in that the terms of the contract - type, quantity, grade, maturity, delivery method, minimum fluctuations and so on - are all standardized. Thus, price (of the contract, not of the underlying security) is the only variable, making trading in the contracts quite easy.

## *Long and short positions*

The buyer of a futures contract, who has agreed to take delivery, is said to be "long" ; he will benefit if the price of the underlying instruments rises. Since the holder of the long position has already fixed his purchase price, he has implied ownership.

The seller, who has agreed to make delivery, is said to be "short" ; he will profit from a fall in the price of the underlying instrument. Since he has already established his selling price, the lower prices fall, the higher his profit margin. Conversely, the higher the level of prices, the more the short loses.

## *Liquidating a position*

The buyer (long) or seller (short) may liquidate his contract by simply making an equal and opposite transaction for the same delivery month as his original contract. The buyer of a December U.S. Treasury bond contract, for example, can liquidate his long position by selling one December contract. He is then under no obligation to take delivery of

Treasury bonds. His sale simply offsets his original position. Short positions, similarly, are offset (or covered) by simply buying the same contract month that was sold originally.

## Terminology study

*Financial futures* : mua bán hạn kỳ tài chính.

- The term "financial futures" is generally used to describe futures contracts not only for financial instruments but also for precious metals, stock indexes and foreign currencies. (Thuật ngữ "mua bán hạn kỳ tài chính" được dùng một cách tổng quát để diễn tả các hợp đồng mua bán hạn kỳ, chẳng những cho các công cụ tài chính mà còn cho các kim loại quý, chỉ số cổ phiếu và ngoại tệ).

*Long position* : vị trí người mua.

*Short position* : vị trí người bán.

- The buyer of a futures contract, who has agreed to take delivery, is said to be "long". (Người mua một hợp đồng hạn kỳ, đã thỏa thuận sẽ nhận hàng, được gọi là ở "vị trí dài").

- The seller, who has agreed to make delivery, is said to be "short". (Người bán một hợp đồng hạn kỳ, đã thỏa thuận sẽ giao hàng, được gọi là ở "vị trí ngắn").

*Liquidating a position* : thanh lý một vị trí.

- The buyer of a December U.S Treasury bond contract can liquidate his long position by selling one December contract. (Người mua một hợp đồng hạn kỳ trái phiếu kho bạc Mỹ, nhận hàng vào tháng 12, có thể thanh lý vị trí người mua của họ bằng cách bán một hợp đồng hạn kỳ cũng giao hàng vào tháng 12).

## Tips on trading futures

Given the danger of trading futures, there are certain rules futures speculators should observe. The most important single characteristic of successful futures traders is that they are disciplined. They have a plan or system and they follow it. If you don't have a plan or system, you should not be trading futures. This market is not for casual investors. It is dominated by professionals who work full-time at searching for and exploiting opportunities.

### *Rules to follow in trading futures include the following*

1. *Select an experienced broker.* Trade only with a reputable firm that has at least one broker with extensive experience in trading futures. To select a broker, ask for the opinion of the office manager, and then arrange for an interview. Determine that he/she has appropriate experience (at least three years) and qualifications to be of assistance to you. If you are not comfortable with your broker, look elsewhere.
2. *Set your maximum risk.* Decide how much loss you are willing to accept in advance. This loss you are can be expressed as a specific amount or a percentage of margin. Remember that you are likely to have more losses than gains.
3. *Avoid overtrading.* If you don't see opportunities, don't trade. At certain times, futures should be avoided. Trade only when the risk-to-reward ratio is acceptable.
4. *Risk no more than 10 percent of your trading funds in any single position.* This limit will prevent the decimation of your trading capital as a result of a bad trade.
5. *Never average down.* Don't buy more contracts when you have a loss in existing contracts.

### **Terminology study**

*Tips on trading futures* : lời khuyên về mua bán kỳ hạn.

- *If you don't have a plan or system, you should not be trading futures.*

(Nếu quý vị không có một kế hoạch hoặc một hệ thống, quý vị không nên mua bán hạn kỳ).

*Select an experienced broker* : hãy lựa chọn một nhà trung gian chứng khoán có kinh nghiệm.

- *Trade only with a reputable firm that has at least one broker with extensive experience in trading futures.* (Hãy mua bán chỉ với một hãng nổi tiếng có ít nhất một nhà trung gian có nhiều kinh nghiệm về mua bán hạn kỳ).

*Set your maximum risk* : hãy định mức rủi ro tối đa.

- *Decide how much loss you are willing to accept in advance.* (Hãy định trước mức thua lỗ là bao nhiêu mà quý vị sẵn sàng chấp nhận được).

*Avoid overtrading* : hãy tránh mua bán quá tải.

*Risk-to-reward ratio* : tỷ số rủi ro trên lợi nhuận.

- *Risk no more than 10 percent of your trading funds in any single position.* (Không được định mức rủi ro quá 10 % trên số tiền mua bán trong bất cứ vị trí mua bán nào).

*Never average down* : không bao giờ được làm trung bình theo giá xuống các chứng khoán mua bán.

# Hedgers

Hedgers are the fastest growing and most important group of participants in the financial futures market. The need to hedge against risk sparked the development of financial futures, and a futures contract will remain viable only if it is of use to those seeking to transfer risk. While speculative interest is helpful, only hedgers provide the stable market participation that makes for long-term liquidity.

In brief, hedging is the use of the futures market to offset the interest rate or currency risk inherent in commercial enterprise. Financial institutions are one of the major groups of hedgers in the financial futures market. Banks and other financial institutions make their money by borrowing funds from various sources and investing or loaning that money at higher rates. The primary aim of any financial institution in using futures is to stabilize their profit margin between asset yields and liability costs. Investment banks and securities dealers can also use financial futures to protect themselves from rising interest rates while holding large inventories of bonds.

Depending on the nature of their business, corporations can also make good use of the futures market for hedging against risk. The primary use of futures by corporations is to stabilize their cost of borrowing. Companies with variable-rate loans or commercial paper programmes can offset the risk of rising rates by initiating a short position in U.S. Treasury bill, C.D. or Eurodollar futures.

## Terminology study

*Hedging* /hét-dzing/ : việc mua một thương phẩm, cổ phần hoặc một công cụ đầu tư khác với giá nhất định, giao hàng có hạn kỳ nhằm để phòng các thua lỗ do sự biến động giá cả.

*To hedge* : thực hiện hedging.

*Hedger* : người thực hiện hedging.

- *Hedging is a way of protecting yourself against unexpected price increase.* (Hedging là một cách bảo vệ bạn chống lại sự gia tăng giá cả không tiên liệu được).

*To offset the interest rate or currency risk* : bù đắp rủi ro tiền tệ hoặc lãi suất.

- *In brief, hedging is the use of the futures market to offset the interest rate or currency risk inherent in commercial enterprise.* (Nói tóm lại, hedging là việc sử dụng thị trường hạn kỳ nhằm bù đắp các rủi ro tiền tệ hoặc lãi suất vốn có trong các xí nghiệp thương mại).

*U.S Treasury bill* : trái phiếu kho bạc Mỹ.

*C.D. (Certificate of Deposit)* : chứng chỉ ký thác định kỳ.

*Eurodollar futures* : chứng chỉ hạn kỳ đô-la châu Âu (đô-la ký thác tại các ngân hàng ngoài nước Mỹ).

- *U.S. Treasury bills, C.Ds and Eurodollar futures can be traded in the securities market.* (Trái phiếu kho bạc Mỹ, chứng chỉ ký thác định kỳ, chứng chỉ đô-la châu Âu có thể được mua bán trên thị trường chứng khoán).

# Stock Indexes

Stock market indexes were developed to measure performance of the stock market. Most investors gauge the state of the stock market from the news media reports of the Dow Jones averages and the Standard & Poor's (S & P) 500 index. Index options were introduced in March 1983, when the Chicago Board Options Exchange (CBOE) began trading options on the Standard & Poor's 100 index (S & P 100). Shortly thereafter, the American Stock Exchange followed with an options contract on the Major Market Index, and the New York Stock Exchange introduced options on the New York Stock Exchange Composite Index. Within one year of trading, index options accounted for over half of the volume of all options traded, and daily volume in the options exceeded \$4 billion in the underlying common stock.

*S & P 100 Index.* The most popular stock index option and the most actively traded of all options in the S & P 100 Index option, which is traded on the CBOE. The S & P 100 Index is composed of one hundred blue-chip stocks on which the CBOE currently lists stock options. Blue-chip stocks are shares of common stock in a nationally known company that has a long history of profit growth and dividend payments. It includes most of the titans of American industry, such as AT & T, Exxon, General Motors, and IBM.

The S & P 100 is a value-weighted index. This means that both the price and number of shares outstanding are used to compute the index. Therefore, stocks with large market capitalizations (market price of the stock times the number of shares owned by the stockholders) influence value-weighted indexes most.

## Terminology study

*Stock index*: chỉ số cổ phiếu.

- *Stock market indexes were developed to measure performance of the stock market.* (Chỉ số thị trường cổ phiếu đã được phát triển nhằm đo lường kết quả hoạt động của thị trường cổ phiếu).

*News media reports* : các báo cáo thông qua phương tiện truyền thông.

- *Most investors gauge the state of the stock market from the news media reports of Dow Jones averages and the Standard & Poor's (S & P) 500 Index.* (Hầu hết các nhà đầu tư đánh giá tình hình thị trường cổ phiếu qua các báo cáo thông qua phương tiện truyền thông cho biết chỉ số trung bình Dow Jones và chỉ số S & P 500).

*Blue-chip stocks* : cổ phiếu của các công ty lớn, nổi tiếng.

- *Blue-chip stocks are share of common stock in a nationally known company that has a long history of profit growth and dividend payments.* (Cổ phiếu của các công ty lớn, nổi tiếng là cổ phần thuộc cổ phiếu thường của một công ty nổi tiếng toàn quốc, có lịch sử lâu dài về mức tăng trưởng lợi nhuận và thanh toán cổ tức).

- *Market price of the stock times the number of shares owned by the stockholders.* (Giá thị trường của cổ phiếu nhân với khối lượng cổ phần do các cổ đông sở hữu).

## Opening a futures account

Futures and options on futures contracts are bought and sold through brokerage firms. Therefore, the first step in trading futures is selecting a broker. This decision will be affected by your experience in and knowledge of futures markets, and the commitment in time and effort you plan to make in trading futures. Many futures traders prefer to do their own research and analysis and make their own decision. In other words, they trade futures in a way that is similar to the management of their own stock portfolios. Other traders rely the recommendations of a brokerage firm. Some traders purchase independent trading advice, and make their decisions accordingly. Still others choose to participate in a commodity trading pool.

There is no magic formula for deciding how to participate in futures trading. Your decision should be based on such factors as your knowledge and experience in trading futures, the time and attention you will devote to trading, the amount of capital you can afford to commit, and your individual temperament and tolerance for risk.

Opening an account with a brokerage firm is not significantly different from opening a bank account. A prospective investor has to provide his/her name, address, occupation, social security number, citizenship, an acknowledgement that the customer is of legal age, and a suitable bank or financial reference. For futures traders, other information, such as financial data, is used to determine whether the individual is financially qualified to trade futures. In addition, every new account must sign a risk-disclosure statement that describes the risks associated with futures trading. If your broker does not strongly advise you of these risks, you should perhaps look for another broker.

### Terminology study

*Opening a futures account* : mở một tài khoản hạn kỳ.

- *Opening a futures account with a brokerage firm is not different from opening a bank account.* (Mở một tài khoản hạn kỳ với một hãng trung

gian chứng khoán không khác với việc mở một tài khoản tại ngân hàng).

*Futures* : mua bán hạn kỳ.

*Options* : mua bán quyền chọn.

- *Futures and options on futures contracts are bought and sold through brokerage firms.* (Mua bán hạn kỳ và mua bán quyền chọn trong các hợp đồng hạn kỳ được thực hiện thông qua các hãng trung gian chứng khoán).

*Stock portfolios* : danh sách đầu tư cổ phiếu.

- *They trade futures in a way that is similar to the management of their own stock portfolios.* (Họ mua bán hạn kỳ theo một cách thức giống như việc quản lý các danh sách đầu tư cổ phiếu của họ).

*Individual temperament* : tính khí riêng.

*Tolerance for risk* : chịu đựng rủi ro.

*To be financially qualified to trade futures*: có đủ khả năng về tài chính để mua bán hạn kỳ.

## Covered call writing

Investors have been using two strategies involving stock options to offset risk. These strategies are covered call writing and protective puts. The strategy of choice for an investor is dependent upon the extent of the expected stock or stock market decline.

Many investors view options as highly speculative, risky investments. However, there are several options strategies that are conservative. One such strategy is covered call writing. Investors write covered calls for the following two reasons :

1. To realize additional income on the underlying common stock by earning premium income ;
2. To provide a measure of downside protection (limited to the amount of the premium) against small declines in the price of the stock.

Covered call writing is usually considered to be a more conservative strategy than the outright purchase of common stock, because the investor's downside risk is reduced by the amount of the premium he/she receives for selling the call.

The covered call writer either buys common stock and simultaneously sells an equivalent number of call options against the shares purchased (commonly called a "buy-write"), or sells calls against common stock that is already owned. Any investor can profit from this strategy. Its characteristics can be summarized as follows :

1. The sale of the option provides immediate cash flow.
2. Losses are reduced by the amount of the premium in the event of the downward movement in the price of the common stock.
3. It provides a good return even if the underlying common stock is called away.

### Terminology Study

*Covered call writing* : bán quyền chọn mua có đảm bảo bằng cổ phiếu cơ sở.

- *Investors write covered calls for the following two reasons :*

1. *To realize additional income on the underlying common stock by earning premium income.*

2. *To provide a measure of downside protection against small declines in the price of the stock.*

(Các nhà đầu tư bán quyền chọn mua có bảo đảm vì hai lý do sau :  
1. Để có thêm lợi tức từ cổ phiếu cơ sở nhờ thu nhập tiền cá cược ; 2. Cung cấp một biện pháp bảo vệ giá xuống khi giá cổ phiếu giảm xuống chút ít).

*Buy-write* : mua cổ phiếu thường rồi bán quyền chọn mua được bảo đảm bằng cổ phiếu đã mua.

- *The covered call writer buys common stock and simultaneously sells an equivalent number of call options against the shares purchased.* (Người bán quyền chọn mua có bảo đảm mua cổ phiếu thường, đồng thời bán một số lượng tương đương quyền chọn mua đối với các cổ phần đã mua).

*Outright purchase of common stock* : mua ngay cổ phiếu thường.

*Downside risk* : rủi ro do giá xuống.

## Uncovered call writing

Uncovered - or naked - call writing differs from covered call writing in that the investor does not own the shares of the common stock represented by the option. The objective of the writer of an uncovered call is to earn a return from the writing transaction without committing money to the ownership of the underlying shares of stock. An uncovered call writer must deposit and maintain enough margin with his/her broker to guarantee that the stock can be purchased for delivery if the call is exercised.

Writing uncovered calls can be profitable during periods of declining or generally stable prices, but investors who are considering this strategy should be aware of the significant risks involved. If the market price of the underlying common stock sharply increases, the call could be exercised. To satisfy the delivery obligation, the writer would have to acquire stock in the market for substantially more than the exercise price of the option. This action could result in a large net loss. Therefore, uncovered call writing should be undertaken only by investors who have studied the options market closely and are financially able to afford the risk.

To illustrate, an investor who writes an XYZ October 40 call for a premium of 4 receives \$400 in premium income. If the stock price remains at or below \$40, the calls will not be exercised. However, if the stock price rises to \$55, the investor will be assigned and will incur a loss of \$1,100 (\$1,500 loss on covering the call assignment less the \$400 premium). An uncovered call writer may cancel the obligation at any time prior to being assigned by executing a closing purchase transaction (buying a call in the same series).

### Terminology study

*Uncovered (naked) call writing* : bán quyền chọn mua không có đảm bảo bằng cổ phiếu cơ sở.

- *The objective of the writer of an uncovered call is to earn a return from the writing transaction without committing money to the ownership of the underlying shares of stock.* (Mục đích của người bán quyền chọn mua không có đảm bảo là thu một khoản lợi tức do việc bán này mang lại mà khỏi phải sử dụng đến tiền để có được quyền sở hữu các cổ phiếu cơ sở).

*Margin* : tiền ký quỹ bảo đảm.

- *An uncovered call writer must deposit and maintain enough margin with his broker to guarantee that the stock can be purchased for delivery if the call is exercised.* (Người bán quyền chọn mua không có đảm bảo phải ký quỹ bảo đảm tại nhà trung gian chứng khoán với một mức đủ để bảo đảm rằng cổ phiếu có thể được mua để giao, một khi quyền chọn mua được thực hiện).

*To assign* : chuyển quyền sở hữu.

*Assignment* : việc chuyển quyền sở hữu.

*To incur a loss* : chịu lỗ.

# Buying stocks

Buying stocks isn't hard, but the process has its own rules, its own distinctive language and a special cast of characters.

To buy or sell a stock, you have to go through a *brokerage house*, an investment firm that is a member of a *stock exchange*. Your deal is handled by a *stockbroker* who has passed an exam on securities law and has registered with the *Securities and Exchange Commission* (SEC), which regulates the investment industry.

## ***What's in a name ?***

Though a broker is generally recognized as someone who buys and sells stocks, the financial markets use other, not so widely recognized, job descriptions to identify the various ways securities change hands and the people who get the job done.

*Brokers* act as agents to execute buy and sell orders from the investing public.

*Dealers* are people or firms that buy and sell securities as principals rather than agents, making their money on the difference between the cost of buying and the price for selling.

*Investment bankers*, or underwriters, buy new issues directly from corporations and sell them to individual and institutional investors.

*Traders*, also called registered or competitive traders, buy and sell for their own accounts. People who buy and sell for broker/dealers or financial institutions are also called traders.

## **Terminology study**

*Brokerage House (BH)* : nhà trung gian chứng khoán

*Stock Exchange (SE)* : sở giao dịch chứng khoán

- To buy or sell a stock, you have to go through a *brokerage house*, an investment firm that is a member of a *stock exchange*. (Mua hoặc bán cổ

phiếu, bạn phải thực hiện qua một nhà trung gian là một hãng đầu tư, thành viên của một sở giao dịch chứng khoán).

*Securities and exchange commission (SEC)* : Hội đồng giao dịch và chứng khoán

- *SEC is an independent regulatory agency established in the United States of America in 1934 to oversee the administration of federal securities laws.* (SEC là một cơ quan điều hòa luật lệ độc lập được thành lập ở Mỹ năm 1934 để giám sát việc quản trị các luật về chứng khoán liên bang)

*Brokers* : người kinh kỹ, người môi giới (chứng khoán), ăn tiền hoa hồng môi giới (brokerage fee).

*Dealers* : người hoặc hãng mua bán (chứng khoán), thường mua bán chứng khoán cho chính mình hơn là làm môi giới ; ăn chênh lệch giá (*the difference between the cost of buying and the price for selling*).

*Investment bankers or underwriters* : người bảo đảm (phát hành cổ phần mới cho các công ty và bán lại cho cá nhân hoặc công ty khác).

*Traders or competitive traders or registered traders* : nhà kinh doanh (chứng khoán), mua bán cho chính mình.

# The right to vote

As a stockholder, you have the right to vote on major policy decisions, such as whether to issue additional stock, sell the company to outside buyers, or change the board of directors. In general, the more stock you own, the greater your voice in company decisions.

## *All stocks are not equal*

Usually, each share of stock gives you one vote. Some companies, especially ones whose founders are active stockholders, issue different classes of stock with different voting privileges. When stocks carry extra votes, a small group of people can control the company while owning less than 50 % of the shares.

## *The way you vote*

Most shareholders vote by *proxy*, an absentee ballot they receive before the annual meeting. Or they have the option of attending the meeting and voting in person.

The mailing includes a *proxy statement*. It's often a jargon-filled, legalistic document that presents information on planned changes in company management that require shareholder approval.

By law, it must also present shareholder proposals, even if they are at odds with company policy. The statement also identifies the nominees for the board of directors, and lists the major shareholders.

New Security and Exchange Commission rules require proxies to show in chart form the total compensation of the company's top five executives. The proxy must also report stock performance in relation to comparable companies in the industry and to the S&P 500 Index.

## Terminology study

*The right to vote* : quyền bỏ phiếu.

- As a stockholder, you have the right to vote on major policy decisions. (Với tư cách một cổ đông, quý vị có quyền bỏ phiếu đối với các quyết định về chính sách quan trọng).

*The board of directors* : hội đồng quản trị.

- *In a joint - stock company, the headman of the Board of Directors is called the Chairman.* (Trong một công ty cổ phần, người đứng đầu Hội đồng Quản trị được gọi chủ tịch)

*Founder* : sáng lập viên.

- *Some companies, especially ones whose founders are active stockholders, issue different classes of stock with different voting privileges.* (Một số công ty, đặc biệt là những công ty mà các sáng lập viên là những cổ đông hoạt động, phát hành nhiều loại cổ phiếu khác nhau với những đặc quyền bỏ phiếu khác nhau).

*Proxy* : giấy ủy nhiệm (để bỏ phiếu thay)

- *Most shareholders vote by proxy, an absentee ballot they receive before the annual meeting.* (Phần lớn các cổ đông bỏ phiếu bằng giấy ủy nhiệm, một lá phiếu vắng mặt mà họ nhận được trước đại hội hàng năm).

## Buying on margin

Buying on margin lets investors borrow some of the money they need to buy stocks.

Investors who want to buy stock but don't want to pay the full price can *leverage* their purchase by buying on margin. They set up a *margin account* with a broker, sign a margin agreement (or contract), and maintain a minimum balance. Then they can borrow up to 50 % of the price of the stock and use the combined funds to make their purchase.

Investors who buy on margin pay interest on the loan portion of their purchase, but don't have to repay the loan itself until they sell the stock. Any profit is theirs. They don't have to share it.

For example, if you want to buy 200 shares of a stock selling for \$40 a share, the total cost would be \$8,000. Buying on margin, you put up \$4,000 and borrow the remaining \$4,000 from your broker.

If the stock price rises to \$60 and you decide to sell, the proceeds amount to \$12,000. You repay your broker the \$4,000 you borrowed and put \$8,000 in your pocket (minus interest and commissions).

### Terminology study

*Buying on margin*: mua cổ phiếu bằng cách vay tiền thông qua hợp đồng ký quỹ đảm bảo (tại nhà trung gian chứng khoán).

*Margin account*: tài khoản ký quỹ đảm bảo.

- *They set up a margin account with a broker, sign a margin agreement (or contract) and maintain a minimum balance.* (Họ mở một tài khoản ký quỹ đảm bảo tại một nhà trung gian chứng khoán, ký một thỏa hiệp hoặc hợp đồng ký quỹ đảm bảo và duy trì một kết số dư tối thiểu).

*Leverage*: đầu cơ (bằng cách đầu tư số tiền vay với lãi suất cố định, với hy vọng sẽ thu được một tỷ lệ tiền lãi cao hơn lãi suất đi vay).

- *Investors who want to buy stock but don't want to pay the full price can leverage their purchase by buying on margin.* (Các nhà đầu tư muốn mua cổ phiếu nhưng lại không muốn thanh toán hết số tiền có thể đầu cơ việc mua bằng cách vay tiền dưới hình thức hợp đồng ký quỹ đảm bảo).

*To put up*: xuất vốn, bỏ vốn.. (để đầu tư)

- *Buying on margin, you put up USD 4,000 and borrow the remaining USD 4,000 from your broker.* (Mua cổ phiếu bằng cách vay tiền thông qua hợp đồng ký quỹ đảm bảo, bạn bỏ vốn 4.000 USD, còn lại 4.000 USD bạn vay của nhà trung gian chứng khoán).

# Selling short

Investors may not want to sell stocks they don't actually own, but it's a good idea to know the risks and rewards of this kind of trading.

## How selling short works

Selling short is a way to make money in the stock market by borrowing rather than buying stocks. To sell short, you open an account with a broker. It helps if you have good information or good instincts about the future price of the stock you're selling short.

You borrow shares from your broker, sell them and get the money. Then you wait, expecting the price of the stock to drop. If it does, you buy the shares at the lower price and repay your broker to settle the loan (plus some interest and commission). For example, you sell short 100 shares of Apple at \$50 a share. When the price drops, you buy 100 shares of Apple at \$25 a share, give them to your broker, and pocket the \$25 a share difference as profit - minus commission.

Buying shares back is called *covering the short position*. Because your cost to return the shares is less than it cost to borrow them, you make a profit.

You borrow  
100 shares  
at \$10 per share  
from your broker

Shares you owe  
your broker

Your cost to pay  
back the shares

Your profit or loss

You sell the 100 shares  
at the \$10 price, getting  
\$1,000

Stock value
\$10
100
Shares

## Terminology study

*Selling short* : bán các cổ phần đã vay ở nhà trung gian chứng khoán.

- *Selling short is a way to make money in the stock market by borrowing rather than buying stocks.* (Bán các cổ phần đã vay là một cách kiếm tiền ở thị trường cổ phiếu bằng cách vay, hơn là mua cổ phiếu).

*To drop:* (giá) giảm xuống, sụt.

- *You borrow shares from your broker, sell them and get the money. Then you wait, expecting the price of the stock to drop.* (Bạn vay các cổ phần từ nhà trung gian chứng khoán, bán đi và nhận tiền. Sau đó bạn chờ đợi, mong là giá cổ phiếu sẽ giảm xuống).

*To settle the loan :* thanh toán khoản vay.

- *If the price of the stock drops, you buy the shares at the lower price and repay your broker to settle the loan.* (Nếu giá cổ phiếu sụt, bạn mua cổ phần với giá thấp hơn và hoàn trả nhà trung gian chứng khoán để thanh toán khoản vay)

*Plus some interest and commission:* cộng thêm tiền lãi và tiền hoa hồng.

*Minus commission :* trừ bớt tiền hoa hồng.

*Covering the short position :* phục hồi vị trí người bán.

# The stock certificate

A stock certificate records all the important information about your shares in a very traditional and elaborate format.

Before the era of electronic record keeping, written proofs of ownership, called *securities*, were needed to track investments. Today, investors often don't get certificates - in fact some brokerage houses charge a fee to issue them. Instead, the information is stored in computer files.

But the certificates have a charm of their own, and rather than abandoning them as outdated, many companies, are redesigning them for the '90s, with new images of their identities.

Each corporation's stock certificate is distinctive, but they all share certain identifying features.

*SEC registration numbers* are assigned to all stock certificates by the Securities and Exchange Commission as one way to establish their authenticity and ownership. Stock certificates are negotiable, but they're tracked in several ways to make stolen ones more difficult to trade in.

The *corporate seal* of the issuer, with the date and place of incorporation appears along the bottom of the certificate.

*Certificates* are designed in several shades of color on specially made paper to insure they are difficult to forge. Delicate shades are engraved next to heavy shadows to make the artwork hard to copy.

## Terminology study

*Stock certificate* : chứng chỉ cổ phiếu.

- A stock certificate records all the important information about your shares in a very traditional and elaborate format. (Chứng chỉ cổ phiếu ghi tất cả thông tin quan trọng về các cổ phần của quý vị trong một khổ giấy truyền thống, in ấn rất công phu).

*SEC registration numbers* : số hiệu đăng ký của Hội đồng Giao dịch và Chứng khoán (*SEC : Securities and Exchange Commission*).

*Corporate seal* : con dấu công ty.

- *The corporate seal of the issuer, with the date and place of incorporation appears along the bottom of the certificate.* (Con dấu công ty của công ty phát hành, cùng với ngày tháng và nơi cấp tư cách pháp nhân được in dọc phía dưới cùng của chứng chỉ).

*To design* : thiết kế

*To forge* : làm giả

- *Certificates are designed in several shades of color on specially made paper to insure they are difficult to forge.* (Các chứng chỉ được thiết kế bằng nhiều sắc thái màu trên giấy được chế tạo đặc biệt để đảm bảo khó làm giả).

## Market cycles

Stock market ups and downs can't be predicted accurately, but they often can be explained logically, most of the time in hindsight.

The market goes up when investors put their money into stocks. It falls when investment activity is down. A number of factors influence whether people buy or sell stocks - as well as when and why they do so.

Changing market direction doesn't always mirror the state of the economy. The crash of 1987 occurred in a period of economic growth, and the bull market of the early 1990s kept rising despite a stubborn recession. But most of the time the strength or weakness of the stock market is directly related to economic and political forces.

### *Moving with the cycles*

While pinpointing the bottom of a slow market or the top of a hot one is almost impossible - until after it's happened - investors who buy stocks in companies that do well in growing economies, and buy them at the right time, can profit from their wise decisions (or their good luck).

One characteristic of expanding companies is their ability to raise prices as the demand for their products and services grows. Rising prices mean more profits for the company and increased dividends and higher stock prices for the investors.

### **Terminology study**

*Market cycles* : chu kỳ thị trường.

- *Market cycles are considered the periodic expansion and contraction of the stock market and hard to be predicted accurately.* (Các chu kỳ thị trường được xem là sự bành trướng và suy thoái định kỳ của thị trường cổ phiếu và khó đoán trước chính xác).

*Hindsight* : nhìn thấy vấn đề sau khi sự việc đã xảy ra.

- *Stock market ups and downs can be explained logically, most of the*

*time in hindsight.* (Sự thăng trầm của thị trường cổ phiếu có thể được giải thích một cách hợp lý, phần lớn chỉ sau khi sự việc đã xảy ra).

*Bull market* : thị trường giá lên.

*Bear market* : thị trường giá xuống

- *The bull market of the early 1990s kept rising despite a stubborn recession.* (Thị trường giá lên vào đầu những năm 90 tiếp tục tăng bất chấp sự suy thoái trầm trọng).

*Crash* : sự phá sản, sự sụp đổ.

- *The crash of 1987 occurred in a period of economic growth.* (Sự sụp đổ năm 1987 xảy ra trong một thời kỳ tăng trưởng kinh tế).

# The electronic stock market

Thousands of stocks are traded electronically in the over-the-counter market without being listed on an exchange.

Altogether, stocks of about 33,000 companies are sold over-the-counter, a term that originated at a time when you actually bought stock over the counter from a local broker :

## **NASDAQ stocks**

A sophisticated electronic network run by the *National Association of Securities Dealers* lets brokers trade from their offices all over the country. Continuously updated prices are carried on their computer screens, while they buy and sell over the telephone. NASDAQ, the National.

Association of Securities Dealers Automated Quotation system, lists 4,700 companies - from small, emerging firms to corporate giants like Microsoft, Apple Computer and Intel.

The rest of the OTC stocks are so low-priced or traded so infrequently that they aren't quoted regularly. Brokers receive daily results, called the *pink sheets*, for these stocks, or subscribe to an electronic listing service that provides quotes on selected pink-sheet issues.

The largest and most actively traded NASDAQ stocks are listed in the *NASDAQ National Market Issues* and are published every trading day. Because they are either small or start-up companies which need to put earnings back into the business, most of the NASDAQ companies pay no dividend.

## **Terminology study**

*Electronic stock market* : thị trường cổ phiếu điện tử.

*OTC (over the counter) market* : thị trường chứng khoán giao dịch thông qua mạng điện thoại và vi tính, không có đăng ký tại sở giao dịch chứng khoán (*SE : stock exchange*).

- *Thousands of stocks are traded electronically in the over-the-counter market without being listed on an exchange.* (Hàng ngàn cổ phiếu được mua bán thông qua mạng điện tử tại thị trường OTC không có đăng ký tại một sở giao dịch).

*NASDAQ (National Association of Securities Dealers Automated Quotations System)* : hệ thống báo giá tự động thuộc Hiệp hội quốc gia những người mua bán chứng khoán trực tiếp.

- *NASDAQ system lists 4,700 companies - from small, emerging firms to corporate giants like Microsoft, Apple Computer and Intel.* (Hệ thống NASDAQ đăng ký 4.700 công ty - từ các hãng nhỏ, các hãng đang lên đến các tập đoàn khổng lồ như Microsoft, Apple Computer và Intel).

*Pink sheets* (ấn bản hàng ngày thuộc Văn phòng báo giá quốc gia cho các cổ phiếu OTC, không được NASDAQ báo giá) : *Pink sheets are the daily publication of the National Quotation Bureau that details the bid and asked prices of OTC stocks not carried in daily OTC newspaper listings of NASDAQ.*

## Selling new stock

The first time companies issue stock, it's called *going public*. After that, they can raise additional money, or *capital*, by selling additional stock.

### *From private to public ownership*

The road to public ownership often begins with an *entrepreneur* who has come up with an idea for a product or service and borrows enough money to launch a start-up business. If the company grows, the entrepreneur can get funds for expansion in the *private equity market*.

There, sophisticated investors have assembled pools of money, called *venture capital*, that they're willing to risk on a new business in exchange for a role in how the company is run and a share of the profits.

### *Going public*

If a small company finds its product or service in great demand, it quickly outstrips the ability of venture capitalists to provide money for rapid growth. That's when it decides to go public.

First, the company goes to *investment bankers* who agree to *underwrite* the stock offering - that is, to buy all the public shares at a set price and resell them to the general public, hopefully at a profit.

The underwriters have the small company prepare a *prospectus*, a legal document that must be available to anyone interested in investing. The prospectus is a detailed analysis of the company's financial history, its products or services, and management's background and experience. The prospectus also assesses the various risks the company faces.

## Terminology study

*Selling new stock* : bán cổ phiếu mới (lần đầu tiên phát hành cổ phiếu bán cho dân chúng).

*Going public* : đi vào công chúng, lần đầu tiên phát hành cổ phiếu bán cho công chúng để huy động vốn.

- *The first time companies issue stock, it's called going public.* (Lần đầu tiên các công ty phát hành cổ phiếu còn gọi là đi vào dân chúng).

*Private ownership* : quyền sở hữu tư nhân.

*Public ownership* : quyền sở hữu chung, quyền sở hữu công cộng.

*Entrepreneur* : nhà đầu tư có óc mạo hiểm, tìm kiếm nguồn vốn đứng ra thành lập một doanh nghiệp.

*Private equity market* : thị trường vốn riêng, thị trường vốn tự có tư nhân.

*Venture capital* : vốn thành lập doanh nghiệp mới.

- *Venture capital is used to finance the startup in return for a piece of the equity.* (Vốn thành lập doanh nghiệp mới được dùng để tài trợ cho sự khởi đầu doanh nghiệp nhằm đổi lại một phần hùn trong vốn tự có).

*Investment bank* : ngân hàng đầu tư, ngân hàng thương nhân.

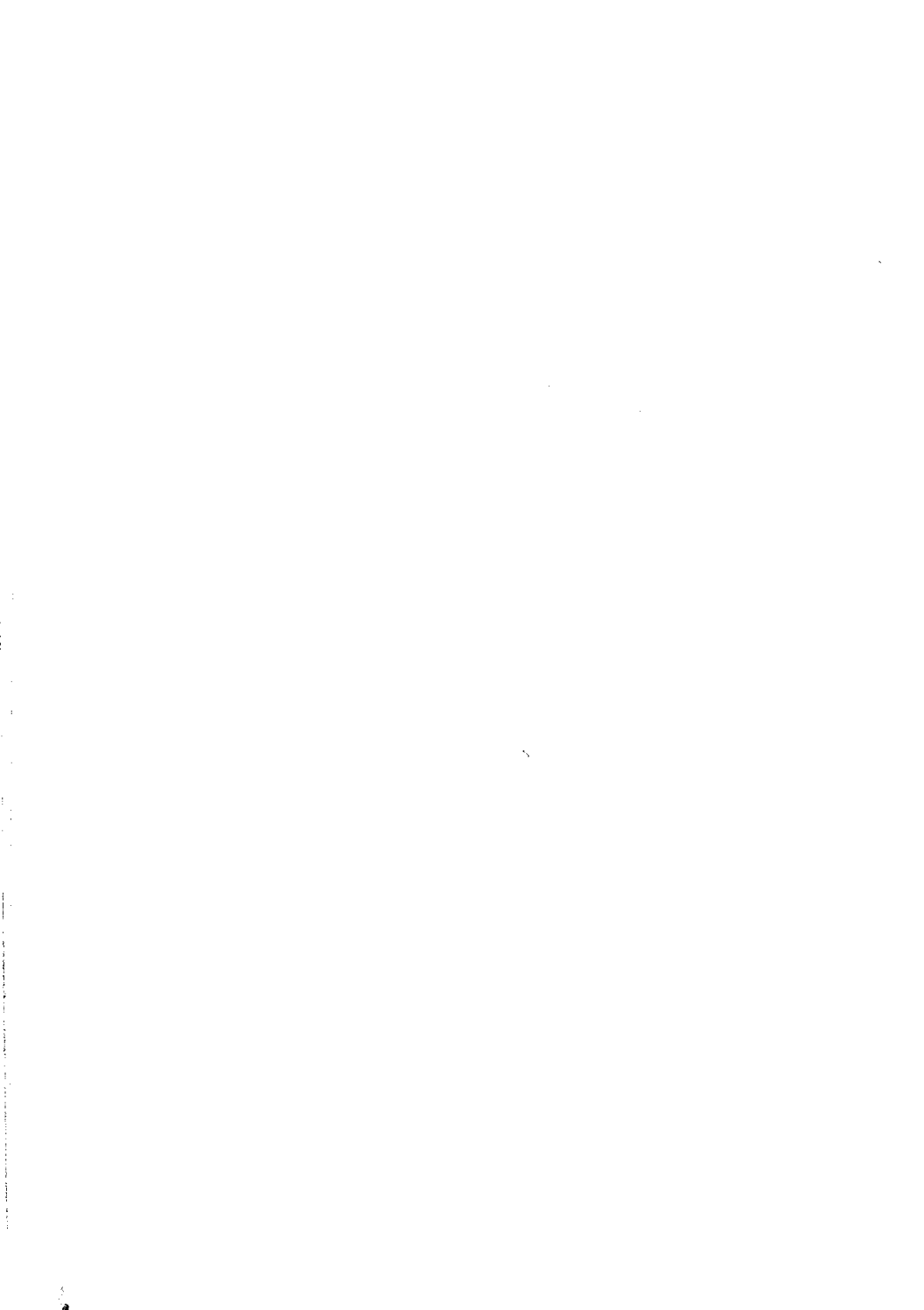




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## Secretarial work

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# Secretarial work

## Headlines

Headlines are often a good clue to the quality of a newspaper. In general a good headline is (1) appropriate in size ; (2) straightforward and unbiased. Study these headlines :

1000 Attend Press Conference in HCMC

1000 Flock to HCMC Press Conference

Only 1000 Appear for HCMC Press Conference

The first is straightforward report. The second indirectly calls the conference a success ; the third calls it a failure. All three start with the same fact, but the last two slant (3) the information.

## Activity 1 - studying headlines

Only one headline in each of these groups is a straightforward report. Point out the slanted reports and explain how each is slanted.

1. a- No Settlement Reached in Transit Strike  
b- Union Thwarts (4) All Efforts to End Strike  
c- Company Thwarts All Efforts to End Strike
2. a- Commuters (5) Hit by New Fare Rise  
b- Railroad Granted New Fare Rise  
c- Railroad Wins Needed Fare Rise
3. a- Oliver Elected by Unexpectedly Small Majority  
b- Oliver Elected in Landslide (6)  
c- Oliver Wins 55% of Vote
4. a- Mayor Has the Answer to School Problem  
b- Mayor Blunders (7) on School Problem  
c- Mayor Presents Plan on School Problem
5. a- Smith Speech Cheered at Town Hall  
b- Jones Applauded by Town Hall Crowd  
c- Smith and Jones in Debate at Town Hall

***Assertions for activity 1***

- 1a : is a straightforward report
- 1b : calls the strike a failure on the part of Union. (slanted)
- 1c : calls the strike a failure on the part of Company. (slanted)
- 2a : implies a heavier fare imposed on commuters. (slanted)
- 2b : is a straightforward report.
- 2c : calls the fare rise by Railroad a success. (slanted)
- 3a : underrates Oliver-elect. (slanted)
- 3b : highly praises Oliver-elect. (slanted)
- 3c : is a straightforward report.
- 4a : commends Mayor for having a solution to solve the school problem. (slanted)
- 4b : criticizes Mayor for not solving the school problem successfully. (slanted)
- 4c : is a straightforward report.
- 5a : implies a support to Smith. (slanted)
- 5b : shows Town Hall crowd's crystal-clear admiration to Jones. (slanted)
- 5c : is a straightforward report.

***Writing invitations***

Have you ever been familiar with formal (8) and informal (9) invitation writing? You may find the following samples helpful.

***Engraved (10) invitation to a formal dinner***

Mr. and Mrs. Nguyen Viet Nam request the pleasure of your company at dinner on Saturday, March the first at seven o'clock 50 Tran Hung Dao Street, Ho Chi Minh City.

+ or "request the pleasure of Mr. and Mrs. XYZ's company at dinner".

*Note* : Handwritten is possible.

***Informal invitation to dinner***

Dear Mr. Kim,

Will you have dinner with us at our home on Sunday, March the thirty-first, at seven o'clock.

It has been a long time since we have had the pleasure of seeing you, and we do hope you will find it possible to be with us.

Yours sincerely,

Mr. and Mrs. Lee

### Salutation

Correct business salutation are :

Very formal : Sir :

My dear Sir :

Madam :

My dear Madam :

Formal : Dear Sir :

Gentlemen :

Dear Madame :

Mesdames : or Ladies :

Less formal

and more personal : Dear Mrs. Brown ; Dear Mr. Young.

Use *Gentlemen* in writing to a business firm. "Dear Sirs" is out of date.

Capitalize the first word of the salutation and all nouns.

Place a colon at the end.

### Closing

Correct closings are :

Very formal : Respectfully yours,

Yours respectfully,

Formal : Yours truly,

Very truly yours,

Less formal : Sincerely yours,

Yours sincerely,

Personal : Cordially yours,

Cordially,

*Note : Respectfully yours and Yours respectfully* are used in letters to superiors - for example, in a letter from a student to his/her principal or to the Board of Education. Begin the closing about halfway across the page, capitalize the first word only, and place a comma after the last word.

### Vocabulary

1. *clue* : đầu mối ; 2. *unbiased* : không quanh co ; 3. *slant* : gợi ý gián tiếp ; 4. *thwart* : làm hỏng, gây trở ngại ; 5. *commuter* : người đi lại thường xuyên từ ngoại ô vào tỉnh thành bằng đủ phương tiện ; 6. *landslide* : đặc cử với đa số phiếu ; 7. *blunder* : sai lầm, thiếu thận trọng ; 8. *formal* : trình trọng ; 9. *informal* : thân mật ; 10. *engraved* : in ; 11. *handwritten* : viết tay.

## Applying for a job

One of the most important kinds of interviews you will ever have to make is a job interview. Interviewing for a part-time job will be a rehearsal (1) for the time when you have to look for a full-time (2) job.

### *Preparing for a job interview*

1. Know exactly what job you are applying for. Don't make yourself ridiculous by saying, "I can do anything".

2. Have honest, clear-cut answers ready for these questions frequently asked by personnel directors and employers :

What hour can you devote to the part-time job ? When do you plan to do your homework for school ?

What salary do you expect ?

How many days have you been absent from school in this past year ?

How many times have you been late ?

How good a record have you made in high school ?

What extracurricular (3) activities have you engaged in ?

How do you spend your spare time ?

What vacation are you planning to enter ?

Why do you want to work here ? Who referred you to us ?

In answering the second question, if you don't want to name a salary, you may say, "I shall be satisfied with the salary you usually pay for part-time work".

3. If you have worked before, take with you the names and address of your former employers and the exact dates of your employment. Be ready to explain in detail just what kind of work you have done.

*Poor* : I did office work.

*Good* : I filed letters and memos and bills. I ran the mimeograph and Ditto machines. I also answered the phone and wrapped, addressed, weight, and stamped packages.

4. If you have never had a job, think of the unpaid experience you have had which fits you for the job -for example, a hoppy, service as assistant in the school office, secretary to a teacher, junior leader of a church club, or messenger for the local Red Cross chapter. Prepare to tell the exact dates of service and the name of the person in charge.

5. Be ready to tell what training your school courses have given you for the job, how long you studied each subject, and what your marks were. If the courses were stenography and type-writing, know your speed in taking dictation, typing from straight copy, and transcribing your notes.

6. Make a clear, accurate list of the names and addresses of two, three, or four responsible persons who know you well and will answer question about your character, training, and experience. Don't give the names of relatives.

7. Your interviewer may ask, "Do you have any questions?". Think out in advance what you want to know about the work. You may be judged as much by the intelligence of your questions as by the persuastiveness (4) of your answers.

8. Get a full night's sleep before the interview.

9. Your outfit need not be expensive, but it should be fresh, clean, and pressed. Polish your shoes. Dress for business, not for school, a game, or a party. Be conservative. Girls, avoid jingling jewelry and heavy make-up. Boys, tone down the socks and ties.

10. Have a good ball pen ready before you go. You have to complete an application blank.

### ***The job interview (5)***

1. Walk in confidently, and introduce yourself with a smile. Say, "Good morning, Mr. Singer. I'm John Sutton (or I'm Marry Haller)". Don't say "I'm Mr. Sutton" or "I'm Miss Haller". If you have an appointment for four o'clock, be there when the clock strikes four.

2. State at once your purpose in coming. "I'd like to apply for the job of part-time salesman which you advertised in last night's Trumpet".

3. Don't sit down until invited. Unless the employer extends his hand, don't offer to shake hands.

4. Stand or sit erect not stiffly.
5. Be modest but self-confident (6). Relax as much as you can.
6. Look your interviewer in the eye. Listen sharply. Never interrupt.
7. Answer questions frankly and fully, but don't talk too much.
8. Speak distinctly and earnestly, and keep your voice pitched low.
9. Avoid slang and wisecracks (7).
10. Never chew gum or eat candy during an interview.
11. If you are asked to fill out a written application, fill accurately and neatly every blank that applies to you.
12. Emphasize your skill and experience. If you are asked directly whether you have had a kind of experience which you lack, answer truthfully, but add information which counteracts that admission. "No, I have never held a paid selling job, Mr. White, but I have sold tickets and Girl Scout cookies from door to door. I did pretty well too. And I enjoyed it."
13. Express your eagerness to work and to learn. Don't appeal to the employer's sense of pity - "I need the job to keep me in school".
14. By the interviewer's words and manner you will know when the interview is over. Stand up, thank the interviewer, and leave promptly.

## **Vocabulary**

1. *to rehearse* : diễn tập ; *rehearsal* (n) : sự diễn tập ; 2. *full-time* : toàn thời gian (cf. *part-time* : bán thời gian) ; 3. *extracurricular* (adj) : ngoại khóa ; 4. *to persuade* : thuyết phục ; *persuasive* (adj) : có tính thuyết phục ; *persuasiveness* : tính thuyết phục ; 5. *job interview* : phỏng vấn về việc làm ; 6. *self-confident* (adj) : có lòng tự tin ; *self-confidence* (n) : sự tự tin ; 7. *wisecracks* (n) : sự làm ra vẻ tài khôn.

# Some techniques that may be used by a secretary

## ***1. Taking telephone messages (1)***

Because so much business today is carried on (2) by telephone, the ability to take telephone messages accurately (3) is an important requirement in many jobs. A group of recent high school graduates, all employed, were asked what training in school would have helped them most in their jobs. Many listed training in this one simple but important skill - taking telephone messages.

### ***Hints (4) for taking telephone messages***

1. Keep a pad (5) and a pencil near the telephone. Write down a telephone message, even if it is short.
2. Listen carefully. If there is a noise in the room, ask the speaker to hold on (6) a moment until you are able to secure (7) quiet.
3. If you fail to hear (8) an important word, say "I'm sorry. Will you please repeat the sentence".
4. When the speaker has finished, repeat the entire message to him/her to make sure (9) you have it right.
5. Deliver (10) the message at the earliest opportunity, or leave a note where the person for whom the message is intended (11) cannot fail to see it.

## ***2. Five steps to improve your decision making***

(5 bước giúp bạn có quyết định vững chắc hơn)

*Professional secretaries are not afraid to make decisions*

The types of decisions you make as a secretary are different from those made by a manager or a company president, but the process (12) is identical (13). Good decisions are based on (14) more than luck (15). If a person understands the process, quality decisions (16) can be made. If you are decisive (17), you are much more valuable (18) to your organization.

*Following are five steps to better (19) decision making*

With each step, an example is included for illustration (20) :

*1. Gather (21) information*

Be well-informed (22). Learn the facts. Talk to other people. (example : Mary needed to decide which of two software (23) programs would handle (24) the travel records (25) for nine company sales reps (26). She asked other departments (27) for their recommendations (28). She visited retail software stores and talked to their salespeople. She read reviews (29) of each program and kept notes (30) of her findings (31)).

*2. Evaluate (32) the information*

Which facts are relevant to (33) the situation ? What are this organization's values ? (For instance, is saving money on equipment more important than getting the latest refinements (34) ? How many people will use this particular program and how skilled (35) are they ?)

*3. Recognize (36) the consequences (37) of each alternate (38)*

(Example : If Mary bought one program, it would not run it on all the computers in her office. If she bought the other program, it could not accommodate (39) all of the categories she needed to record. Neither program fulfilled all of her office needs).

*4. Make a decision and inform others of it*

Even when a decision is difficult, you should inform those directly involved about the decision you plan to make, summarizing the pros and cons (40). (Example : Mary elected to select the program that could accommodate all of the needed travel categories).

*5. Take action (41) on your decision*

The actual decision occurs when you act upon (42) it. (Example : Mary's purchase of one computer program illustrates (43) taking action on the decision).

## **Vocabulary**

1. *taking telephone messages*: nhận thông điệp qua điện thoại; 2. *carry on* : thực hiện; 3. *accurately* : một cách chính xác; 4. *hints* : các chỉ dẫn; 5. *pad* : tập giấy; 6. *hold on* : giữ máy chờ; 7. *secure* : lấy lại; 8. *fail to hear* : nghe không kịp; 9. *make sure* : yên chí; 10. *deliver* : chuyển

giao ; 11. *is intended* : nhằm ; 12. *process* : diễn trình ; 13. *identical* : như nhau ; 14. *be based on* : dựa trên ; 15. *luck* : sự may mắn ; 16. *quality decision* : những quyết định vững chắc ; 17. *decisive* : quả quyết ; 18. *valuable* : có giá trị ; 19. *to better* : làm tốt hơn ; 20. *illustration* : minh họa ; 21. *gather* : thu lượm ; 22. *be well informed* : có thông tin chính xác ; 23. *software* : phần mềm ; 24. *handle* : điều hành, sắp xếp ; 25. *records* : hồ sơ ; 26. *sales reps* : các nhân viên tiếp thị (nguyên chữ : *representatives*) ; 27. *department* : cơ sở ; 28. *recommendation* : ý kiến, khuyến cáo ; 29. *review* : bản duyệt ; 30. *keep note* : ghi chú ; 31. *findings* : những kết quả ; 32. *evaluate* : lượng giá ; 33. *relevant to* : liên quan tới ; 34. *refinement* : sàng lọc ; 35. *skilled* : có trình độ nghiệp vụ ; 36. *recognize* : nhìn nhận ; 37. *consequence* : hậu quả ; 38. *alternative* : thay đổi, lựa chọn ; 39. *accommodate* : làm cho phù hợp ; 40. *pros and cons* : các ý kiến thuận nghịch ; 41. *take action* : thi hành ; 42. *act upon* : bắt tay vào việc ; 43. *illustrate* : phản ánh.

## Writing a letter of application

Often the first step in getting a job is writing a letter of application. Since many employers interview only applicants who write good letters, plan your letter carefully and write clearly, concisely, correctly, and courteously. Here are eight suggestions that will help.

1. Make your first paragraph interesting and specific. Tell how you found out about the job opening, and say that you are applying for the job.

*Not :* I've heard you need a full-time salesclerck.

*But :* Miss Dolores Kevin, head of our vocational center, has told me that you need a full-time salesclerck. I am applying for the job.

2. In the paragraphs that follow, give your age and the details of your education and experience that definitely meet the requirements of the job. For example, if you're applying for the position of full-time salesclerck, it's not necessary to mention that you are good at playing some musical instruments, but it is essential to point out that you are very interested in meeting people and waiting on them with pleasure.

3. Give a brief description of your previous experience in meeting people, in keeping accounts, in selling, or in office work. Secure permission from three or more people who know you and your work, and give their names as references. Do not mention salary unless the advertisement says "State salary expected".

Keep in mind the employer's point of view. Show him/her how valuable you can be to him.

*Not :* I've always wanted to work in air-conditioned offices full of comforts.

*But :* Serving in various department stores has made me quick and efficient in taking and filling orders.

4. In the last paragraph try to secure action. The first purpose of a letter of application is to secure an interview. Include your telephone number in your request for an interview or type it at the left margin below your signature.

*Not*: I hope that you will grant me an interview. Please let me hear from you soon.

*But*: I shall be glad to come for an interview any day after 3:00 p.m. I can also be reached at phone number 123456 any morning from 10 to 11 o'clock.

5. Revise your first draft carefully. Correct errors in punctuation, grammar, spelling, capitalization, and word choice. A single mistake may ruin your chances for the job.

6. Write or typewrite your revised letter neatly on plain white paper. If you make a mistake you can't erase neatly, take a fresh sheet of paper.

7. Before sealing the envelope, read your letter again carefully. Ask yourself the questions suggested in "How to Answer a Help Wanted Ad" as follows.

a) Is your letter good-looking, well typed, pleasing to the eye?

b) Have you answered everything the advertisement specified?

c) Have you given a good, clear-cut picture of yourself and your capabilities?

d) Would a prospective employer, reading it, think you were a good person to have in his/her organization?

e) Does your letter have a compelling quality which would lead an employer to call you for an interview?

8. If your letter passes inspection, fold it properly. Address and stamp the envelope neatly and correctly. Send it out to get you that interview.

Check the following letter against the first seven suggestions for writing a letter of application.

217 Tang Bat Ho Street

Phu Nhuan Dist, HCMC

April 28, 19...

Vietnam Department Store

1001 Le Loi Street

Dist. 1, HCMC

(Attn: Sales Manager)

Yesterday, When I read in Saigon Giai Phong that you were expanding

(1) your line, I knew that you would need more sales and I resolved (2) to try and convince (3) you to let me make them for you.

At the present time I am employed as a salesman for the NCV Paper Company in Bien Hoa. I have been with the company for two years, since my graduation from HCMC University. During that period I have increased sales in my territory 45 per cent and earned three raises (4) in salary. However, you can readily understand (5) that my opportunities are limited in this position. I would like to sell a line with a wider sales potential (6).

I am twenty seven years of age, I can drive cars and I would be willing to travel anywhere to cover a territory.

My present employers know of my plans, and they will undoubtedly (7) tell you frankly and sincerely what they think of me, if you care (8) to get in touch with them.

May I call you in ten days to arrange for a personal interview? I know that when I speak to you face to face, you will agree that I can be a real asset (9) to your organization.

Very respectfully yours,

## Vocabulary

1. *Expand* : mở rộng ; 2. *resolve* : quyết tâm ; 3. *convince* : thuyết phục ; 4. *raise* : tăng lương ; 5. *readily understand* : hiểu ngay ; 6. *sales potential* : khả năng bán ; 7. *undoubtedly* : chắc chắn ; 8. *if you care to* : nếu ông muốn ; 9. *asset* : vốn, tích sản.

## Let's get organized

When you consider your daily schedule, you may find that it reflects (1) your past experience at another job, or perhaps developed by chance (2), as you learned your present job. One exercise (3) that will help you re-evaluate (4) your schedule is to imagine explaining your routine (5) to an unexperienced visitor. Does it make sense (6) ? Have you ever really considered *why* you do certain things at certain times of the day ? You are invited to read the following suggestions which may make you more efficient.

### ***Group tasks for greater efficiency (7)***

1. Make out-going telephone calls in group. Time them when most people can be reached. Use notes to guide each conversation and make notes about responses and/or any follow-up (8) action that is required.

2. Sort and prioritize (9) the mail into specific (i.e. immediate action by boss (10), "I can handle " information, junk, ect.).

3. Draft (11) replies to incoming letters (12) immediately after opening and sorting the mail.

4. Transcribe (13) letters during a specific morning or afternoon hour.

5. Stock (14) supplies once a week, rather than running to the supply closet or requisitioning (15) items every day.

6. If you have assistants, give them all their work and instructions (16) at one time, rather than for each separate job. Set a regular time for them to bring completed work (17) to you.

7. Prepare the outgoing mail throughout the day rather than leaving it all until the last minute and perhaps missing the last pick-up (18).

8. Make a check-list (19) and organize every step of a major mailing at one time, so that all necessary letterheads, forms, envelopes, enclosures (20), etc., can be ordered simultaneously.

9. At the end of each day, take a few minutes to organize a "To-Do" list for the following day, with subjects such as : Mail, Reports, Telephone

Calls, Appointments, Internal Follow-ups. If you wait until tomorrow to make your list, it will take longer and you will run the risk of (21) forgetting something important.

***Are you well aware of these professional telephone techniques ?***

Another place (besides letters) where you are the voice of your organization is on the telephone. You represent your manager and your company every time you answer the phone. What do you think about the following suggestions ?

1. It is not acceptable to keep someone waiting on the phone while you attend to another equally important task.

2. You should actually smile when you answer the telephone.

3. If you are the only person in the office and nobody is around to answer a ringing phone, don't let it ring even though it is not your assigned job.

4. It is advisable (22) to return a call. Do not let the calling party (23) try to call again.

5. Even the caller is rude (24), you'd better say calm and do not try to be equally rude.

6. You should identify yourself (25) by name when answering a business related telephone call.

7. No matter how (26) slow the business is, it is not acceptable to make personal calls to your friends.

8. It is important to communicate a sincere interest in the caller and the information that is being requested or provided.

9. The conversation should be ended in an upbeat (27) manner, with a summary of any action to be taken.

10. When you are upset (28), it is possible to communicate with a negative attitude (29) over the phone without realizing it.

## Vocabulary

1. *reflect* : phản ánh ; 2. *developed by chance* : tình cờ phát hiện ; 3. *exercise* : thực tập ; 4. *re-evaluate* : lượng giá lại ; 5. *routine* : công việc thường ngày ; 6. *make sense* : có thể hiểu được, có ý nghĩa ; 7. *group tasks for greater efficiency* : phân nhóm công việc để tạo hiệu quả cao hơn ; 8. *follow-up* : theo dõi ; 9. *prioritize* : xếp loại ưu tiên ; 10. *immediate action by boss* : cần chủ giải quyết ngay ; 11. *draft* : thảo văn bản ; 12. *incoming letters* : văn thư đến ; 13. *transcribe* : viết thành văn bản ; 14. *stock* : dự trữ ; 15. *requisitioning* : yêu cầu ; 16. *instruction* : chỉ thị, hướng dẫn ; 17. *completed work* : công việc đã làm xong ; 18. *pick-up* : lấy thư ; 19. *check-list* : bản kê ; 20. *enclosures* : văn bản đính kèm ; 21. *run a risk (of sth)* : take risks : chấp nhận rủi ro ; 22. *It's advisable* : bạn nên ; 23. *calling party* : người gọi ; 24. *rude* : thô lỗ ; 25. *identify yourself* : tự giới thiệu mình ; 26. *no matter how* : dù thế nào đi nữa ; 27. *upbeat* : lạc quan, vui vẻ ; 28. *upset* : bực bội ; 29. *negative attitude* : thái độ bàng quan, lơ là.

## Which effective presentation you may have ...

As a qualified (1) secretary to the boss you may have many opportunities for oral communication (2). For example, attending a meeting... hosting (3) visiting salespersons... or explaining your duties to trainees these activities can lead to public speaking in many different settings. Following is a typical (4) example of presenting information to a group of colleagues :

*Mary*

Mary is invited, along with her manager, to attend a meeting of all department heads in the company. She is not expecting to say anything, only sit and listen. During her manager's presentation (5), he is asked a question about the department's plan for the coming year. He turns to Mary and says, "Mary, you've been working on this project while I've been away. May be you could say a few words about how this project got started, where it stands and how it is going on".

If somethings like this happen to you, don't panic! You know how to organize your thoughts and you know your job. With these two resources you can effectively respond by taking the following steps:

(First, think !)

Use your organizational skills (8). Any topic can be split into (9) components (10). Before you speak, break your topic into a pattern (11) such as :

- A. past, present, future (or any time-oriented combination(12)),
- B. topic 1, 2 and 3 (e.g. production, advertising, marketing (13)),
- C. the pros and cons (14) of an issue (15) (useful in persuasive situations (16)).

In Mary's case above, the time oriented sequence (17) fits right in.

(Then speak)

### *1. Give a few introductory remarks*

Before you launch (18) into the gist (19) of your topic, give yourself time to get collected (20). Make some general introductory comments, such as : "Thanks, boss, I'm pleased to be here today to help provide some

information. I didn't plan a formal presentation but would be happy to describe the project we've been working on".

### 2. Develop a clear preview (21) sentence of your main points

You will want to verbalize (22) to yourself and your audience (23) what your key points are. From the example above Mary could simply state, "I would like to tell you about how we started this project, where it stands and where we plan to take it". This is a time ordered sequence (24).

### 3. Deliver (25) the body of your presentation

Talk through each point from your preview sentence. (In Mary's example, past, present and future). Having an organizational pattern established and knowing where you are going will take some of the stress out of the situation. If what you are speaking about is controversial (26), first acknowledge the opposition's (27) case but finish with your viewpoint so you end by summarizing your position.

### 4. Review the main points

Reinforce the main idea you've touched upon by briefly restating them. Something like, "I've tried in these past few minutes to give you an overview (28) of how this project started, where it is now and where we think it will go".

### 5. Conclude the presentation

Don't leave your presentation high (29) and dry. Conclude it with strong, positive, statement. This is what you may say, "I hope to attend next month's meeting to report a satisfactory conclusion to our project. I would be happy to take any questions you may have at this time".

## Vocabulary

1. *qualified*: có khả năng; 2. *oral communication*: giao tiếp; 3. *hosting*: tiếp khách; 4. *typical*: điển hình; 5. *presentation*: trình bày; 6. *panic*: hốt hoảng; 7. *resource*: quá trình kinh nghiệm; 8. *organizational skills*: tài tổ chức; 9. *split into*: phân nhỏ; 10. *component*: phần, mục; 11. *pattern*: mẫu, kiểu; 12. *time-oriented combination*: kết hợp trình tự thời gian; 13. *marketing*: tiếp thị; 14. *pros and cons*: ủng hộ và chống đối; 15. *issue*: vấn đề; 16. *persuasive situation*: tình huống có thể thuyết phục; 17. *sequency*: trình tự; 18. *launch*: khởi sự; 19. *gist*: chủ đích; 20. *get collected*: chuẩn bị thông tin phát biểu; 21. *clear preview*: mở đầu rõ ràng; 22. *verbalize*: trình bày, phát biểu; 23. *audience*: cử tọa; 24. *time-ordered*: trình diễn lớp lang trước sau; 25. *deliver*: trình bày; 26. *controversial*: tranh cãi; 27. *opposition*: phe đối lập; 28. *overview*: cách nhìn khái quát; 29. *high and dry*: xa vời và khô khan.

## Initiative (1) : the problem solver of your professional job ?

The difference between an office clerk and a world-class (2) secretary (or associate (3), or administrative assistant (4), or executive secretary (5)) is a combination (6) of personal confidence (7), polished skills (8), and a global (9), rather than task-oriented approach (10) to each day's possibilities.

As you work toward professional excellence (11), it is often helpful to model (12) your behavior (13) after someone you respect.

You will discover that highly successful employees have much in common. More than anything else, they share

- a thorough knowledge of their organization :

- its goals, products, service

- its employees, clients (customers), executives

- its history

- its future possibilities

- plus, an ability to perform each task so that the organization as a whole (14) is best served (this is called *global orientation* (15)).

Secretaries who concentrate on single tasks and never see "the bigger picture" are merely clerk - level workers. The following examples of task - oriented and global - oriented behaviors might help you to make a good choice.

### **Professional behaviors**

Being sensitive (16) to the "rhythm" (17) of the boss' day and grouping questions at convenient times.

### **Task - oriented behaviors**

Interrupting boss whenever help is needed with individual tasks.

Updating (18) and monitoring (19) files that reflect (20) current needs of office personnel.

Noticing changed addresses and phone numbers on incoming mail (21). Making appropriate changes immediately.

Noticing when many correspondents (22) ask similar questions and drafting (23) a model response letter to become more efficient.

Recognizing phone calls from unhappy customers as an opportunity to suggest improvements in company policies.

When another department requests assistance, helping (or finding help) as soon as possible.

When working on a project, being happy to insert last - minute changes, even if it means considerable additional work.

Keeping files the way they've always been, because it's earlier.

Changing nothing unless instructed by a manager.

Answering each letter or request individually, without noting patterns or trends (24).

Dreading (25) phone calls from unhappy customers because of not knowing what to say.

Delaying other department's requests "so they learn to do their own work".

Once a project has begun, refusing to alter its format or schedule.

Working with other secretaries in your office, you certainly have had the opportunity to observe contributions (26) they have made, ways they have significantly helped their organization. Add such experiences to the above listed suggestions to consolidate (27) your creative professional performance (28). Remember "the more you initiate the more success", or "good insight (29) pays off (30)".

## Vocabulary

1. *initiative* : sáng kiến ; 2. *world-class* : ngang tầm cỡ quốc tế ; 3. *associate* : cộng sự viên ; 4. *administrative assistance* : trợ lý hành chính ; 5. *executive secretary* : thư ký điều hành ; 6. *combination* : sự tổng hợp ;

7. *personal confidence* : tự tin ; 8. *polished skill* : thực tài ; 9. *global approach* : phương thức tổng quát ; 10. *task-oriented approach* : phương thức được chỉ đạo ; 11. *excellence* : ưu hạng ; 12. *to model* : đưa vào khuôn mẫu ; 13. *behavior* : tác phong ; 14. *as a whole* : nói chung ; 15. *global orientation* : chỉ đạo tổng quát ; 16. *sensitive* : nhạy bén ; 17. *rhythm* : nhịp độ ; 18. *to update* : cập nhật ; 19. *to monitor* : theo dõi ; 20. *to reflect* : phản ánh ; 21. *incoming mail* : thư đến ; 22. *correspondents* : khách hàng trao đổi thư tín ; 23. *to draft* : thảo văn bản ; 24. *trends* : các chiều hướng ; 25. *to dread* : nhát sợ ; 26. *contributions* : những đóng góp ; 27. *to consolidate* : củng cố ; 28. *professional performance* : công tác chuyên môn ; 29. *insight* : khả năng đánh giá chính xác ; 30. *to pay off* : mang lại thành quả tốt.

## It is better to be a question asker than a mistake maker !

Yes, it's advisable to keep this motto in your mind whenever you are in a position to solve the problems that are closely related to your daily responsibilities as a qualified secretary. Do not hesitate to ask questions about juggling deadlines, or work priorities.

Remember that when you write letters, speak on the telephone, or make oral presentations you represent your organization. So, you've got to have accurate information in hand for all the replies and/or statements you should make. It should also be noted that good communication skills through asking questions make every other part of your job easier !

Your attention is invited to the following suggestions whenever you are writing or speaking :

1. Never be afraid to say or write that you do not know something. Do say, however, that you'll find out and let the other person know as soon as possible. *Then be sure to follow through on your promise.*

2. Keep a written record of the information to ask for prior to making any possible decision for your answers.

3. If your supervisor interrupts you with several new work requests, take out your notebook, and ask which project can be delayed.

4. Stay aware of any possible source of information that might be available (from someone else in the office, an outside service, etc.).

### Case Study

Eve isn't sure whether her boss really wants to cancel the appointment with his lawyers, she has to ask for his final confirmation prior to putting it into effect. She understands that in a rush her boss can hardly be well aware of what is going on in the office, so she thinks her questions is necessary. This can be illustrated in the following short conversation.

Boss : *Eve, please cancel my appointment with the company's lawyers.*

(Eve, cô hãy vui lòng hủy bỏ cuộc hẹn của tôi với các luật sư của công ty nhé).

Eve : *Do you want to cancel or just postpone ?*

(Ông chủ muốn hủy bỏ hẳn hay là cho hoãn lại bữa khác ?)

Boss : *Well, isn't there any difference ?*

(Vây có gì khác biệt không ?)

Eve : *Yes, of course. We must have the presence of our lawyers to go over our rig sale contract this afternoon before we can sign it with the Anchorage Pipeline Corporation tomorrow.*

(Thưa có chứ. Sự có mặt của các vị luật sư để duyệt lại bản hợp đồng bán giàn khoan của công ty chúng ta chiều nay là cần thiết trước khi chúng ta ký kết với công ty Anchorage Pipeline ngày mai).

Boss : *Yeah. You're absolutely right, Eve. Well done ! So let's keep your scheduled arrangement unchanged. Thanks a lot.*

(Ừ, cô nhắc thật đúng lúc đấy, cô Eve. Khá lắm ! Vây cứ giữ nguyên lịch tiếp khách của cô nhé. Cảm ơn cô rất nhiều).

## How to plan and create a successful meeting ?

It's advisable to bear in your mind that whether your boss is hosting a meeting or attending one elsewhere, your assistance as his/her secretary will play a significant role in how productive the meeting will be.

Needless to say, you may know for sure that planning and creating a successful meeting requires managerial talent, tact, and also humor. The following preparations are advised when you and your boss are planning the meeting, and it is hoped that you'll find them helpful.

1. Set up a check-list of pre-meeting arrangements, such as room reservations, audio-visual rental, food requirements, budget considerations, etc.
2. Send written announcements to all participants (with an enclosed agenda when possible).
3. Enclose RSVP postcards, a phone number or more elaborate cards, depending on tradition and how important the meeting will be.
4. Be sure to follow-up with phone calls if people have not replied by a certain date.
5. Start accumulating materials for the meeting. Sometimes it is helpful to have a large box, basket or cart. Make a check-list of any necessary charts, reports, extra agendas, nametags and pens, blank note pads, your own note-taking necessities, etc.
6. Keep an up-to-date list of RSVP's and advise your boss of any feedback from others. These might include issues, "secret" agendas, desires for time or date change, etc. Remember, the more your boss can anticipate in advance, the better.
7. Plan to arrive at the meeting site before any one else. Make sure that the room is clean, the temperature is comfortable, there are enough chairs, and all needed supplies are on hand. If your pre-planning has been

thorough, there should not be any surprises. However, something usually needs adjustment, so :

8. Be sure to know where the nearest telephone is, and provide its number to someone in your office. (They may need to relay telephone calls to meeting participants, also).

9. As participants arrive, give them nametags and other appropriate materials.

10. Be ready to supply anything further that your boss may need as the meeting progresses.

11. Take notes, or have someone else do so.

12. At an appropriate time following the meeting (i.e. the next day), sit down with your boss and discuss how a similar meeting could be even better next time.

13. Keep a complete file on the meeting, including agenda, notes, list of supplies, participants, and suggestions for improvement next time.

Well, this part of your responsibilities can be exhausting - but just try it and you'll then find it the most fun !

## **Vocabulary**

*Make reservation* : giữ chỗ trước

- *What about your hotel reservation ? Oh, yes. Please make the same accommodations as last year's, same hotel, and the same suite, if possible.*  
(Còn về việc giữ chỗ trước tại khách sạn thì sao ạ ? - Ồ, vâng. Xin vui lòng giữ giùm chỗ trước y như năm ngoái vậy, nghĩa là vẫn tại khách sạn cũ, và nếu được thì xin giữ trước luôn căn phòng cũ tôi đã ở nhé).

*Budget consideration* : xét duyệt ngân sách

- *How much do you think the estimate of costs for the coming conference would be ? I would very much like to have your budget consideration first, OK ?* (Hãy tính thử xem chi phí cho buổi họp sắp tới là bao nhiêu ? Tôi muốn (cô) xem lại ngân sách trước rồi cho tôi biết nhé ?)

*RSVP* : xin vui lòng phúc đáp

- *Shall I put RSVP in your invitation for the next reception, sir ?* (Thưa ông có muốn tôi ghi thêm "xin phúc đáp" trong thiệp mời của ông về buổi tiếp tân sắp tới không ?).

*Elaborate* : chuẩn bị kỹ lưỡng

- *I think our advertisement on the new product should be elaborated to gain more attention from the customers.* (Theo tôi nội dung quảng cáo cho sản phẩm mới của chúng ta cần xem kỹ lại mới thu hút được sự chú ý của khách hàng).

*Be/make sure* : nhớ làm...

- *Be sure to have a new gimmick for it, I mean something fresher.* (Nhớ quảng cáo sao cho mới mẻ và ăn khách hơn nghe).

*Follow sth up* : theo dõi nhắc nhở

- *Keep the staff informed of the conference at 4 o'clock tomorrow afternoon by telephone and follow up with a memo.* (Hãy báo cho các thành viên điều hành về buổi họp 4 giờ chiều mai bằng điện thoại, và gửi giấy báo tiếp sau).

*Accumulate materials* : từng bước thu thập các thông tin

- *Don't make any confirmation on this matter if you haven't finished accumulating necessary information, Miss Sue.* (Cô Sue, đừng xác nhận vấn đề này nếu cô chưa thu thập xong các thông tin cần thiết đấy).

*Feedback* : phản ứng

- *We need more feedback from the consumer in order to improve our goods.* (Chúng ta cần nghe phản ứng của khách hàng để cải tiến sản phẩm của chúng ta).

*Relay* : nhắn tin

- *The football match was relayed all round the world.* (Trận bóng đá đó đã được truyền đi khắp thế giới).

*Exhausting* : mệt, vất vả.

- *Don't work so hard. What you're doing seems to be very exhausting.*

## How do you see yourself in your job ?

Flexibility is a key quality in order to meet your manager's and organization's ever-changing needs. Each day pressures and adjustments will require your ability to reprioritize in order to complete the most important tasks. In time, within the framework of your particular job, you will develop your own areas of expertise. Chances are, you will find your job responsibilities growing at the same rate as your personal confidence level. A professional secretary is a key player on the office team. Often it is he or she who really "makes things happen". Following are some of the authentic profiles that show secretaries in action. Which is most like you ? Are you harvesting the highest growth potential from your job ?

### *Thomas*

Tom's office skills are adequate, although his writing and spelling ability is poor. He hangs a "comic calendar" over his desk. It shows crazed, depressed, or sleeping figures in the boxes for Monday through Thursday, and laughing, happy figures on Friday, Saturday, and Sunday. On his computer, he places a little statue holding a flag that say, "Think Friday". He's often fifteen or twenty minutes late in the morning. When he arrives, his hair is wet from the shower, and he is munching a doughnut he bought on the way to work. When given added responsibilities, he doesn't finish on time or do a complete job, unless reminded and prodded by the manager. He has never suggested additional duties for himself. He tells his friends he would like a more interesting job and better pay, what advice do you think Thomas should be given ?

### *Patricia*

Pat did not work outside of her home for twelve years while her children were young. Once she decided to return to the workplace she attended the local community college to update her office skills. Once she felt confident with her basic skills she began interviewing for a job and

was soon hired by a local realty firm. She wants to eventually study for a real estate license and has already begun to take courses. Would these changes improve or detract her professional image as the company secretary?

### **Billie**

Billie decided to accept a job at a bank because she always enjoyed working with figures and was intrigued with investments. She started as a temporary secretary at the headquarters of an international bank and became a permanent employee after six months. In the past eight years,, she has worked in a virtually every department of the bank. She is currently the assistant to the president, supervising an elegant two-floor suite that was filmed in a James Bond movie. She composes and types most of the president's letters and memos. She has developed a sizeable investment portfolio, based on opportunities discovered through her research for bank reports.

### **Vocabulary**

*Flexibility* : uyển chuyển, linh động ; *key quality* : khả năng chính yếu ; *ever-changing* : luôn luôn thay đổi ; *reprioritize* : xếp lại ưu tiên ; *framework* : khuôn khổ ; *expertise* : sự am tường nghiệp vụ ; *make things happen* : tạo sự việc diễn ra như ý ; *authentic profile* : điển hình có thật ; *to harvest* : thu hoạch ; *crazed* : tình đam mê quá đáng ; *depressed* : chán nản ; *to update* : cập nhật hóa ; *realty firm* : công ty dịch vụ bất động sản ; *eventually* : chung cuộc, tối hậu ; *to detract* : làm giảm uy tín, giá trị ; *to be intrigued with* : say mê ; *virtually* : một cách gần như.

## Putting ideas into action

Do you think the following tips may help you feel comfortable about moving toward a more professional approach to your work ? If they give you the ideas for managing your job differently, only you will know them. And you can decide when and how you'll put them into action.

- Not a few people often claim that they don't like "being in a rut" but then fight actual changes in their work methods. It is only natural to fear unknown consequences when you change your behavior.

- Some people believe "changing their image" means not being true to who they really are. Professional growth comes when new ideas lead to new ways of seeing. If you look around your office and notice that people who are not dressed professionally (wearing jeans for instance) are not taken seriously, it makes sense to be aware of your appearance.

- The "us" versus "them" mentality among administrative staff is very strong in some offices (particularly large offices). The support staff often will feel loyalty to each other, rather than to the organization as a whole. This attitude stops professional growth, yet can seem comfortable and safe on a day-by-day basis.

It is therefore recommended that the below-proposed changes be smoothly taken into consideration :

1. Do not change many things but one at a time - slow and easy does it.
2. Define your change goal in simple, active, positive words.
3. Write your change goal and post it where you can see it daily.
4. If your change affects other people, just tell them what you plan to do and why. Discuss your goal. If they have other ideas, listen. The discussion itself may lead to a better working relationship.
5. A great deal of practice may be needed before a new behavior becomes natural. Remember, you don't have to be perfect every time !

Psychologically, each of the statements below may help you demonstrate your progress if you think you really know the answer.

- Be sure to bear in your mind that a professional secretary always thinks globally and sees his/her office as part of the organization as a whole.

- Thinking globally means looking for new ways to serve customers or clients more efficiently.

- A secretary who is task-oriented concentrates only on the job at hand, and is annoyed at interruptions.

- As a professional secretary you should be well aware of the history of your organization and the possibilities for its future.

However, it is further advisable that the following assessments should be steered clear of :

- An office should have set rules and procedures that do not change.

- A positive attitude doesn't really matter on the job.

- Upgrading one's clothing and grooming is a way of showing off.

- An employee who suggests changes should be viewed with suspicion by fellow employees.

In brief, if you understand the purpose and goals of your organization, you can look for ways to make your office more efficient and supportive... and make yourself an invaluable asset.

### **Conversation**

*Val : (secretary) What's your fresh idea, Mr.Moe ? (Thưa ông chủ, ông có ý gì mới lạ không ?)*

*Moe : (the boss) No, not really. But I think your idea to use some of Tate's photos may be a good tip. Yeah, that's the idea. Fresh ! (Thật sự thì không. Nhưng theo tôi thì ý kiến của cô cho sử dụng một số hình ảnh của Tate tuy đơn giản mà có thể là rất hay đấy. Đúng rồi, ý kiến thật hay. Mới lạ đấy !)*

*Val : Well, when do you want to have it put into action, sir ? (Vâng chừng nào ông muốn cho thực hiện ý kiến này, thưa ông chủ ?)*

*Moe : You know, the "Before and After" idea is a little old by now. And I don't like anything to be constantly in a rut, so it's about time we had to*

*change our company's image, O.K ?* (Cô biết không, ý kiến “quảng cáo Trước và Sau khi đưa sản phẩm ra thị trường” hiện giờ hơi xưa rồi. Vả lại tôi không muốn kéo dài tình trạng nhàm chán không đổi mới, nên đã tới lúc công ty ta phải thay đổi phong cách làm ăn rồi, có phải vậy không ?)

*Val : Don't you think it would be a good idea if all our salespeople had a uniform mentality about this new gimmick prior to launching our new product into the market ?* (Ông chủ có cho rằng nếu tất cả nhân viên tiếp thị của chúng ta đều có ý thống nhất về thủ thuật quảng cáo mới này trước khi tung sản phẩm mới của công ty chúng ta ra thị trường là một ý kiến hay không ?)

*Moe : That's a perfect idea, Val ! Let's put your idea into action right away.* (Ý kiến của cô thật tuyệt vời đấy cô Val à ! Chúng ta hãy cho thực hiện ngay nhé).

*Val : Thank you, Mr.Moe. I'm going to convene a meeting this afternoon and show the salespeople how and where to post the posters efficiently.* (Xin cảm ơn ông chủ. Chiều nay tôi sẽ triệu tập một phiên họp và hướng dẫn các nhân viên tiếp thị phương cách và địa điểm dán bích chương sao cho có hiệu quả).

## Make every letter a sales letter !

The cost to an organization of an original one-page letter is estimated at tens of dollars when all office expenses are considered ! It is therefore very important to make sure that your letters are professional in content and appearance and support your organization.

Remember that every letter that leaves your office is a "Sales letter". This is because it represents your manager or your company. You can make or break important future business by the way you handle written correspondence.

What Makes a Bad Letter ? Here are ten easy ways to make a letter reader really mad :

1. Ramble around (1) the subject so it's difficult to tell what the letter is trying to say.
2. Fail to answer any questions asked in a previous letter.
3. Spell the recipient's (2) name wrong ; get the address scrambled (3) ; assume an incorrect title or sex, or be too "familiar".
4. Sound demanding, selfish, superior (4), or talk down to (5) your reader.
5. Use cliché (6) after cliché, with nothing original or personal.
6. Forget to send a reply card or return envelope when you request a quick answer.
7. Don't provide a telephone number when you ask for a return call.
8. Use small-sized or faintly printed type, so your letter is real strain to read.
9. Have noticeable strike-overs (8) or erasures.
10. Refuse to have someone proof-read (9) your letter.

These ten commonly-made mistakes should at any rate be avoided, that is, you have to take your letter-writing very seriously indeed. Why ? Because you are your organization to your reader.

It is practically thought that once you apply the rules of the "Four C's" - clarity (10), conciseness (11), courtesy (12), correctness (13) - in handling your written correspondence, you may expect to overcome a lot of difficulties in your work performance as a professional writer. The "Four C's" are indeed very important for all letters. Clarity means making your ideas easily understood. Conciseness means brevity - eliminating unnecessary words, phrases, or sentences. Courtesy ensures that your reader will want to answer your letter. Correctness is especially important for secretaries. Their bosses hold them responsible for the neat appearance of the letter, spelling, punctuation, and proper usage of the language.

Now let's take a look in the two following letters for better comparison.

***With no "Four C" rules applied***

- *Your letter of April tenth at hand. Thank you for your order for two swivels. The order was duly noted and has gone to the store. We are, however, returning by registered mail your check for \$ 350.00, which accompanied the order. The correct total is \$ 400.00, as the cost of each swivel is \$ 200.00.* (Thư đề ngày 10 tháng 4 của ông đã nhận được. Cảm ơn ông đã đặt mua hai vòng xoay. Chúng tôi đã ghi nhận đầy đủ và hàng đặt mua của ông đã gửi tới tiệm rồi. Tuy nhiên, chúng tôi xin gửi hoàn bằng thư bảo đảm chi phiếu 350 đô la đã gửi kèm với thư đặt hàng của ông. Tổng số tiền đúng là 400 đô la, vì giá mỗi vòng xoay là 200 đô-la).

- *You evidently overlooked the price change in the catalog. We trust that you will send us the check for the full amount at the earliest opportunity.* (Rõ ràng là ông đã không để ý tới giá hàng thay đổi trong sách mẫu hàng của chúng tôi. Chúng tôi tin tưởng ông sẽ gửi chi phiếu trả đủ cho chúng tôi trong dịp gần đây nhất).

- *Note : The following trite expressions should be avoided in business letters : contents noted, duly noted, in due course of time, and we trust.* (Trong các thư tín giao dịch kinh doanh nên tránh các từ ngữ nhàm chán như : đã ghi nhận nội dung, đã ghi nhận đầy đủ, trong thời hạn nhất định, và chúng tôi tin tưởng).

***With "Four C" rules applied***

- *Thank you for your order of April 10 for two swivels. This has already gone to the store and will be shipped immediately to you.* (Cảm ơn ông đã

đặt mua hai vòng xoay theo thư đề ngày 10 tháng 4 của ông. Chúng tôi đã chuyển hàng của ông tới cửa tiệm và sẽ cho gửi tới ông ngay).

- *Your check for \$ 350.00, which accompanied the order, is appreciated. However, it does not completely cover the cost, as the price listed in our catalog is \$ 200.00 per swivel, totalling \$ 400.00 for two.* (Chúng tôi rất hoan hỉ nhận chi phiếu 350 đô la gửi kèm với thư đặt hàng của ông. Tuy nhiên, số tiền trên chưa đúng với tổng trị giá hàng đặt mua của ông, vì giá ghi trong sách mẫu hàng của chúng tôi là 200 đô la một vòng xoay, nên cả hai vòng xoay thành tiền tổng cộng là 400 đô la).

- *The enclosed invoice credits you with the amount already paid, leaving a balance of \$ 50.00.* (Hóa đơn gửi kèm theo đây xác nhận số tiền ông đã trả trước, và số tiền còn lại mà ông sẽ trả là 50 đô la nữa).

- *It is a pleasure to do business with you, and we hope to hear from you soon.* (Chúng tôi rất hân hạnh được giao thương với ông, và hy vọng sớm nhận được hồi âm của ông).

## Vocabulary

1. *ramble around*: vòng vo; 2. *recipient*: người nhận; 3. *scramble*: xáo trộn không rõ ràng; 4. *superior*: trịch thượng; 5. *talk down to somebody*: coi thường ai; 6. *cliché*: từ ngữ hoặc ý kiến nhàm chán; 7. *strain*: căng thẳng; 8. *strike-overs*: những nét gạch xóa; 9. *proofread*: đọc và sửa lại; 10. *clarity*: rõ ràng; 11. *conciseness*: xúc tích ngắn gọn; 12. *courtesy*: nhã nhặn, lịch sự; 13. *correctness*: đúng văn phạm.

A VERY SPECIAL RELATIONSHIP :

## You and your manager

Normally you will not instantly (1) establish a special working relationship with your manager. Like most other relationships, it will develop over time (2). The quality of the ultimate (3) relationship will be made up (4) of countless small incidents which demonstrate to each of you what to expect from the other.

Your professional abilities are important. But even more significant is your desire to carry out your tasks in a way that 'fits' with your manager's goals and style.

*What makes a good manager ?*

Secretaries who are most satisfied with their jobs and managers list the following reasons :

1. A manager who shows respect and fairness toward all employees.
2. A person who builds mutual rapport and trust (5), and is willing to share ideas and goals.
3. One who has the qualities of a good teacher, that is clarity and patience when delegating new tasks.
4. A person who will delegate with trust, but who also monitors (6) assignments and provides helpful feedback (7).
5. A boss who meets regularly with you (preferably daily) to set priorities and goals.
6. One who encourages everyone to seek improvements in office functions and procedures and listens when improvements are suggested.
7. An individual who is accessible on a regular basis, despite a frantic (8) schedule or problems in certain departments. (One who does not 'blow up' in anger very often).
8. A well mannered person who says "thank you" and shows special appreciation for extra effort.

Of course, you want to know how your manager rates, don't you? Well, over time, you can influence your manager's behavior and attitude by modeling professional behavior. Remember: your attitude affects everyone around you... especially your boss!

### Case Study

The following conversation between Mr. Poff, hotel manager, and Luli, his secretary, may illustrate what the relationship with your manager is.

Poff: *Luli, where's your smile this morning?* (Luli, sao mà sáng nay vắng nụ cười vậy?)

Luli: *I'm really concerned about Elva. We all like her because she's so friendly. She's very conscientious, too. Yesterday she came to work when she wasn't feeling well.* (Tôi đang băn khoăn về Elva quá. Chúng tôi ai cũng mến cô ta vì cô ta rất dễ mến và rất chu đáo nữa. Hôm qua bệnh mà cô ta vẫn đi làm).

Poff: *What's your opinion of her work?* (Ý kiến của cô về công việc của cô ấy ra sao?)

Luli: *Although she tries, she doesn't compose satisfactory letters. You know that the different letters we write don't always follow patterns.* (Mặc dầu cố gắng nhưng các văn thư cô ta viết chưa đạt yêu cầu. Như ông thấy đây, các văn thư chúng ta viết không phải lúc nào cũng rập theo khuôn mẫu cố định.)

Poff: *What do you think? Should we keep her? Would you like her as your assistant?* (Cô nghĩ sao? Chúng ta cần giữ cô ta không? Cô có thích cô ta làm phụ tá cho cô không?).

Luli: *Personally, I like her a lot, but I don't know whether I can recommend her or not. I'm not sure if she can do the work. It's more difficult than what she is accustomed to.* (Riêng tôi rất mến cô ta, nhưng tôi không biết có tiến cử cô ta hay không. Tôi không biết chắc cô ta có thể đảm trách công việc được không. Việc làm này khó hơn công việc cô ấy quen làm).

Poff: *Perhaps we can find her a place where there is less pressure. Until she's more qualified, she must have more training. By the way, the Food and Beverage Department needs a typist. Elva would only have to do interoffice correspondence there.* (Có thể là chúng ta kiếm cho cô ấy một chỗ nào ít căng hơn. Tới khi cô ấy quen việc hơn thì chắc là cô ấy sẽ có nhiều

kinh nghiệm hơn. À, khâu thực phẩm và nước ngọt đang cần một người đánh máy đấy. Có thể là ở đó Elva chỉ phụ trách các văn thư trao đổi giữa các phòng thôi).

Luli : *She's a pleasant person to have around.* (Cô ấy là mẫu người hoạt bát dễ làm việc chung với nhau).

Poff : *Luli, we must face the facts. Whether or not she is a fine person is not the problem. For our work here, we must have the most efficient person we can find. Regardless of her pleasant personality, she just isn't qualified. We must think of the hotel first. Besides, she'll be happier if she has a job she can handle.* (Luli à, chúng ta phải nhìn thẳng vào sự việc. Vấn đề không phải là cô ấy hoạt bát hay không. Công việc của chúng ta ở đây cần phải kiếm cho được người có khả năng nhất mới đảm trách công việc được. Cho dù cô ấy là người hoạt bát hay không thì vấn đề vẫn là cô ấy không đủ khả năng đảm trách công việc này được. Chúng ta phải nghĩ đến quyền lợi của khách sạn trước hết. Ngoài ra, nếu có việc làm phù hợp với khả năng thì cô ấy sẽ thích hơn).

Luli : *I still don't want to hurt her feelings.* (Nhưng tôi vẫn không muốn cô ấy bị chạm tự ái).

Poff : *Don't worry. Eventually she'll be a better friend than if she had stayed here. Send her in when she comes. I'll explain that F and B needs her.* (Cô khỏi lo. Sau cùng rồi cô ấy cũng sẽ là một người bạn tốt hơn là cô ấy phải ở lại làm việc tại đây. Khi nào cô ta tới cứ nói cô ấy vào gặp tôi nhé. Tôi sẽ cho cô ấy biết khâu thực phẩm và nước ngọt cần người như cô ta).

Luli : *Thanks, Mr. Poff. That's probably the wisest decision.* (Cảm ơn ông Poff nhiều lắm. Quyết định của ông quả là vô cùng khôn ngoan đấy).

## Vocabulary

1. *instantly* : liền ngay tức khắc ; 2. *over time* : dần dần với thời gian ; 3. *ultimate* : sau cùng, sau hết ; 4. *make up* : tổng hợp ; 5. *mutual rapport and trust* : quan hệ và tin tưởng lẫn nhau ; 6. *monitor* : quan sát, theo dõi ; 7. *feedback* : ý kiến phản ứng ; 8. *frantic* : nôn nóng, vội vã lo âu.

## How to establish good rapport with your manager ?

As professional secretaries, let's not forget that good rapport with our managers is a matter of primary importance. It's a key to success no doubt. You are therefore advised to scrutinize the following proposed check-list for better consolidation of your career performance.

1. Observe his/her natural pace of work (1), and adjust your methods accordingly (2). Tension (3) results when you do not understand priorities ; try to figure these out (4) as soon as possible.

2. Most managers need you to act as a buffer (5) between them and the telephone or unexpected visitors. Learn which people are welcome at any time, and which should be screened (6) or helped by you.

3. Open channels of communication (7), especially about "little" things such as the preferred way of answering the phone, whether or not your manager always wants you to ask who is calling, whether he/she wants to let anyone else take material out of certain files, etc.

4. Realize that YOU often know more than your manager about certain incidents (8), procedures (9), and/or relationships in the workplace. Keep your manager informed about things which are important.

5. "Save" your manager when he/she drafts (10) a letter or memo in anger or when an important paper is misplaced. You might delay sending an angry letter for a day, and then have your manager read it for "errors!" with the lost paper, think of ways it might have been incorrectly filed, and help with the search. (Keep a chronological file (11) of every key paper coming in and going out : this has solved many crises.)

6. Stay with your authority (12). Do not use your manager's status (13) as a way of pushing other people around. The more important your manager, of course, the greater your own power. But if you abuse (14) it, it will reflect (15) poorly on both of you. (Example : If your manager asks you to tell someone to turn in report at his earliest convenience, don't say, "My boss wants this immediately !").

7. Help your manager keep to his/her schedule. Work out a method for you to interrupt long-winded visitors or telephone callers without offending anyone.

8. Above all, protect and preserve your manager's faith in your loyalty. Your manager's (and your) reputation can rest on your ability to keep information private and confidential.

### Case study

The conversation between Dall, the manager, and Anna, his secretary may help you understand what a good rapport with your manager is. Let's look in it.

*Dall*: Thank, Anna, for being a messenger and taking the cable to the office. I can rest easier when you take charge of things.

*Anna*: That's OK. It was a lovely early morning break. Shall we check the correspondence now? Did you find a letter from Brown lying on your desk?

*Dall*: Yes, here it is. Thank for revising it and eliminating all my old-fashioned expressions, like "thanking you in advance" and "it will receive your prompt attention." I talk like a parrot on the dictaphone. Anna, you have too much work for today. Leave some of it for Vera and take this afternoon off.

*Anna*: It's a long - distance call from someone down on Lake Maracaibo. I can hardly hear. The connection is bad.

*Dall*: (Shouting) Speak louder, please. That's better. What? No! A blow-out? Is it bad? I'll get hold of Pete. Yes, he's in town. Yes, I'll go down with him. You'll meet us with the helicopter? Yes, there is a plane out of here about one o'clock. Yeah, I'll let you know only if we can't make it. But depend on it. I'll be there. (Hanging up the receiver). There's never a dull moment in the oil business. That was Sam, the drilling superintendent on the Lake. There's a blow-out on a rig there.

*Anna*: A blow-out? The one in the picture you showed me looked like a small volcano. It's serious, isn't it?

*Dall* : Any blow-out can be serious. By the way, Anna, make it three reservations, one for me, one for Pete, and one for Claire. I promised to take Chaire on my trip to the Lake.

*Anna* : I'll do it, for sure, Mr. Dall. Claire told me she has been looking forward to a trip down there.

*Dall* : She'll have fun, but I'll be tired. I wish I didn't have to go today. I wish I could have at least one day of rest.

*Anna* : I just thought of something. You'll miss the Conrads' big party this weekend.

*Dall* : Oh, Gosh ! I had forgotten about that. Claire will be sorry to miss it. I think she bought herself a new dress. I might have known something would come up. In this business you can't make any plans. Anna, please, write a note of regret and ask Pedro to take it over to Conrad's office this afternoon.

## Vocabulary

1. *natural pace of work* : bản năng làm việc tự nhiên 2. *accordingly* : thích hợp ; 3. *tension* : căng thẳng đầu óc ; 4. *figure out* : tìm cách giải quyết ; 5. *buffer* : người chia sẻ bớt công việc ; 6. *screen* : sàng lọc ; 7. *channel of communication* : nguồn giao tiếp ; 8. *incident* : sự việc có khả năng diễn ra ; 9. *procedure* : thủ tục ; 10. *draft* : dự thảo ; 11. *chronological file* : hồ sơ theo trình tự thời gian ; 12. *stay with your authority* : hiểu rõ quyền hạn của mình ; 13. *status* : địa vị ; 14. *abuse* : lạm dụng ; 15. *reflect* : phản ánh, được xem như.

## Your role as office manager

Whether your "office" consists of just you and your boss, or of a large number of other people, your office managing skills will set the climate (1) for everyone. You can help others achieve better performance.

You are especially valuable to your organization because you juggle (2) many tasks at once. Computers and office technology will never make your job obsolete (3). In fact, information from the U.S. Bureau of Labor Statistics has indicated that there will be a possible increase of 13.1 in secretarial jobs between 1986 and 2000. (In contrast, the Bureau has projected a 13.9 percent decrease in the number of typists and word processors (4) and a 28.2 percent decrease in the number of stenographers (5).) Single task occupations can be phased out (6), but the diverse (7) role of secretary/administrative assistant remains vital.

Your administrative role requires you to establish priorities, coordinate projects, and organize resources. As "office manager", your professional attitude and behavior greatly influences each day's accomplishments.

### *Let's get organized*

The first step toward control of your managerial duties is to list all of your office tasks and then rate them. The following will help you to determine your priorities.

*Identify tasks and activities* : List your tasks and activities at work. If you have difficulty remembering them, just close your eyes and see yourself in your work space, doing your job. Notice the various tasks and activities. Do you answer the phone ? Complete forms ? Answer letters ? Make a listing of them.

*Rate impact* (9) : Using a scale from 1 to 10, with 1 being "no impact" and 10 being "great impact", rate the impact that each activity has upon performance of your job.

*Assign priorities* : Use the impact ratings to assign priorities to each task or activity. Assign as "A" priority for tasks with ratings over 7 ; "B" priority for ratings from 4 to 6 ; and "C" priority for ratings below 3.

*Schedule* : Use your priority rating system to schedule your day. Start with "A" tasks and activities. Try scheduling them directly on your calendar. Leave "C" priorities until last and, whenever possible, delegate (10) them. What would happen if you didn't do the "C" activity at all ? *Discuss your opinions with your supervisor and ask for ideas about the best use of your time.*

## Case study

You will see how Sue assumes the responsibility of organizing work for her boss in the following conversation as an executive secretary.

*SUE* : What's happened to Mr. Moe ? He's usually on time. I called his wife, and she said that he left an hour ago. I'm getting worried. (Sorting out the morning's mail) Eve, look ! It's here - Cole's letter. (She opens and reads the letter). He's arriving with Jones this Sunday. He also attached a list of suggestions and a schedule for meetings.

(Không hiểu ông Moe có gặp chuyện gì chẳng ? Thông thường ông ấy vẫn đến đúng giờ cơ mà. Tôi có điện thoại hỏi bà vợ của ông, và bà ấy cho biết ông ta đã rời khỏi nhà cách đây một tiếng rồi. Tôi đang lo không hiểu sao đây. (Lựa thư tin buổi sáng) Eve, xem này ! Thư của ông Cole đây này. (Sue mở thư ra đọc). Ông Cole sẽ cùng với ông Jones tới đây vào Chủ nhật này. Ông ta có gửi kèm cả bản kê các đề nghị và lịch trình các buổi họp trong thư nữa).

*EVE* : We'll probably have to work Saturday. (Có thể chúng ta sẽ phải làm cả ngày thứ bảy đấy).

*SUE* : Yes, it looks that way. Let's get busy and organize our material. (Chắc là như vậy rồi. Chúng ta hãy bắt đầu làm việc và chuẩn bị tài liệu đi).

*EVE* : I just filed the advertising reports this morning (Tôi vừa mới xếp các tờ trình quảng cáo vào hồ sơ hồi sáng này).

*SUE* : What about the data on commercials ? (Thế còn hồ sơ quảng cáo trên truyền hình và đài thì sao ?)

*EVE* : I saw that file yesterday. It's here some place. I'll check. (She returns from the filing room.) It's not in the files. (Tôi có thấy hồ sơ đó hôm

qua. Nó nằm đâu đây thôi. (Để tôi kiểm xem. (Eve từ phòng lưu trữ hồ sơ đi ra.) Không thấy có trong hồ sơ).

*SUE : We have to find it. It's Mr. Moe's special project.* (Mình phải kiếm cho ra hồ sơ đó, dự án đặc biệt của ông Moe đấy).

(As Eve leaves, Mr. Moe enters, dragging his coat. He slumps into a chair - Lúc Eve bước ra thì ông Moe bước vào, tay kéo lê chiếc áo vét. Ông ngồi phịch xuống ghế.)

*SUE : Mr. Moe ! What happened ? You look exhausted. Did you have an accident ?* (Ông Moe làm sao vậy ? Trông ông mệt mỏi quá. Ông có gặp tai nạn gì không ?)

*MOE : Well, not exactly. I was just stalled half an hour on the freeway. Then coming up to the office, I was stalled fifteen minutes in the elevator.* (Không hẳn như vậy. Tôi bị kẹt cả nửa tiếng ngoài xa lộ. Rồi khi lên văn phòng lại bị kẹt cả 15 phút trong thang máy.)

*EVE : (Dashing in, not seeing Mr. Moe) I found it. Now what other files do we need for the meetings ?* (Chạy xộc vào, không nhìn thấy ông Moe) Tôi kiểm được hồ sơ đó rồi. Bây giờ mình còn cần những hồ sơ nào cho các cuộc họp nữa ?)

*MOE : (Sitting up) Meetings ? What meetings ?* (Ngồi dậy) Có buổi họp à ? Buổi họp nào ?

*EVE : The meetings we have to set up for Mr. Cole and Mr. Jones.* (Thưa, các buổi họp mà chúng ta phải chuẩn bị sắp xếp cho ông Cole và ông Jones.)

*MOE : Cole ? Jones ? Meetings ? Here ?* (Sao, ông Cole, ông Jones họp ở đây à ?)

*SUE : Mr. Cole phoned about half an hour ago. They're arriving here Sunday. He's waiting for you to call him back. Here, his letter explains everything.* (Cách đây nửa giờ ông Cole có điện thoại tới. Họ sắp đến đây vào ngày chủ nhật, ông ấy đang chờ ông gọi lại. Đây, ông cứ xem thư của ông ấy sẽ biết hết mọi chuyện).

**MOE :** *With all my problems, that's all I need... VIPs.* (Đó là tất cả những gì tôi cần để giải quyết mọi vấn đề của tôi... nhân vật quan trọng đấy.)

**SUE :** *What you need is a good cup of coffee. Eve, please get Mr. Moe some coffee.* (Cái ông cần là một tách cà phê ngon. Eve à, em giúp chị lấy cà phê cho ông Moe nhé).

## Vocabulary

1. *Set the climate* : tạo cảm nghĩ hoặc phong thái chung ; 2. *juggle* : bố trí, sắp xếp lại cho thích ứng yêu cầu ; 3. *obsolete* : không còn đặc dụng nữa ; 4. *word processor* : máy tạo bản in ; 5. *stenographer* : người viết tốc ký ; 6. *phase out* : bỏ dần ; 7. *diverse role* : vai trò đa diện ; 8. *vital* : cần thiết, quan yếu ; 9. *impact* : tác động mạnh ; 10. *delegate* : giao cho thuộc quyền làm.

## Question to be reviewed for your role as office manager

Successful secretaries are expert time managers (1). To reach your goals, you must prioritize responsibilities (2), finish tasks completely, create schedules (3) -and stick to them (4). The following secrets should be observed.

- Do top priority tasks first.
- Divide big jobs into manageable steps (5) (a special calendar for a big project may be helpful).
- Use a timetable, and be sure to use workable units (6).
- Do one thing at a time.
- Finish task completely (or use very good notes to yourself so that you don't waste time when you return).
- Do it NOW !

For the materialization of these secrets, it's advisable to make a good planning for yourself, each using a professional performance calendar as follows :

1. Each day, I know my daily job priorities, and keep them in mind as I schedule work.
2. I discuss my job priorities regularly with my supervisor.
3. I plan definite timetable for big jobs, and stick to them to avoid last-minute crises (7).
4. I group similar activities and do them together.
5. I anticipate upcoming projects (8), so I am prepared to insure everything gets done ahead of time.
6. I assist my manager in identifying long-term goals.
7. I prepare a long-term goal calendar and check it regularly with my boss.

8. I welcome the chance to make decisions, and base them on information I check and evaluate.

9. I discuss upcoming decisions with people they affect and listen to their opinions and suggestions.

10. To avoid work overload (9), I keep an assignment notebook and consult with my manager about conflicting priorities (10).

11. When overload problems arise, I suggest sources of additional help.

12. I try to attend courses and workshops regularly, in order to keep growing professionally (11).

13. When writing letters and memos, I keep my audience in mind and state a memo's main point in the first paragraph.

14. When writing, I choose simple language rather than elaborate phrases (12) or trade jargon (13).

15. I view the telephone as an important customer service tool.

16. I understand and practice telephone courtesy.

17. When speaking in a business setting, I organize my thoughts in logical order.

18. When arranging for meetings, I plan mailings, supplies, and room arrangements well in advance.

19. After my manager attends a conference or meeting, I file all materials so they can be easily retrieved (14).

20. I write down suggestions for improvement so future projects and/or meetings will be more productive (15).

## Case study

The short conversation between Dall, the boss, and his secretary Anna below is intended to illustrate a situation in which you have to show your high effectiveness in handling your job as an office manager.

*Dall*: There is a similar letter on the tape, but you have to compose a letter about Dan yourself. As we discussed before, the accusation against

him is unfair. Dan has brought in more business than any other salesman, and his entertaining isn't exorbitant. When you write, point out how he travels around the country and how he makes friends and contacts easily.

*Anna* : His expense accounts are large, though, aren't they?

*Dall* : Yes, he spends money, but he gets new business - the Laff rig, for example. Anna, you know what to say. Being the most intelligent secretary in the oil business, you can compose an effective letter.

*Anna* : The idea is that you want me to write a letter explaining that his spending is getting good results.

*Dall* : That's right. I had been planning to ask for a promotion for him before I received that letter from New York. In fact, when I get back, we'll do just that.

*Anna* : Do you have any idea when that will be ?

*Dall* : Anna, you know better than to ask such a question. My answer is always, "As soon as possible". Being an optimist, however, I think we may expect a good result for Dan in this matter.

## Vocabulary

1. *Expert time manager* : người điều phối, thu xếp thời gian giỏi ;
2. *prioritize responsibilities* : sắp xếp công việc đảm trách theo trình tự ưu tiên ;
3. *create schedules* : lên các chương trình làm việc ;
4. *stick to* : bám sát ;
5. *manageable steps* : những trình tự dễ kiểm soát ;
6. *workable units* : những đơn vị có khả năng thực hiện ;
7. *last-minute crises* : những cuống quít vào phút chót ;
8. *anticipate upcoming projects* : tiên liệu mọi việc sẽ diễn ra ;
9. *work overload* : công việc ứ đọng quá tải ;
10. *conflicting priorities* : những ưu tiên dẫn đo ;
11. *to keep growing professionally* : liên tục trao dồi nghiệp vụ ;
12. *elaborate phrases* : những văn từ bóng bẩy chải chuốt ;
13. *trade jargon* : những thuật ngữ riêng biệt về kinh doanh của từng ngành ;
14. *can be easily retrieved* : dễ dàng tìm lại được ;
15. *productive* : có lợi.

## Five steps to improve your decision making

Professional secretaries are not afraid to make decisions. The types of decisions you make as a secretary are different from those made by a manager or a company president, but the process (1) is identical (2). Good decisions are based on more than luck. If a person understands the process, quality decisions (3) can be made. If you are decisive (4), you are much more valuable to your organization.

Following are five steps to better decision making. With each step, an example is included for illustration :

1. Gather information. Be well-informed (5). Learn the facts. Talk to other people. (Example : Sue needed to decide which of two software programs would handle the travel records for nine company sales reps. She asked other departments for their recommendations (6). She visited retail software stores and talked to their salespeople. She read reviews of each program and kept notes (7) of her findings (8)).

2. Evaluate the information. Which facts are relevant to the situation? What are this organization's values? (For instance, is saving money on equipment more important than getting the latest refinements (9)? How many people will use this particular program and how skilled are they?)

3. Recognize the consequences (10) of each alternative (11). (Example : If Sue bought one program, it would not run it on all the computers in her office. If she bought the other program, it could not accommodate (12) all of the categories she needed to record. Neither program fulfilled all of her office needs).

4. Make a decision and inform others of it. Even when a decision is difficult you should inform those directly involved about the decision you plan to make, summarizing the pros and cons. (Example : Sue elected to select the program that could accommodate all of the needed travel categories).

5. Take action on your decision (13). (The actual decision occurs when you act upon it). Example : Sue's purchase of one computer program illustrates taking action on the decision.

## Case study

How are you going to help Elva with her following problem ?

Elva's manager, a TV producer, receives a steady stream of telephone calls daily. This person also requires extensive help with correspondence. The producer asks Elva to coordinate an upcoming meeting (buổi họp sắp tới) of other network producers, requiring much telephone work, the drafting of a preliminary agenda, the reproduction of various fac sheets, as well as taking notes at the meeting itself. This is a new job for Elva, and she doesn't know where to begin. What should she say to the producer and how should she plan her workload?(khối lượng công việc phải làm).

### Decision making check-list

Use the format (mẫu biểu) shown below to help you make your next decision.

#### Decision to be made

.....

1. I will gather information from .....  
(people) ; and ..... (other sources).

2. I will evaluate the information by .....

.....

.....

(checking its relevancy (mối quan hệ), my values, considering timing needs).

3. The consequences of each of my alternatives are :

Alternative 1 .....

Alternative 2 .....

Alternative 3 .....

4. I will communicate my decision to : .....

.....

.....

5. My decision is : .....

.....

.....

Remember that the more decisions you make, the greater your skill and self confidence. Welcome the chance to make decisions !

When you have difficulty making a decision at the office or in your personal life, refer to this format and follow these steps. Every decision you make doesn't have to be perfect !

## Vocabulary

1. *process* : trình tự thực hiện ; 2. *identical* : như nhau ; 3. *quality decision* : quyết định đúng đắn ; 4. *If you are decisive* : nếu cương quyết ; 5. *well-informed* : nắm thông tin xác thực ; 6. *Recommendation* : khuyến cáo ; 7. *keep notes* : ghi chép đầy đủ ; 8. *Findings* : kết quả ; 9. *refinement* : hiệu quả triển khai ; 10. *consequence* : hậu quả ; 11. *alternative* : sự lựa chọn ; 12. *accommodate* : thích ứng ; 13. *Take action on your decision* : thực hiện quyết định.

## Understanding your personality

Dealing positively with other people on two aspects of personality (1):

1. Assertiveness (2)

2. Receptiveness (3)

When you understand yourself in these areas, you become more skillful in handling your many responsibilities at work.

**Assertiveness**: Let's first look at Assertiveness which can be defined as *being pleasantly direct*.

Do not mistake assertiveness with aggressiveness (4). When you are assertive you are being honest. Your attitude is "this is important to me and I am entitled (5) to my opinion. At the same time, I respect that you are also entitled to your opinion".

The very nature of your work involves (6) juggling (7) a variety of duties. By your honest and direct communication with everyone, you gain energy... and do a better job.

By honestly rating yourself with the following questions, you will better understand your attitude toward assertiveness. An attitude, of course, does not always show up in behavior. You may feel more assertive than you are in real-life situations. Check T (true) or F (false) :

1. I often feel like telling people what I really think of them. (T) (F)
2. When I find myself in a new situation, I watch what other people do and then try to act in a similar fashion. (T) (F)
3. I enjoy doing things that others may regard as unconventional (8). (T) (F)
4. I think it is important to learn obedience and practice social behavior. (T) (F)
5. In general, I find that I dislike non-conformists(9). (T) (F)
6. I prefer to listen to the opinion of others before I take a stand (10). (T) (F)

7. I feel comfortable following instructions and doing what is expected of me. (T) (F)

8. It often makes more sense to go along with “the group” rather than try to persuade them to my point of view. (T) (F)

9. Confronting other people is extremely uncomfortable for me. (T) (F)

10. I enjoy being seen as a person with strong opinions. (T) (F)

Now let's score your assertiveness. If you answered TRUE to items 2, 4, 5, 6, 7, 8, or 9 above, give yourself one point for each. Also give one point for FALSE answers to items 1, 3, or 10, and total your points. If you scored 6 or more points, low assertiveness may be a problem for you. You may find yourself being far more reactive to the demands of others than you are to your own aspirations.

### ***How receptive are you ?***

Receptiveness means being open to feedback (11). Obtaining feedback, even from your most severe critic, maybe the most important way for you to gain direction and control. This feedback can lead to greater self - understanding.

### ***Some comments on feedback receptiveness***

- If you think that you usually get embarrassed when people point out your mistakes, or resent people telling you what they think of your shortcomings (12), you may be putting up some attitude barriers (13) that could deter (14) you from obtaining useful feedback. *Remember that successful people learn how to develop an attitude of looking for a gem of good advice even when it's buried under a lot of worthless noise.* (Chúng ta nên nhớ rằng con người thành công là con người biết phát huy tư duy tìm kiếm ý kiến hay nhất ngay cả lúc ý hay nhất đó bị ào ạt lấn át trước hàng loạt những ý kiến vôùng đưa ra.)

- If you think that you regularly ask friends and/or associates you trust to comment on how you're doing, you know how to offer constructive criticism to others in a sensitive way, you're creating a climate where helpful feedback is accepted and expected. *Organizations fostering such*

*a climate are typically positive places to work and successful in their results. In a similar fashion, individuals who foster an attitude of being "receptiveness" receive the benefit of input from others.* (Những tổ chức phát triển tư duy như vậy đều là những cơ sở điển hình hoạt động vững chắc và tạo được nhiều thành quả tốt đẹp. Áp dụng tương tự như vậy, những cá nhân phát triển tư duy "nhạy cảm" đều được người khác đáp ứng tốt.)

Ideally, the professional secretary will keep a healthy balance (15) between Assertiveness and Receptiveness.

Your assertiveness enables you to set priorities, organize your time and energies, and let others know that you are a serious professional.

When you are active, direct, and honest, you communicate self-respect and respect for others. People know where you stand, and trust you to listen to their point of view.

Your receptiveness helps you listen and really hear what you need to know about other people's needs and priorities. Even when people say things that are critical or unpleasant, you maintain your poise (6) and use the information to help you do a better job.

## Word study

1. *Personality* : nhân cách, tư cách (*We need someone with lots of personality to organize the party* : Chúng tôi cần người có đủ tư cách để tổ chức bữa tiệc).

2. *Assertiveness* : tính quả quyết (*People of high assertiveness seldom change their mind in any debates* : Trong bất cứ cuộc tranh luận nào người có tính quả quyết ít khi thay đổi ý của mình).

3. *Receptiveness* : tính nhạy cảm (*Mr. Moe's receptiveness to developments of our company has brought in a lot of new customers* : Tính nhạy cảm của ông Moe trong quá trình phát triển công ty đã thu hút được nhiều khách hàng mới).

4. *Aggressiveness* : tính háo thắng, tranh thủ bằng được (*Sometimes a salesman's aggressiveness is a must if he wants to succeed* : Đôi khi người tiếp thị nếu muốn thành công phải tranh thủ khách hàng cho bằng được).

5. *Be entitled to* : được hưởng quyền lợi (*You're not entitled to unemployment benefit if you've never worked* : Nếu chưa đi làm việc bao giờ thì bạn không được hưởng trợ cấp thất nghiệp).

6. *Involve* : liên can tới, dính líu tới (*The job involves my living in HCMC* : Việc làm này đòi hỏi tôi phải ở ngay tại TPHCM).

7. *Juggle* : sắp xếp lại cho hiệu quả như mong muốn (*The company has been juggling the figures to hide a sharp decline in sales of its products* : Công ty đã thay đổi các số liệu để che đậy sự thua lỗ trong việc bán các sản phẩm của mình).

8. *Unconventional* : không theo một qui lệ nào (*Sometimes unconventional action may lead to unexpected effects* : Đôi khi hành động bất thường có thể tạo được những tác dụng bất ngờ).

9. *Non-conformist* : người không thủ cựu (*She's too much of a non-conformist to protect anything outdated* : Cô ta là con người quá mới nên luôn phản đối những gì đã lỗi thời).

10. *Take a stand* : giữ vững lập trường (*He took a firm stand on expanding the company's branches into Asia* : Ông ấy giữ vững lập trường mở rộng các chi nhánh của công ty qua châu Á).

11. *Open to feedback* : sẵn sàng đón nhận phản ứng (*We should be open to our customers' feedback because it's needed to improve our products* : Chúng ta cần đón nhận ý kiến phản ứng của khách hàng để cải tiến sản phẩm của chúng ta).

12. *Shortcomings* : những sai lầm, thiếu sót (*This is a very important business reception, don't let any possible shortcomings happen* : Đây là buổi tiếp tân làm ăn quan trọng, chớ để những thiếu sót về phần chúng ta xảy ra đấy).

13. *Barrier* : cản trở (*Poor health may be a barrier to success* : sức khỏe yếu kém có thể gây trở ngại cho sự thành đạt).

14. *Deter* : ngăn cản (*Continued failure did not deter him from making another attempt* : Sự thất bại liên tục vẫn không làm nhụt ý chí phấn đấu của ông ta).

15. *Healthy balance* : sự cân nhắc sáng suốt (*Prior to making an important decision, a decision maker should be armed with a healthy balance between the do's and the don'ts* : Trước khi quyết định một vấn đề quan trọng, người có trách nhiệm quyết định phải sáng suốt cân nhắc điều nào nên làm, điều nào không nên làm).

16. *Poise* : sự bình thản cân nhắc (*Sue is a secretary of great poise* : Sue là một thư ký rất cân trọng cân nhắc mới làm).

## Building and consolidating your network

Without realizing it, you have probably already built a *network* of professional colleagues who are willing to help and advise you. Your network consists of people both inside and outside of your organization who know you and your work. *Key associates* (1) in your network *keep you abreast of* (2) "what's happening". They may be in the same industry or field as you, or they may give you tips on developments in unrelated fields.

### ***Why should you have a network ?***

- To give and receive support, advice, and *insight* (3).
- To exchange specific information about *trends* (4), personnel changes and career opportunities.
- To transact business, or get a (perhaps new or unfamiliar) job done.

Networking is a two-way street. When you invest time and energy in other people, they become valuable allies when you, in turn, need support or information. This is called *a mutually rewarding relationship* (5).

Are you setting up a conference ? Putting out a newsletter ? Re-organizing a department ? Making a major office purchase ? These are occasions when you can use your network. Why reinvent the wheel when you can consult others who have faced the same challenges ?

The following may show you how to fruitfully build a network and *keep it alive* (6).

1. Always ask (and write down for future reference) the name of someone who has proven helpful with a project. Tell that person you would be glad *to reciprocate* (7), should the need arise.
2. If you meet someone whose work really impresses you, ask about his or her background, what training courses or materials have been useful, what reading he/she recommends, etc.
3. Send letters of praise or congratulations to people in your office or

industry who receive honors or special recognition, maybe even to people you have never met.

4. A planned “*Open House*” (8) for your office can be a welcome surprise - and lead to warmer contacts with other departments, suppliers, clients, outside sales reps, etc.

5. If your organization encourages public service involvement, volunteer - it's a great way to meet people you would not ordinarily see.

6. If you need (or desire) further training or education to meet your goals, find someone to advise you and / or direct you.

7. Learn to draw an organizational chart of your company. *Make a bargain* (9) with yourself to develop at least one contact from every major part of it !

8. Join a trade / industry group appropriate to your organization.

9. Don't forget your personal network. It's about time you consolidated it. Maybe you have friends or family members who could give you useful professional advice. Ask them !

## Word study

1. *Key associates* : các cộng sự viên chính (*Mr. Moe and Mr. Cold are key associates in running the M + C corporation* : Ông Moe và ông Cold là hai cộng sự chính trong việc điều hành công ty M + C)

2. *Keep abreast of sth* : nắm vững thông tin, theo sát (*You should follow up the project file to keep abreast of its progress* : Bạn cần theo dõi hồ sơ dự án để nắm vững diễn tiến đấy)

3. *Insight* : sáng kiến (*Good insight pays off* : Sáng kiến tốt đưa tới kết quả tốt)

4. *Trend* : chiều hướng (*The trend of gold prices is still upwards* : Giá vàng còn chiều hướng đang tăng)

5. *A mutually rewarding relationship* : quan hệ có lợi cả đôi bên (*It's imperative that we should apply a mutually rewarding relationship policy to increase the sales of our products in foreign markets* : Điều quan yếu là chúng ta cần phải áp dụng chính sách tương quan có lợi để tăng số sản phẩm của chúng ta bán ra thị trường nước ngoài)

6. *Keep sth alive* : giữ vững tính sinh động (*Opening a business is easy but keeping it alive is not so easy as one thought* : Mở ra một hoạt động kinh doanh thì dễ nhưng giữ vững được hoạt động đó lâu dài không dễ như người ta tưởng đâu)

7. *To reciprocate* : hỗ trợ nhau (*The seller and the buyer should reciprocate to gain a mutual profit* : Người bán và người mua phải hỗ trợ nhau để cùng có lợi)

8. *Open House* : tiếp khách bất cứ giờ giấc nào (*The company has a guest house at a nearby river where they keep open house all summer long* : Công ty có một nhà khách gần sông để đón khách suốt mùa hè)

9. *Make a bargain* : tính toán cách nào cho có lợi (*Having scrutinized Asian markets, Japanese businessmen made a good bargain with themselves to increase the sales of their electronic devices* : Sau khi điều nghiên kỹ các thị trường châu Á, các nhà kinh doanh Nhật Bản đã tính toán chiếm lợi thế nâng số bán các mặt hàng điện tử của họ).

## Resolving conflict in your office

Conflict is hard to avoid whether an office consists of two people or ten thousand people. However, with your attitude tuned to (1) "positive", your value as a problem solver among people has unlimited potential.

It is thought that the following standard sources of conflict are usually found in the workplace. You should bear them in mind as experiences to solve each conflict efficiently :

### ***Sources of conflict***

- An organization whose structure encourages conflict (perhaps by making workers compete against each other for special rewards).
- Aggressive co - workers.
- Competition for resources (i.e. only one computer for three workers).
- Power struggles (i.e. who will head the department).
- Organizational change (people use many tricks (2) to avoid changing comfortable routines).
- Unresolved previous conflicts (even when the current issue should present no problems, previous grudges (3) may interfere).
- Differences in facts and assumptions, customs and habits, goals and expectations, roles, methods and styles.

### ***How to solve...***

Anticipating conflict (and knowing its causes as just above listed) is one of the best ways of heading off a situation *before it erupts*. When a conflict exists, either for you, or among people in your organization, try using the following "six easy steps of resolution" to maintain a positive environment.

*1. Schedule a meeting with the other party.* Decide on a time and place to sit down and discuss differences. That way you have each made a gesture toward resolution. *Example : Elva, your department bookkeeper, resists your requests for statistics you need to include in regular reports. Think about the ideal time and place to meet with her, and say, "We need to talk about our working relationship and how it can be improved".*

2. *Evaluate the cause.* First acknowledge that there is a conflict. (Not admitting that there's a problem that makes it worse). Talk *non-judgmentally* (4) about the reasons for your differences.

3. *Use "I" messages.* Say "I thought you wanted this", or "I heard you to say that". In this way, you'll avoid *destructive accusations* (5). Here is a pattern for an "I" message :

I (feel, react)..... when you (act, do)..... which causes (consequences)

4. *Encourage the other person to express his / her feelings.* Ask questions that draw out what the other person is thinking. Use phrases like "I would like your reaction to what happened", or "I would like to hear your reasons". In the above example, the bookkeeper might say that she had no idea of the importance of the reports you worked on, or who needed the figures. She might also point out that you are often late giving her the information she needs for the report. The idea is to let the other party know that you are *truly listening carefully to his / her opinions*.

5. *Structure your desired outcome.* Negotiate ! Be sure that you each contribute to the "solution" and feel satisfied that it is at least worth trying. (Not every problem is going to be solved overnight but progress can usually be made, even on those that are most difficult). Some people like to write down agreements ; but for most office situations, a handshake symbolizes mutual respect and agreement to work toward a solution.

6. *Evaluate.* It's a good idea to set a definite time in the future (a week, a month, ect.) to evaluate the solution.

*When you successfully negotiate a conflict, using the above guidelines, you will be amazed at how powerful you feel ! Your ower is not to push other people around, but to improve communications with those who may have different views.*

## Word Study

1. *Tuned to:* ứng xử, hiệu chỉnh (*Salespeople should know how to handle objection skillfully to tune to the exact needs of their customers* : Nhân viên tiếp thị cần biết cách ứng xử trong mọi tình huống để nắm được ý muốn thật sự của khách hàng).

2. *Trick* : mưu mẹo, phỉnh gạt (*We need a trick for our commercials to liquidate our goods in stock* : Chúng ta cần quảng cáo cho thật hấp dẫn trên đài và ti-vi để tiêu thụ hết số hàng tồn kho của chúng ta).

3. *Grudge* : tị hiềm, ác cảm (*Let's not nurse any grudges among us colleagues* : Giữa đồng nghiệp chúng ta chớ nên gây tị hiềm ác cảm).

4. *Non-judgmentally* : một cách hồn nhiên vô tư, không phê phán (*Any reconciliation should be based on non-judgmentally suggested ideas* : Mọi ý kiến giải hòa không nên đưa ra ý mang tính phê phán).

5. *Destructive accusation* : kết tội hàm hồ (*To prevent any possible destructive accusation of an innocent person, a scrutiny of the case in detail is required* : Để tránh tình huống kết tội người vô can một cách hàm hồ, chúng ta cần phải xem xét vụ việc liên hệ với đầy đủ mọi góc cạnh chi tiết).

## Relationships in the workplace

It is easy to assume that your same standards for friendship should be used for those with whom you work. Wrong ! Work relationships exist for the purpose of getting jobs done. Whether or not a fellow worker is someone you would want as a friend has nothing to do with whether you can work together effectively and efficiently.

In organizations you will encounter (1) people who have very different values or standards from your own. Here are some tips on building good relationships with all kinds of people :

1. Ask yourself : what is the purpose of our relationship ?
2. Ask : am I bringing a positive and open attitude (2) toward this person ?
3. Ask : what are the person's good qualities ? How are they helpful to the organization ?
4. If there is an open conflict (3) ask : what can I do to set things straight ? (Attitude is more important here than any incident that created difficulty. There will always be incident that are irritating. The only thing you have control over is your own attitude toward them !)

*Your attitude sets the stage for work (and personal) relationships. Regardless of what actually happens, you always have the choice of keeping positive attitude.*

### **Case study : What's wrong with Richard's attitude?**

Richard is a highly skilled secretary. He always completes his assignments rapidly and the quality of his work is among the best in the department. Unfortunately, Richard has a job that requires considerable interaction (4) with others. He is intolerant of (5) those who do not deliver the same quality of work he produces, and is not reluctant to express his opinion. (Example : Your approach is dumb. Let me tell you how it should be done !) His supervisor is considering changing his assignment because his attitude has caused co-workers to seek transfers to other departments.

Despite his talent, Richard is a victim of his poor human relation skills. What suggestions would you have for Richard ?

## Word study

1. *Encounter* : đương đầu hoặc bắt thân gặp phải (*I encountered many difficulties when I first started this job* : Khi mới khởi sự làm công việc này tôi đã phải đương đầu trước nhiều vấn đề nan giải).

2. *Positive and open attitude* : thái độ cởi mở, dứt khoát (*Sue is really a hard-to-find professional secretary; her assisting colleagues is always positive and open* : Sue quả là một cô thư ký có nghiệp vụ cao, khó kiếm, luôn giúp đỡ các đồng nghiệp của mình rất thẳng thắn và cởi mở).

3. *Open conflict* : bất đồng công khai (*a qualified manager should know how to solve open conflicts among his staff members so as to keep the ball rolling for the common interest of the company* : Người giám đốc có khả năng cần biết cách giải quyết mọi bất đồng công khai giữa các thành viên điều hành để giữ vững hoạt động liên tục cho quyền lợi chung của công ty).

4. *Considerable interaction* : có nhiều quan hệ với các phần vụ khác (*Having considerable interaction with other department activities is a good opportunity for your career consolidation* : Trong quan hệ làm việc mà có nhiều tiếp xúc với các phần vụ khác là một dịp tốt để củng cố nghiệp vụ của bạn).

5. *Intolerant of* : có thái độ phản đối trắng trợn (*Mr. X is obviously intolerant of criticism, so be careful when you have to talk with him* : Ông X là con người mà ai phê bình ông ta là bị phản đối ngay, vậy bạn hãy cẩn trọng khi phải trao đổi vấn đề gì với ông ta đấy).

# Nonverbal communication or body language

This is what others remember about you long after they have forgotten what you said. It has been proven that 65 % of all communication is nonverbal.

Think about the following elements and observe the people in your own office. Then, pledge (1) that the rest of your working life, you will make your nonverbal communication say "professional".

Handshake - Both men and women should have a firm, steady handshake! This shows self-confidence (2) and a willingness to communicate.

Appropriate or inappropriate laughter - This is a very individual trait. In general, however, it is better to curtail loud horselaughs and foolish giggling (3) in a business setting. Excessive laughter usually indicates nervousness.

Facial expressions (4) - "Mugging" and "wild - eyed child" faces grow tiresome very quickly.

Rate of speech - Slower is better than faster, especially on the telephone.

Posture (5) - The professional person looks calm, relaxed, yet ready for work and challenge. This means standing, sitting, and moving with grace. Don't slouch, twist, or contort yourself, especially when typing or work processing (6).

Gestures - These can emphasize your point when appropriate, but too many gestures can make other people uncomfortable.

Eye contact - Maintain eye contact with the person to whom you are speaking. If you are sitting, turn around and face the person fully.

Remember that Your image is a picture - a portrait. What you wear, say and do forms an overall impression. Make yours professional !

It's pretty obvious that the following are inappropriate in an office setting, and that you should avoid them to show self-respect to your fellow workers.

1. Obscene language
2. Gum chewing
3. Run-down heels, scuffed shoes
4. Long personal phone conversations
5. Eating at your desk
6. Sunglasses
7. Clothing mended with safety pins
8. Sports outfits
9. Application of make-up, lotions

### Word study

1. *Pledge* : hứa hẹn, cam kết (*The Government has pledged itself to send aid to the flood victims in the Mekong Delta* : Chính phủ đã hứa cho gửi phẩm vật cứu trợ những nạn nhân lũ lụt tại vùng đồng bằng sông Cửu Long).

2. *Self-confidence* : niềm tự tin (*How can you expect to defeat your opponent without having a least self-confidence under such circumstances* : Trong những trường hợp như vậy mà không có một chút tự tin nào thì làm sao bạn đánh bại đối phương được).

3. *Curtail loud horselaughs and foolish giggling* : giảm bớt những tiếng cười ồn ào, vô ý thức (*Let's keep quiet, will you ? You should not disturb the lecturer with your horselaughs and foolish giggling like that* : Bạn vui lòng giữ im lặng chứ ? Bạn cười ồn ào thiếu ý thức như vậy làm sao diễn giả có thể nói chuyện được).

4. *Facial expression* : nét thể hiện trên gương mặt (*It should be noted that your facial expressions during the interview may lead to success or failure* : Bạn cần lưu ý những nét thể hiện trên gương mặt của bạn trong cuộc tiếp xúc có thể dẫn tới thành công hoặc thất bại đấy).

5. *Posture* : cung cách đi lại, đứng ngồi (*Poor posture during your long typing hours will undoubtedly give you backache* : Ngồi đánh máy lâu hàng giờ không đúng tư thế chắc chắn bạn sẽ bị đau lưng thôi.)

6. *Word processing* : sắp xếp ấn bản để in (*Best quality printing materials require or largely depend on word-processing skills* : Muốn có những tài liệu in ấn chất lượng đòi hỏi hoặc phải tùy thuộc phần lớn vào kỹ năng khéo léo trong việc sắp xếp ấn bản để in).

7. *obscene language* : ngôn ngữ tục tĩu (*How can you expect others to respect you when you always use obscene language in your conversations* ? : Lúc nào bạn nói chuyện cũng đầy rẫy ngôn ngữ tục tĩu thì làm sao người khác có thể kính trọng bạn được ?).

# Make yourself look professional

As your professional skills grow, it is normal for you to see yourself differently. Your outward appearance and personal habits may change. You are hereinafter provided with some examples of "finishing touch" (1) that make the difference between a secretary and a professional secretary.

## ***Let's look professional***

The first thing anyone notices about you is how look. We all know, too, that how we look affects how we feel. Our self-image definitely influences our *attitude*. Therefore :

To become a professional success, look like a success... every day you never have a second chance to make a first impresison.

The specifics of what is in fashion and appropriate vary from place to place, year by year. But you can always observe professionally-dressed people in your own office or on the street, making note of styles and colors which seem appropriate for you. (Also observe those details which label (2) a person as unprofessional).

Consider how you can use the following elements to enhance the image you want to project : 1. Simplicity ; 2. Elegance (3) ; 3. Orderliness.

These elements apply to your hairstyle as well as your clothing. Your clothes make a statement about you : dress the part you would like to play in your professional world.

(At this point you may wonder if you have to throw out everything you now own. Certainly *not*. But you don't wear inappropriate clothing *to the office*. If it turns out that you honestly have only three outfits appropriate for a professional person in your office, rotate those outfits until you can add more pieces).

## ***How to sabotage your image***

1. Buy cheap clothing.
2. Wear worn-out or soiled (4) clothing.

3. Look *sloppy* (5).
4. Dress too *outlandishly* (6) and too *luringly* (7).
5. Emphasize your worst features.
6. Minimize your good physical features.
7. Disregard your grooming (hair not combed, fingernails dirty, etc.).
8. Improperly match and blend items in your wardrobe.
9. Wear inappropriate accessories - things that stand out *garishly* (8), such as cheap jewelry.
10. Dress inappropriately for the occasion - casual when you should appear elegant or vice-versa.
11. Dress without any *flair* (9) - always dull and uninteresting, *uninspired*, always the same.
12. Dress inappropriately for your age.
13. Ignore your personal habits (gum chewing, body odor, bad breath, etc.).
14. Follow the latest fashion trends blindly, obediently and thoughtlessly.
15. Allow clothing clerks to sell you, rather than serve you.

## Word study

1. *Finishing touch* : chi tiết hoàn chỉnh (*Be sure don't forget to put the finishing touches to your masterpiece before you have it presented to the publisher* : Nhớ đừng quên các chi tiết hoàn chỉnh kiệt tác của bạn trước khi giới thiệu với nhà xuất bản đấy).

2. *Label* : miêu tả, xếp loại (*His work is difficult to label accurately*: Công việc làm của ông ta thật khó mà đánh giá chính xác được).

3. *Elegance* : phong cách tao nhã, lịch sự (*Just take a look at Sue's elegance in dressing, we could hardly be wrong to say she's not only fashionable but also quite modest* : Nội nhìn vào phong cách ăn mặc tao

nhã, lịch sự của Sue, chúng ta có thể nhận thấy rằng cô ta quả là mẫu người không những sành thời trang mà còn rất khiêm tốn nữa).

4. *Soil*: làm dơ bẩn (*Though Paul is an easy-going man, he seldom wants to soil his hands*: Tuy là mẫu người dễ dãi nhưng Paul ít khi muốn làm gì phải bẩn tay).

5. *Sloppy*: luộm thuộm, cẩu thả (*You'd better not make yourself look sloppy, particularly at work*: Bạn chớ nên tỏ ra cẩu thả, luộm thuộm, nhất là trong khi làm việc).

6. *Outlandishly*: lỗi lãng, kỳ quái (*As a receptionist of this big firm, you should not have such outlandish clothes on while you're on duty, will you?*: Là tiếp viên của một hãng lớn như thế này, bạn không nên ăn mặc những quần áo kỳ quái, lỗi lãng như vậy trong lúc làm nhiệm vụ đấy nhé).

7. *Luringly*: kêu gọi (*When you handle your customers' objections, be sure to talk with them modestly and persuasively but not luringly*: Khi gặp khách hàng phản đối, bạn nhớ nói chuyện với họ một cách từ tốn và thuyết phục chứ đừng tỏ ý quyến rũ, kêu gọi).

8. *Garishly*: lòe loẹt, chói chang (*Wearing clothes garishly in the office, your colleagues might make fun of you, no doubt*: Trong văn phòng mà bạn mặc đồ lòe loẹt thì thế nào các đồng nghiệp của bạn cũng sẽ điệu cợt đấy).

9. *Flair*: khéo tay, nhanh trí (*She has a real flair for languages*: Cô ta học ngoại ngữ rất mau giỏi).

# What can success as a professional secretary do for you ?

Where are you now ? How can you manage ? (1) your job to best meet your personal goals (2). First, you have to assess (3) what they are ! It is hoped that the following questions will get you started. Remember : be honest with you self. No else will be affected by your answer but YOU ! So spend part of your time doing this self-test, and then you'll know where are now.

1. Do you have a clear picture of where you are doing with your professional life (4) during the next five years?

( ) yes

( ) no

2. Do others (i.e. your supervisor / subordinates) know about your plans ?

( ) yes

( ) no

3. Have you set specific targets for your personal life for the next five years ?

( ) yes

( ) no

4. Do those you count on for support (5) (family, close friends, ect.) know about these targets ?

( ) yes

( ) no

5. Are you totally satisfied with the propogress you are making in your professional life ?

( ) yes

( ) no

6. Are you satisfied with your life progress ?

( ) yes

( ) no

7. Do you have a written method to track your professional and personal progress ?

( ) yes

( ) no

8. Are your underlying values clear and sharp in your mind?

( ) yes

( ) no

9. Have you written them down ?

( ) yes

( ) no

Because an administrative position is usually flexible (6), within certain limitations, you have the power to make your job work for you. You can test and challenge yourself, and grow professionally and personally.

Many good things can happen once you become a top-flight secretary. You might fight the following statements greatly professional. Decide yourself to be on the right way to success !

With greater professionalism I will :

- Increase my earnings potential.
- Have opportunities to learn more.
- Position myself for promotion.
- Increase myself-confidence.
- Try out my leadership wings.
- Learn and develop human relations skills.
- Have better feelings of self worth.

Remember that there is no evidence that top-flight secretaries have more ulcers than other employees, because the professional secretary generally has more freedom and is trusted with far more authority by his/her boss. Usually professional secretaries have advantages to develop new friends and keep the old ones.

## **Word study**

1. *manage*: chỉnh đốn, sắp xếp (*How could you manage to clear up your backlog in such a shortest period of time ?*: Bạn làm cách nào mà giải quyết được công việc ứ đọng của bạn quá nhanh như vậy ?).

2. *meet one's personal goals* : đáp ứng được những mục đích riêng tư. (*Nothing else but your honesty and preserverance can help you meet your personal goals*: Chỉ có sự chân thật và nhẫn nại của bạn mới giúp bạn thực hiện được những mục đích riêng tư của mình).

3. *assess* : đánh giá, nhận định. (*No action can be taken on this application unless you already get the applicant's qualifications tested* : Đơn xin việc này chưa thể quyết định nếu bạn chưa cho thử khả năng của đương sự).

4. *professional life* : khả năng chuyên môn (*Do you have a clear picture of where you are going with your professional life during the next five years ?* : Bạn có thể hình dung cụ thể sẽ ứng dụng khả năng chuyên môn của bạn vào lĩnh vực nào trong vòng 5 năm tới đây không ? ).

5. *count on for support* : tin tưởng vào sự giúp đỡ (*Unless your promote your self-confidence, don't count on anybody else for support* : Đừng tin tưởng vào sự giúp đỡ của bất cứ ai nếu bạn không phát huy niềm tự tin của bạn).

6. *flexible* : linh động, mềm dẻo, uyển chuyển. (*Her flexible language has been a remarkable behavior that may lead her to higher position in the company*: Tác phong đáng chú ý của cô ta là cung cách ăn nói mềm mỏng nên rất có thể công ty sẽ đề bạt cô ta lên chức vụ cao hơn).

## The finishing touch for your success...

Needless to say, you should remember that the first thing anyone notices about you is how you look, and that how you look affects how you feel, because your personal image is a portrait that reflects your attitude. It is therefore advisable that the following should be avoided.

1. Don't wear sports clothes even on the days the boss won't be in the office.

2. Unprofessional clothes are suitable only for your private life NOT for your office wears.

3. It's not always safe to follow the latest fashion trends. Problems might arise if you get used to them.

4. If you are discreet, don't chew gum and / or eat "munchies" at your desk.

5. A firm handshake with people you daily meet at your workplace should not be perfunctorily done. Be sure don't forget that firm handshake means friendship and cooperation.

6. The faster your rate of speaking, the less businesslike you sound.

7. When speaking to someone, don't look over the person's shoulder to avoid embarrassment. Eye contact is deemed necessary.

*Should you decorate your office ?* Think carefully about this ! Do not bring anything into your work area until you have been with the organization awhile. Think twice before you install :

1. Too many plants and flowers.

2. A gallery of family snapshots.

3. Children's artworks.

4. Decorations of any kind.

Ask yourself : Do other professionals in this office display personal items ? What do I want my decorations to say about me ? Do I want to share my personal life with everyone who comes into the office ?

Sometimes one personal item of yours will be so odd or unusual that it is the only thing remembered about you. What personal decorations do you think are appropriate in an office setting ? Use only those that may arouse common interest.

## Word Study

1. *portrait* : nét miêu tả (*The book contains a fascinating portrait of President Ho Chi Minh's revolutionary achievements*: Nội dung cuốn sách miêu tả những nét sáng ngời về sự nghiệp cách mạng của Chủ tịch Hồ Chí Minh).

2. *reflect credit on somebody* : làm người nào nổi tiếng (*These excellent results reflect great credit on all our staff*: Những thành quả tuyệt vời này làm cho tập thể nhân viên chúng ta nổi tiếng thêm rất nhiều).

3. *trend* : chiều hướng chung (*Under the State birth control policy, it seems to have a growing trend towards smaller families*: Đường như nhiều gia đình đang có chiều hướng hạn chế sinh đẻ theo chính sách kế hoạch hóa gia đình của Nhà nước).

4. *discreet* : cẩn trọng cân nhắc (*Mr. Moe, would you mind letting me make a few discreet enquiries about this firm before you sign anything?* : Thưa ông Moe, cảm phiền ông cho phép tôi kín đáo thăm dò một ít thông tin về hãng này trước khi ông ký bất cứ văn bản nào được không?).

5. *munchies* : đồ ăn nhai nhóp nhép luôn miệng (*It's really not so courteous to eat munchies while talking to someone* : Nói chuyện với ai đó mà miệng mình cứ nhai nhóp nhép thì quả là điều bất lịch sự thật).

6. *perfunctorily* : một cách hời hợt, tắc trách (*This financial statement is very important, all the figures therein must not be perfunctorily checked, so be careful, will you?* : Bản phúc trình tài chính này rất quan trọng, bạn phải duyệt xét các số liệu trong đó thật kỹ lưỡng, đừng hời hợt tắc trách đấy nhé?).

7. *embarrassment* : sự bối rối, quấy rầy (*That talkative fellow is undoubtedly an embarrassment to everybody in the office* : Bản tính nói nhiều của anh ta chắc chắn là một sự phiền hà đối với mọi người trong văn phòng).

8. *snapshot* : ảnh chụp (*Sue showed me her holiday snapshots taken with my hand-held Kodak camera yesterday*: Hôm qua Sue cho tôi xem những hình ảnh về chuyến đi nghỉ của cô ta chụp bằng chiếc máy ảnh tay tử hiệu Kodak của tôi đấy).

## Summary check-list for the professional secretary (1)

Working toward professional excellence, for a secretary, leads in many direction. The following check-list will help you analyze your job performance and set goals for future growth.

***When considering my job, I will :***

- Identify how my job fits into the organization as a whole.
- Describe the "service" my office provides.
- Look for ways to do my job more effectively.

***To assess my professional goals and image, I will :***

- Determine my career goals.
- Begin changing my daily behaviors in order to achieve professional growth.

***In my role as office manager I will :***

- Survey my daily tasks and begin setting priorities.
- Avoid procrastination (1) and dependence on non-existent "catch up" time.
- Determine several important long-range goals for my office and block out periods of time to work on them.
- Practice making decisions by considering a variety of alternatives, rating them, and then taking action.
- Set up a system to record work assignments and to get help when overloaded (2).
- Learn about career-building classes in my area.
- Write letters and memos only after considering the audience, and the simplest, quickest way to state the message.

- Realize that every phone call can deliver quality customer service.
- Plan impromptu (3) speeches by breaking the subject matter into logical parts, and summarizing main points at the end.
- Create check-lists for planning, evaluating, and following-up after meetings.

**Case study - How to advertise creatively...**

The following short conversation between Moe, the boss, and Sue, his secretary may illustrate efficient skills of a professional secretary at work. A perusal of it will help you to pick out creative qualifications you are looking for.

Moe : Sue, have you finished the letter to be sent to our salespersons ?

Sue : Yes, here it is. Will you sign it please ?

Moe : (reading)

Dear... :

*Are you ready to begin the campaign ? The big day is set for April 3, a nice spring day for rejuvenation (4).*

*Please check on the distribution of all materials : window ads, counter displays, gift samples, brochures, and instruction sheets. I suggest you distribute these a month in advance. It would be more advantageous if we could set up demonstrations in big department stores. Some cosmeticians in stores may need special training. They must know what to do and how to do it. I'm sure you can explain the procedure to them. Remember how important retail salespersons are to us. I suggest that you give them samples for themselves.*

*From our office here we are sending out circulars and brochures to special customers. Your efforts plus the help from TV commercials should make the promotion (5) a success.*

*If you need anything, just come up to the office. We are ready to help you in any way we can.*

*Sincerely yours, L. Moe*

That's splendid, Sue. I believe you've included all the important points. Now please get off a short note to cosmetic supervisors of stores on our list. Inform them that our people will soon visit them and will explain all about our new product. Enclose some information. Convey a personal touch. We have to sell the idea to them if they are to sell our product. Try to arouse their enthusiasm.

***To build good working relationships I will***

- See office relationships as a chance to listen to and learn about a wide variety of other people.

- Practice expressing my own opinions and decisions in a friendly, positive manner.

- Build a network of helpful colleague, both inside and outside my organization, who could contribute to my success.

- Recognize that conflict occurs whenever people work together and practice discussing and resolving issues as they arise.

- Arrange my work schedule to best meet my manager's needs, remaining flexible (6) enough to accommodate (7) unexpected changes.

***To complete my professional image I will***

- Choose clothing and accessories that are appropriate for professionals in my office.

- Be conscious of (8) my nonverbal communications - i.e. posture, eye contact, personal habits-keep them in tune with (9) the rest of my image.

- Assess the appearance of my work area and see it as an extension of my professional portrait.

***My personal action and plan commitment (10) to positive change***

The best intentions in the world lead nowhere unless they are put into action (11). By completing the series of secretarial performance articles published in this magazine, you have said "yes" to career growth. The next step is putting your plans into writing and setting up time schedule.

Using the foregoing Summary Check-list select three "I will" statements which would help you perform your job in a more professional

manner. Then, after each statement, write how you will fulfill your goal (12), and one (or more) steps you could take tomorrow to begin.

(Example : I will set up a system of record work assignments and to get help when overloaded. Possible methods : I will purchase a notebook, setting up columns for the dates, the assignment, their project time requirements (13), and their due dates. Then I will discuss the usefulness of the notebook with my manager, and suggest ways of obtaining assistance when needed. What can I do tomorrow : Purchase the notebook, set up the columns, possibly have the discussion with my manager).

### ***Your goals***

1. I will .....

Method : .....

Tomorrow I will .....

### **Word study**

1. *procrastination* : lãng phí thời gian (*Procrastination is the thief of time* (prov.): Lãng phí thời gian đồng nghĩa với ăn cắp thời gian).

2. *overload* : quá tải (*Elva's work is so overloaded that she can hardly finish it on time*: Công việc của Elva quá nhiều, cô ta khó mà hoàn tất đúng thời hạn được).

3. *impromptu* : thiếu chuẩn bị sẵn sàng (*Unless you're well prepared for the speech, don't speak impromptu, will you?*: Nếu chưa chuẩn bị diễn văn sẵn sàng thì đừng có cương ẩu đấy nhé).

4. *rejuvenation* : giữ được nét trẻ trung (*Spring is coming, it's time for us young ladies to renew our spirits, to feel young and happy, that is to keep our rejuvenation as longer as possible*: Xuân lại về, thời gian mà phụ nữ trẻ chúng ta phải nghĩ tới việc làm tươi mát lại tâm hồn để giữ được những nét trẻ trung của chúng ta lâu hơn).

5. *promotion* : quảng cáo nhằm bán được nhiều sản phẩm (*Advertising is often the most effective method of promotion*: Quảng cáo thường là phương cách giới thiệu mặt hàng hữu hiệu nhất).

6. *flexible* : uyển chuyển, dễ thích ứng với mọi tình huống (*Our sales department is being badly in need of qualified and flexible sales reps to get our new products broadly expanded to other areas* : Khâu tiếp thị của chúng tôi hiện rất cần những nhân viên tiếp thị giàu khả năng và biết ứng xử uyển chuyển để mở rộng việc bán các sản phẩm mới của hãng ra các vùng khác).

7. *accommodate* : đáp ứng (*TV must accommodate many different tastes*: Hoạt động truyền hình phải đáp ứng được nhiều sở thích khác nhau của khán thính giả).

8. *be concioius of* : cảm nhận, ý thức được (*Are you concioius of how people will regard such behavior?*: Bạn có cảm nhận được người ta sẽ đánh giá tác phong đó như thế nào chăng?).

9. *in tune with* : phù hợp với (*Whatever your are working on seems to be not in tune with the company's policy. I'm afraid* : Tôi e rằng việc bạn đang làm dường như không phù hợp với đường lối của công ty đấy).

10. *Commitment to* : hứa hẹn, cam kết (*We're looking for someone with a real sense of commitment to the job* : Chúng tôi đang cần người thật sự thích làm việc này).

11. *put into action* : thực hiện (*I believe it'll be a good idea if we put this plan into action* : Theo tôi, nếu chúng ta thực hiện phương án này thì cũng rất tốt đấy).

12. *fulfill one's goal* : hoàn thành mục đích, thỏa đáp (*The company has fulfill some stiff production goals this year*: Năm nay công ty đã hoàn thành được một số chỉ tiêu sản xuất cao).

13. *project time requirement* : thời gian dự tính cần thiết. (*This order must be fulfilled according to the projected time requirement; otherwise we might have to suffer great losses at last* : Đơn đặt hàng này bắt buộc phải hoàn thành đúng thời gian dự kiến ; nếu không thì chung cuộc chắc là chúng ta phải chịu lỗ nhiều đấy).

## External correspondence : the letter

Like memos, business letters vary in length and formality. Some are actually brief notes, whereas others extend over several pages. Letters might be written to strangers or to friends who happen to be business associates (1). They might be general or specific, argumentative (2) or informative (3), friendly or impersonal (4). Since they allow writers to present themselves and their organizations to outsiders with whom they wish to do business, letters serve an important public relations role. A letter's businesslike format is as important as its clear prose style and coherent organization.

### ***Business letters have the following basic elements :***

**Heading :** the writer's full address and the date appear here. The writer's name should not be included in the heading, because it will appear at the end of the letter. Stationery (5) with a letterhead may include the address. If so, type the date two spaces beneath the letterhead, against the left margin. If you need to type the entire heading, place it just to the right of center.

**Inside address :** this includes the recipient's name, title or department, organization, and address. Place the inside address two spaces beneath the date, against the left margin.

**Salutation :** this politely addresses the recipient by title and last name. The titles Mr., Mrs., and Dr. may be abbreviated, but Professor and Colonel may not. Ms. is generally preferred for women whether they are married or not, unless they go by another title. Do not use first names. When you do not know the name of the person you should direct your letter to, you may write to an organization by using one of these alternatives :

Dear Personnel Director :      To whom it may concern :

Dear Sir or Madam :              Attention : Parts Department

Dear Apple Computer :

Use a colon rather than a comma after the salutation in formal business letters.

*Body*: begin the text of your letter two spaces beneath the salutation. Single - space within paragraphs and double-space between them. Do not indent (6) paragraphs.

*Complimentary closing* : two spaces beneath the body of the letter, begin the closing. Place it either against the left margin or aligned with the heading, just to the right of center. Standard closings include :

Sincerely,

Cordially,

Sincerely yours,

Best regards,

Yours sincerely,

Capitalize only the letter of the first word, and end with a comma.

Leave four lines after the complimentary closing for the writer's signature. Beneath the signature, type the writer's full name. You may place the writer's title or department below the typed name.

*Special notations* : these indicate the following information :

Anyone receiving a copy

Attachments

cc : Thomas F.Howell

att. : Cost Estimate

Enclosures

Author and typist

enc. : Brochure

NVH : hh

*Additional pages* : letters should be centered on the page. Any additional pages should have at least two lines of the body of the letter ; do not begin a new page with the complimentary closing.

Additional pages should not be typed on letterhead stationery. In the upper left corner should be a three-line heading that includes the recipient's name, the page number, and the date.

**Business Letter Formats** : there are essentially three formats for the business letter : *block*, *modified block*, and *indentation*. The first sample letter is a job application letter. The modified block format fits the formality of the letter. The second example, a less formal letter requesting merchandise from a magazine advertisement, is in the indentation format. Although business letters are normally typed, informal letters requesting merchandise may be handwritten.

415 Oakhurst Drive  
Los Angeles, CA 90024  
April 8, 1994

Ms Clara Dean  
Personnel Manager  
Robinson's  
357 Main Street  
Los Angeles, CA 90030

Dear Ms Dean,

I am interested in a summer position with Robinson's. When I finish college, I hope to become a buyer with a southern California retail store. If you have any openings this summer for an assistant buyer or management trainee, I would like to be considered for the position.

I have had experience in retail sales and recently had a college *internship* in retail management with the May Company. During my internship, I learned about *mechandising and display*. My responsibilities included preparing and presenting progress reports at sales meetings and designing several displays myself. Other details of my experience and education are on the enclosed résumé.

I will be available for full-time employment after July 12, but would be able to work part-time before then. I will phone you next week to see if an appointment might be set up and look forward to talking with you then.

Sincerely yours,  
Helene Thompson

Enc. : Résumé.

415 Oakhurst Drive  
Los Angeles, CA 90024  
November 12, 1994

Sales Department  
Banana Republic Travel and Safari Co.  
Department 430  
224 Grant Avenue  
San Francisco, CA 94108  
(Attention : Sales Department)

Please send me a Hooded Bush Vest, size M, and your catalog as advertised in *The New Republic*.

I am enclosing a check for \$46.11 :

vest	\$39.00
catalog	1.00
shipping	3.50
	\$43.50
sales tax	2.61
	\$46.11

Please ship this merchandise to the address shown above.

Sincerely yours,  
Helene Thompson

## Word study

1. *Business associate* : người cộng tác làm ăn (*A director general of a large organization should have a certain number of business associates in his or her staff*: Tổng giám đốc một cơ sở kinh doanh lớn cần phải có những người cộng tác làm ăn trong bộ máy điều hành của mình).

2. *Argumentative* : thích tranh luận (*Sue, you'd better advise Frank not to be so argumentative but manage to win the cosmetics - supply contract at the bidders' meeting tomorrow; we need this contract, don't you know?* : Cô Sue này, tốt hơn cô nên góp ý với Frank đừng có tranh luận nhiều mà phải khéo léo làm sao dành được hợp đồng cung cấp mỹ phẩm tại buổi họp các nhà thầu cung cấp ngày mai đây. Cô có biết rằng chúng ta cần có hợp đồng này không ? ).

3. *Informative* : có đầy đủ thông tin cần thiết (*We hope you customers will find this "How to use cosmetics effectively" handbook of our company informative* : Công ty chúng tôi ước mong cuốn cẩm nang chỉ dẫn cách sử dụng mỹ phẩm này sẽ mang đến quý khách đầy đủ các thông tin cần thiết).

4. *Impersonal* : lạnh lùng (*Giving people time to get to know one another will make the meeting less impersonal* : Tạo cho mọi người có dịp tìm hiểu nhau sẽ gây được không khí chan hòa trong buổi họp hơn).

5. *Stationery* : văn phòng phẩm (*Elva, if you need best quality stationery, just call the stationer's across from our office, OK?* : Elva à, nếu cô cần văn phòng phẩm thượng hạng cứ điện thoại cho tiệm bán văn phòng phẩm đối diện sở mình nhé).

6. *Indent* : thụt đầu dòng vào trong (*For this important letter, please indent the first line of each paragraph, Ms. Nga* : Đầu hàng của mỗi đoạn trong văn thư quan trọng này nhớ đánh thụt vào trong, cô Nga nhé).

## Let's avoid using wordy phrases in business correspondence !

When writing, it should be noted that many phrases are wordy because they use several words where one would do. You are no doubt familiar with many of these phrases : *due to the fact* for *because*, *in the not too distant future* for *soon*, *in close proximity to* for *near*. As stock phrases, they come readily to mind ; consequently, we use them without considering how well or poorly they express our ideas. Here is a list of the most common wordy phrases and possible single - word alternatives :

*In view of the fact that* for *why*, *the reason for* for *since*, *for the reason that*, *this is why*, *inasmuch as*, *in light of the fact that*, *on the ground that* for *for*, *despite the fact that* for *though*, *regardless of the fact that*, *notwithstanding the fact that* for *although*, *as regards* for *regarding*, *in reference to* for *about*, *concerning the matter of*, *where is concerned*, *with respect to* for *concerning*, *it is necessary that* for *must*, *there is a need for*, *it is important that* for *should*, *has the ability to*, *is able to*, *has the capacity for*, *is in a position to* for *can*, *on the subject of* for *on/about*, *for the purpose of* for *to*, *make contact with* for *meet*, *as a matter of fact* for *actually*, *aware of the fact that* for *know*, *to the effect that* for *that*, *the way in which* for *how*, *in the event that* for *if/when...*

When you are editing or revising your writing, make a point to look for wordy phrases for which you can substitute single- word alternatives.

The following examples will show you can make your writing more effective by changing wordy phrases to single - word alternatives.

1. She left the company (*on accounts of the fact that/because*) (*it was necessary for her/she had*) to run another business of her own.
2. (*In the event that/If*) you happen to (*be in agreement/agree*) with me during (*the course of*) the meeting, please speak out.
3. (*Despite the fact that/Although*) I was not prepared, I could manage to handle the customer's objection about the late shipment of her order.

4. Until (*such time as*) I have the opportunity to help with this problem, I will have to cope with it myself.

5. (*In the not too distant future/soon,*) city people must all (*become aware of the fact/know*) that (*there is a need for them to/they should*) stop burning firecrackers.

### **Word study**

1. *Stock phrases* : những từ ngữ quen dùng, sẵn nhớ (*Elva, apply the rules of the "4C's"- clarity, conciseness, courtesy, correctness - in all the business correspondence you write. I mean you should avoid using trite and wordy phrases to make your writing readable*: Elva này, hãy áp dụng công thức 4C- mạch lạc, súc tích, lịch sự, chính xác - khi viết các văn thư giao dịch. Tôi muốn nói rằng cô nên tránh dùng các từ ngữ rườm rà quen dùng đấy).

2. *Alternative* : điều tùy ý lựa chọn (*You may have the alternative of working as Mr. Moe's receptionist or staying in your applied position as switchboard operation, Ms. Nga* : Cô được tùy ý lựa chọn làm tiếp viên cho ông Moe hoặc làm điện thoại viên tổng đài như cô đã xin đấy, cô Nga à).

3. *Make a point* : lưu ý (*Gen, make a point to proofread Mr. Moe's interoffice memo before you submit to him for signature*: Gen à, nhớ đọc lại văn bản nhắc nhở nội bộ của ông Moe gửi các phòng trước khi trình ông ấy ký đấy nhé).

# Punctuation, a supreme role in your writing ! (1)

Surely there is one supreme role : that *punctuation* (bỏ dấu phân câu chiết tự) is best which best serves *to make writing subtle, supple, delicate, nuanced and efficient* (làm cho văn phong xúc tích, uyển chuyển, sắc sảo, nhạy bén). Of course you can write using only periods and commas for punctuation. You can cook using only salt and pepper for *seasoning* (để gia vị). But why do it when there are so many seasonings pleasing to a *mature palate* (khẩu vị thích thú).

This series illustrates the uses of punctuation marks. By giving sentences from *prominent published writers* (những nhà văn tên tuổi) for both examples and exercises, we hope to show the full range of possibilities for punctuation in *contemporary writing* (văn phong đương thời). If you study the examples carefully, you will gain understanding of how to use each punctuation mark in your own writing. Besides learning how to use punctuation correctly, you will see how it can be used to write new kinds of sentences.

**Period** - Periods are used to mark the end of declarative sentences.

I wish I owned a couple of acres of land now, in which case I would not be writing autobiographies for a living. (Giá gì mà bây giờ tôi có được chừng một mẫu đất thì tôi đâu còn phải viết tự thuật tiểu sử để kiếm sống nữa). (Mark Twain)

Periods are used to mark the end of indirect questions.

*Not* Junior asked Susanna whether she wanted any more pancakes ?

*But* Juinor asked Susanna whether she wanted any more *pancakes* (bánh bột chiên đẹp).

Periods are used with most abbreviations.

*Titles* (tước vị) : Mr., Capt., Hon. (Honor/Honorable : danh vị tôn xưng), Ms.

*Degrees* (bằng cấp) : B.A., Ph.D., M.D., B.Sc.

*States* (các bang) : Calif., N.Y., Tex. (But not in postal abbreviations - CA, NY, TX).

*Months* (các tháng) : Sept., Oct., Nov., Dec.

*Names* (tên họ) : T.S. Eliot, John F. O'Kane

*Other uses* (cách khác : St. (đường), Ave. (đại lộ), B.C. (trước công lịch).

If a sentence ends with an abbreviation, one period marks both the abbreviation and the end of the sentence.

Please give me a wake-up call at 6:00 A.M. (Xin vui lòng gọi điện thức tôi vào lúc 6 giờ sáng nhé).

Notice that some abbreviations and most *acronyms* (những từ tổng hợp các mẫu tự đầu của mỗi chữ - ví dụ như *UNESCO* là từ tổng hợp của cụm từ *United Nations Educational, Scientific and Cultural Organization* : Tổ chức Giáo dục, Khoa học và Văn hóa Liên Hiệp Quốc - do not have periods. Check a dictionary if you are not certain about a particular abbreviation or acronym.

*mph* (mile per hour : dặm Anh/giờ), *ft* (foot/feet : bộ Anh, khoảng 30 cm)

*FAO* (*Food and Agriculture Organization - of the United Nations* : Tổ chức Lương Nông Liên Hiệp Quốc).

*SRVN* (*Socialist Republic of Vietnam* : Cộng hòa Xã hội Chủ nghĩa Việt Nam)

*UNICEF* (*United Nations Children's Fund* (formerly *United Nations International Children's Emergency* : Quỹ Bảo trợ Nhi đồng quốc tế).

### ***How to use question marks (?)***

*Question marks are used after direct questions.*

Can you count half of Herzog and a third of Moby Dick as one book ?  
Gerald Nachman (Bạn có cho rằng một nửa cuốn Herzog và một phần ba cuốn Moby Dick hợp thành một cuốn chung được không ?)

Would you feel better as someone else ? Alice Walker (Bạn có cảm thấy dễ chịu hơn như người khác không ?)

Indirect questions and courteous requests do not require a question mark.

Holly asked how to get to La Jolla Cove. (Holly có hỏi cách đi tới vùng vịnh nhỏ La Jolla rồi).

Will all of you please line up on the other side of the net (Xin mời tất cả quý vị vui lòng xếp hàng ở phía bên kia chiếc lưới này).

Questions marks are used to note a question about the accuracy of a preceding word or figure.

Socrates (470 ?-399 B.C.), the Greek philosopher and teacher, was condemned to death for his unpopular ideas. (Socrates (470?-399 trước công lịch), nhà triết học và nhà giáo người Hy Lạp, đã bị kết án tử hình vì những tư tưởng dị biệt).

Question marks should not be used to express *irony* (điều trớ trêu, chua cay, mỉa mai) or *sarcasm* (lời chế nhạo chua chát).

Not Max's funny (?) comments spoiled the birthday party. (Lời bình luận hài hước kỳ quặc của Max đã làm cho bữa tiệc sinh nhật mất ý nghĩa).

But Max's clumsy attempts at humor spoiled the party. (Những cố gắng gây vui nhộn một cách vụng về của Max đã làm cho bữa tiệc mất ý nghĩa).

### **Exclamation point (!)**

- Exclamation points are used to show *strong emotion* (cảm xúc mạnh) or unusual emphasis.

Call an ambulance ! (Gọi xe cứu thương đi !)

Billy Joe challenged his opponent to step out of the hall ! (Billy Joe thách thức đối thủ của anh ta bước ra khỏi phòng đại sảnh !)

### **Ellipsis (...)**

- Ellipses are three spaced periods that are used to indicate omissions within quotations.

In his classic essay on James Fenimore Cooper's prose style, Mark Twain reminds us that "... an author's way of setting forth his matter is called his style..."

(Trong bài tiểu luận của Max Twain nói về văn phong của James Fenimore Cooper, Mark Twain đã nhắc nhở chúng ta rằng "... cách mở đầu tác phẩm của một tác giả được gọi là văn phong của tác giả đó...")

The ellipses indicate that the writer is using only part of Twain's sentence. Notice that the final ellipsis includes an extra period to conclude the writer's own sentence.

Sometimes ellipses are used to show *dramatic pauses* (những chỗ ngừng nhằm gây cảm xúc mạnh) in a sentence.

His dying words were, "The murderer was..." (Trong lúc hấp hối ông ta đã thốt ra, "tên sát nhân đó là...").

### **Comma (,)**

The comma is the most frequently used internal mark of punctuation. It has a great many functions - from separating the day and year in a date to marking divisions between clauses and phrases. This section uses examples from the works of *established writers* (những nhà văn tên tuổi) to illustrate the main uses of the comma.

Commas are used with full dates (month, day, and year) but may be omitted with partial dates (month and year).

*And it was only on July 4, 1962, that the seven Mercury astronauts moved to Houston. Tom Wolfe.* (Và đúng vào ngày 4 tháng 7, 1962, bảy phi hành gia vũ trụ của phi thuyền Mercury đã tới thành phố Houston. Tom Wolfe).

*In June 1983 Willie Scott decided to give New York a try.* (Tháng 6, 1983 Willie Scott đã quyết định đến New York thử thời vận).

Commas are required between most of the elements in place names (*địa danh*) and addresses. (The one exception is between state and zip code).

Ho Chi Minh City, Vietnam

Miami, Dade County, Florida

Language College, Van Lang University, HCMC

5625 Waverly Avenue, La Jolla, California 92037

In a complete sentence, a comma must follow the last element of place names or addresses.

*He shot himself twice, once in the chest and then in the head, in a police station in Washington, D.C., with the cop looking on. Red Smith.* (Ông ta đã tự bắn mình hai phát, một phát vào ngực và phát thứ hai vào đầu, tại một bốt cảnh sát ở thủ đô Washington trước sự bàng quan đứng nhìn của một cảnh sát viên tại đó. Red Smith).

Now let's insert any commas needed with dates, place names, and addresses in the following sentences:

1. *The earthquake of October 9 1871 whose epicenter was near Wilmington Delaware delivered what for this area was the most intense earth shock in historical times. John McPhee* (Commas in this sentence should be inserted to read : *The earthquake of October 9, 1871, whose epicenter was near Wilmington Delaware, delivered what, for this area, was the most intense earth shock in historical times. John McPhee.* (Trận động đất ngày 9 tháng 10, 1871 khởi phát từ tâm địa chấn gần Wilmington Delaware là trận động đất khốc liệt nhất trong lịch sử tại vùng đất này. John McPhee).

2. *On the morning of June 5 1962 the Queen Elizabeth brought my wife and me from Cherbourg to New York for the film première of Lolita. Vladimir Nabokov* (Commas in this sentence should be inserted to read: *On the morning of June 5, 1962, the Queen Elizabeth brought my wife and me from Cherbourg to New York, for the film première of Lolita. Vladimir Nabokov.* (Vào sáng ngày 5 tháng 6, 1962, con tàu Queen Elizabeth đã chở vợ chồng tôi từ Cherbourg đến New York, để xem cuốn phim Lolita trình chiếu lần đầu tiên. Vladimir Nabokov).

Commas are used before coordinating conjunctions (*and, but, for, yet, so, or, and nor*) that connect two independent clauses.

*I used to help him with his grammar and spelling after class, and he paid me back by lending me his battered collection of French postcards. Edward Rivera.* (Trước kia tôi thường giúp anh ta học văn phạm và chính tả sau giờ học ở trường, và đáp lại anh ta cho tôi mượn bộ sưu tập bưu thiếp cũ xưa của Pháp. Edward Rivera).

*Construction of the breakwater alone would take four years and four million manhours, but numerous endeavors of far-reaching complexity had to be initiated first. John McPhee.* (Chỉ riêng việc xây dựng bức tường chắn sóng đã mất tới bốn năm và bốn triệu giờ công lao động, huống chi còn biết bao nhiêu chuyện phức tạp nan giải đòi hỏi phải cố gắng khởi sự thực hiện trước nữa. John McPhee).

*Week after week and year after year the performance never changed, yet I don't remember anyone's ever remarking on her sincerity or readiness to sing. Maya Angelou.* (Hết tuần này sang tuần khác và hết năm này sang năm khác vẫn chỉ một việc trình diễn không thay đổi, tuy nhiên tôi không nhớ được xem có ai đó chú ý tới sự bền bỉ tập luyện của cô ta để sẵn sàng diễn hát chăng. Maya Angelou).

Now let's underline the coordinating conjunctions and insert a comma in the right place in the following sentences:

1. *Children have never been very good at listening to their elders but they have never failed to imitate them. James Baldwin* (A comma should be inserted before the coordinating conjunction *but* in this sentence to read : *Children have never been very good at listening to their elders, but they have never failed to imitate. James Baldwin.* (Trẻ em xưa nay vốn chẳng bao giờ biết ngoan ngoãn nghe lời người lớn, nhưng bắt chước người lớn thì chúng đâu có thua. James Baldwin).

2. *The Closerie des Lilas was the nearest good café when we lived in the flat over the sawmill at 113 rue Notre-Dame-des-Champs and it was one of the best cafés in Paris. Ernest Hemingway.* (In this sentence, a comma should be inserted before the coordinating conjunction *and* to read : *The Closerie des Lilas was the nearest good café when we lived in the flat over the sawmill at 113 rue Notre-Dame-des-Champs, and it was one of the best cafés in Paris.* (Hồi chúng tôi ở trong căn hộ trên nhà máy cửa tại số 113 đường Notre-Dame-des-Champs có tiệm cà-phê ngon gần nhà nhất, tiệm Closerie des Lilas, và tiệm này là một trong những tiệm cà-phê ngon nhất ở Paris. Ernest Hemingway).

3. *People put up with less rockiness in a marriage now and the opportunity to dissolve a bad marriage in a rather easy fashion tips plenty*

*of marriages that are not nearly at all that bad into court. Edward Hoagland. (In this sentence, a comma should be inserted before the coordinating conjunction and to read : People put up with less rockiness in a marriage now, and the opportunity to dissolve a bad marriage in a rather easy fashion tips plenty of marriages that are not nearly at all that bad into court. (Ngày nay trong hôn nhân người ta ít chịu đựng sự lung lay đổ vỡ hơn, và cơ hội để giải quyết một cuộc hôn nhân bất hòa khá dễ dàng như vậy làm cho nhiều cặp vợ chồng đưa nhau ra tòa chỉ vì những bất đồng nhỏ nhất. Edward Hoagland).*

*Some very brief independent clauses may not require a comma. We deckered and then we made a deal. Red Smith. (Sau khi cò kè thêm bớt chúng tôi đã đạt tới giá thỏa thuận. Red Smith).*

*I have seen the future and I'm tired of it. Gerald Nachman. (Tôi đã nhìn thấy tương lai và cảm thấy chán nản. (Gerald Nachman).*

If one or both of the independent clause have internal punctuations (especially commas), the writer might choose to separate the two clauses with a semicolon and a coordinating conjunction so that the reader can easily see the main division in the sentence.

*Genetically, we are nearly indetical to mankind fifty thousand years ago ; and some of us delight in the continuity represented by this, while others may be appalled. Edward Hoaland. (Về phương diên di truyền, con người chúng ta gần giống loài người cách đây 50 ngàn năm ; và một số trong chúng ta thích biểu hiện này tiếp tục, còn những người khác lại cảm thấy kinh sợ. Edward Hoaland).*

A final note on using commas with coordinating conjunctions to join independent clauses : remember that coordinating conjunctions are also used to join many other sentence elements - modifiers (words or phrases), subjects, verbs, or complements. Rarely is a comma used before the conjunction in these cases, for it would separate closely ralated sentence elements, interrupts the *rhythm* (sự nhịp nhàng) of the sentence, and confuse the reader. Consider the following two sentences, for example.

*The sun is high and hot. John McPhee. (Mặt trời thì cao và nóng. John McPhee).*

*The conventional view of this time was that all species were immutable and that each had been individually and separately created by God. David Attenborough on Charles Darwin.* (Theo cách nhìn thông thường của thời đại ông ta thì mọi chủng loại đều mang tính không biến dạng và mỗi chủng loại riêng biệt đều do thượng đế tạo ra. David Attenborough viết trong Charles Darwin).

Commas are used to separate two or more items in a series, including the last two items when they are joined by a coordinating conjunction.

*Broad-canopied green, orange, purple, and red umbrellas shield produce from the sun. John McPhee.* (Những chiếc dù tán rộng màu xanh, cam, tím và đỏ đều có tác dụng che chắn. John McPhee).

*He appeared at our door in big-city pants, a floral-print shirt, and oxblood shoes. Edward Rivera.* (Anh ta xuất hiện trước cửa nhà chúng tôi, mặc chiếc quần dạo phố, áo sơ-mi in hoa, và mang đôi giày màu huyết bò. Edward Rivera).

Sometimes writers will use a series that has no coordinating conjunction between the last two items.

*Now she stops, turns, glowers. John McPhee.* (Bây giờ bà ta khựng lại, quay người, nhìn chằm chằm một cách giận dữ. John McPhee).

Now let's insert commas as necessary to separate items in series in the following sentences.

*Meteorologists were commissioned to make detailed portraits of New Jersey's coastal temperatures humidity precipitation fogs thunderstorms tornado potentialities and "probable maximum hurricanes". John McPhee.* (Commas to be inserted : Meteorologists were commissioned to make detailed portraits of New Jersey's coastal temperatures, humidity precipitation, fogs, thunderstorms, tornado potentialities, and "probable maximum hurricanes". John McPhee) - Các chuyên viên khí tượng đã được ủy nhiệm trình bày chi tiết về khí hậu vùng duyên hải bang New Jersey, về độ ẩm, về sương mù, mưa bão sấm sét, về tiềm năng của những trận cuồng phong, và về "những trận bão tố ở cấp mạnh nhất". John McPhee).

*Maples are turning carmine and coral beech trees bronze and blackberry leaves wine-dark. Edward Hoagland.* (Comma to be inserted : Maples are

turning carmine, and coral beech trees bronze, and blackberry leaves wine-dark. Edward Hoagland - Nhiều cây phong đang làm thay đổi màu sắc đỏ tía và màu san hô của những lá cây sồi sang màu đồng đỏ, và những lá dâu đen sang màu rượu chát đậm. Edward Hoagland).

*She had no confidence in books written in English paid almost nothing for them and sold them for a small and quick profit. Ernest Hemingway on Sylvia Beach.* (Commas to be inserted : She had no confidence in books written in English, paid almost nothing for them, and sold them for a small and quick profit. Ernest Hemingway on Sylvia Beach. - Bà ta không tin tưởng vào những cuốn sách viết bằng tiếng Anh, gần như không hề bỏ tiền ra mua những sách đó, và đem bán những sách đó để mau kiếm chút ít tiền. Ernest Hemingway viết trong Sylvia Beach).

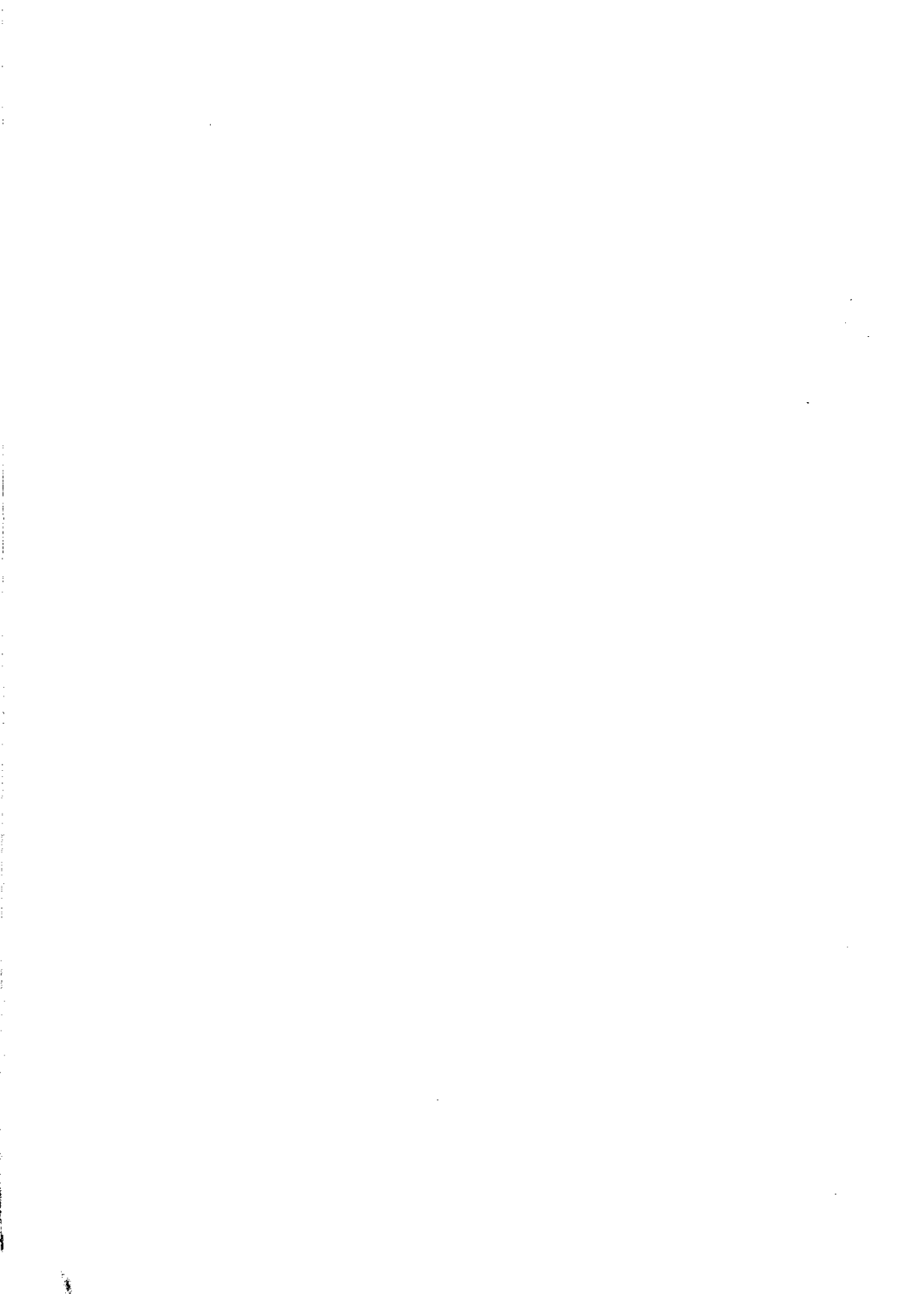
Commas are not required if the items in the series are all joined by coordinating conjunctions.

*I'd like to be considered good and honest and reasonably accurate. Red Smith on sports writing.* (Tôi muốn được người ta đánh giá tôi là con người lương thiện và đúng đắn phải chăng. Red Smith viết trong các bài báo về thể thao).

*Fremont Street is lined with shops peddling cheap clothes and hideous souvenirs and zircon rings and pornography. A. Alvarez.* (Dọc phố Fremont trải dài những tiệm bán lẻ quần áo rẻ tiền và những đồ lưu niệm thô kệch xấu xí cùng với những vòng đá xám đục và tranh ảnh sách báo đồi trụy. A. Alvarez).

Some writers omit the comma before the final item of the series if the item is preceded by a conjunction. This omission is acceptable if it does not cause any confusion. To avoid possible misreadings, however, it is a good idea not to omit this comma.

*I would hold my laugh, bite my tongue, grit my teeth and seriously erase even the touch of a smile from my face. Maya Angelou.* (Có thể tôi sẽ nín cười, cắn lưỡi, nghiền răng và nghiêm nghị không để lộ nét vui cười nào trên gương mặt của tôi. Maya Angelou).





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# Business Correspondence

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# Business correspondence

## *I. Introduction*

Our modest ambition in this article is to provide you with general grasp of business correspondence ; its style and requisite rules are applicable to daily work though we know that in "today's jobs" your stylistic and even grammatical mistakes are sometimes treated with tolerance by our "today's employers". Anyway, a format and required layout (1) should be strictly conformed to.

## *II. Letter format*

Consider the following sample letters :

1. Flanagan's Department Store  
12207 Sunset Strip  
Los Angeles, California 91417
2. June 7, 19 ...
3. Ketchum Collection Agency  
1867 Hollywood Boulevard  
Los Angeles, California 91401
4. Attention : Ms Terry Roberts
5. Gentlemen and Ladies :
6. Subject : Mr. Gary Daniels, Account / 69 112 093

We would like to turn over to your services the account of Mr. Gary Daniel, 4441 Natick Avenue, Sherman Oaks, California 91418. The balance on Mr Daniel's account, \$ 829,95, is now 120 days past due ; (2) and, although we have sent him four statements and five letters, we have been unable to collect his debt. (3)

7. Mr. Daniels is employed by West Coast Furniture Showrooms, Inc.

He banks (4) at the Natick Avenue branch of Third National City Bank and has been a customer of ours for four years. We have enclosed his file for your reference.

We are confident that we can rely on Ketchum as we have in the past. Please let us know if there is any further information with which we can furnish you.

8. Sincerely yours,
9. Flanagan's department store
10. Martha Fayman Credit Manager
11. Mf/wg
12. Enclosure
13. cc Mr. Norman Hyman

### ***III. Parts of the letter***

1. Letterhead : This, of course, is printed and supplied by your employer ; it is used only for the first page of a letter.

2. Dateline : The date on which the letter is being prepared is typed a few lines below the letterhead.

3. Inside address : The address of your reader is typed as it will appear on the envelope.

4. Attention line : This is not always required ; it should be used when the letter is addressed to a company or organization as a whole, but you want it to be handled by a specific individual at the company or within the organization. It should be underlined or typed in capitals.

5. Salutation: While "Dear Sir", "Dear Madam", "Dear Madam or Sir", "Gentlement", "Gentlemen and Ladies", are acceptable in cases of extreme formality, you should otherwise use an individual's name whenever it is known. When the reader's name is not known, the person's title is the next best term in a salutation.

6. Subject line : Like the attention line, this is often omitted, but its inclusion is a courtesy to your reader. By alerting him to the content of your message, you enable him to decide whether the letter requires immediate attention. It should be underlined or typed in capitals.

7. Body : This is the actual message of your letter.

8. Complimentary closing : This is a polite, formal way to end a letter. Standard forms are "Yours truly", "Sincerely yours", "Respectfully

yours", etc., ... Excessively familiar closings should be avoided, except in special situations. "Best wishes", for example, could be used when the reader is well known to you. Expressions such as "Fondly" or "Love" should, obviously, be reserved for private correspondence.

9. Company signature : Another item often omitted from less formal correspondence, it should be used when the signer of the letter is writing as a spokesperson for the company, not as an individual. Since this information appears in the letterhead, some companies omit it altogether.

10. Signer identification : Typed four lines below the previous item to allow space for the signature, this includes the signer's name and relevant titles.

11. Reference initials : consisting of the signer's initials in capitals followed by a slash or colon followed by the typist's lowercase initials, this item serves as a reminder of who prepared the letter.

12. Enclosure reminder : Consisting of the word "enclosure"; or the word "enclosure" followed by a list of the enclosed items, this is a practical courtesy to prevent your reader from discarding (5) important matter with the envelope.

13. "CC" notation : Also a courtesy, this tells the reader who has been sent a carbon copy of the letter.

## Vocabulary

1. *Layout* : bố cục, bố trí.
2. *120 days past due* : quá hạn 120 ngày.
3. *collect his debt* : thu hồi nợ.
4. *to bank* : mở tài khoản.
5. *to discard* : thải, bỏ.

## How to organize letters

When planning your writing or dictating, you should strive for an outline that will serve the composer in much the same way as a blue-print serves a builder or a map serves a traveler. When the goal is to produce a map or blue-print, thought precedes action. The same is true of outlining. Before the first point of an outline is listed, the following questions should be answered :

1. What will be the central idea of the message ?
2. What will be the most likely reader reaction to the message ?
3. In view of the predicted reader reaction, should the central idea be listed first in the outline or should it be listed as one of the last items ?

To answer the first question, think about the reason for writing. Is the purpose to get information, to answer a question, to accept an offer, to deny a request, etc. ? Or, if the letter were condensed into a one-sentence telegram, that sentence would be the central idea.

To answer the second question (predicted reader reaction ask "If I were the one receiving the message I am preparing to send, what would my reaction be ? ").

Because you would react with pleasure to good news and displeasure to bad news, you can reasonably assume that readers' reaction would be similar. Recall the *twin goals* of a communicator, clarity and human relations. By considering anticipated reader reaction, a writer facilitates achievement of the second goal. Almost every letter will fit into one of four categories of *anticipated* reader reaction : (1) pleasure, (2) displeasure, (3) interest but neither pleasure nor displeasure, or (4) no interest.

The answer to the third question (whether to place the central ideas at the beginning or the end) depends on the answer to the second question (readers' reaction). If the reader can be expected to be pleased (category 1) or interested (category 3), begin with the main idea and follow with details. If the reader can be expected to be displeased (category 2) or not interested (category 4), let details precede the main idea.

Because letters in categories 1 and 3 employ the same sequence-of-idea pattern they can be grouped in the same category. Letters in category 1 are referred to as “good news” letters, in category 3, “routine” letters, as depicted in the following lines, both outlines follow a deductive arrangement the major idea is presented first, followed by supporting details. In both, the third point (closing thought) may be omitted without seriously *impairing* effectiveness ; but including it unifies a letter and avoids abruptness.

<i>Good-news Letter</i>	<i>Deductive Pattern</i>	<i>Routine Letter</i>
Pleasant idea	-----	Big important idea
Details or explanations	-----	Details or explanations
Closing thought	-----	Closing thought

By following this plan, we gain several advantages :

1. We can write the first sentence with very little hesitation ; and once past the first sentence, we can follow easily with the details.

2. We have a beginning at likely to attract attention.

3. In good-news-letters, we put readers, in a pleasant *frame of mind* right at the start ; in this state, they are receptive to details of the correspondence.

4. We may save time for readers ; once they get the important idea, they can move rapidly through the supporting details.

This basic plan is applicable in several business-writing problems : (1) routine claim letters, (2) routine requests, (3) routine requests related to credit matters.

In conclusion, an outline is a prerequisite condition for any well-presented essay or letter ; otherwise, our essays or letters are merely a melting pot of words.

## Vocabulary

1. *Blue-print* : bản thiết kế chi tiết trong xây dựng (bản vẽ thi công)
2. *Outline* : dàn bài, bố cục.
  - *An outline for an essay* : bố cục cho một bài tiểu luận
3. *Twin goal* : mục tiêu kép.
4. *Anticipate* : mong đợi, dự kiến.
  - *Anticipated reader reaction* : phản ứng dự kiến của độc giả.
5. *Sequence-of-idea pattern* : cách sắp xếp theo trình tự ý tưởng.
6. *Deductive* : theo lối diễn dịch ; *deduction* (n) *Inductive* : theo lối qui nạp.
7. *To impair* : làm hư hại.

*He has impaired his health by over work.*
8. *Frame of mind* : tâm trạng

# The order letter

## A. Order letters

Order letters create one half of a contract. They constitute the offer portion of a contract that is fulfilled when the shipper sends the goods, thereby creating the acceptance part of the contract. Therefore, if we seriously want to receive shipment, we should make our order letter a definite offer. The outline for order letters is deductive :

1. Use order language in the first sentence. Say "Please ship", "I order", or use some other suitable language that assures the seller of the desire to buy. Avoid phrases like "I'm interested", "I'd like to..." or similar indefinite statements.

2. Carefully detail the items ordered. Be specific by mentioning catalog numbers, prices, colors, sizes, and all the other information that will enable the seller to fill the order promptly and without the need for further correspondence.

3. Include a payment plan and shipping instructions. Remember that the *shipper* is free to ship by the normal method in the absence of specific instructions from the buyer. Tell when, where, and how the order is to be shipped.

4. Close the letter with a confident expectation of delivery.

In large companies, the normal procedure is to use purchase order form for ordering.

The most important thing we can do as customers is to make sure our order letter or form is complete in every detail.

## B. Favorable response to order letters

When customers place an order for merchandise, they expect to get exactly what they ordered as quickly as possible. For most orders, we can acknowledge by shipping. No letter is necessary. But for initial orders or for orders we cannot fill quickly and precisely, we need to send *letters of acknowledgement*. Senders of initial orders like to know that they are

going to receive what they ordered, they like to know their business is appreciated, and they need some information about the firm with which they are beginning a business relationship. If a regular customer's order is not being filled immediately, some form of explanation is expected. The explanation usually takes the form of a duplicated or printed sheet, similar to this :

Dear Customer :

We appreciate your order for...

You should receive it within... days.

Sincerely yours,

Forms like this are often sent as a matter of routine when orders can be filled immediately but will require considerable time in transit.

Although the form is impersonal, it is appreciated because it acknowledges the order and lets the customer have some idea of its disposition.

***C. Some don't's in habit of making letters***

1. Begins with a cliché "Thank you for your order which we are very glad to have".
  2. Says to this customer the same thing that has been said already to thousands of customers. "We extend to you a sincere welcome to our ever growing list of satisfied customers".
  3. Sounds exaggerated and, thus, insincere. "We were delighted to send you a dozen Sure - Alarm clock radios".
  4. Presents information that should have been presented earlier. "They were shipped by express today".
  5. Includes an unsupportable statement of certainty. "We are sure you will find our firm a good one with which to deal and that our electronic units are unmatched in quality".
  6. States the obvious. "Our latest price list is enclosed".
  7. Ends with a cliché. "Thank you for your patronage".
- Is this letter good enough to increase business ? Let's see how the same

letter sounds when it confirms shipment of goods in the first sentences, includes concrete resale on the product and business establishment, and eliminates *business jargon*.

1. "A dozen Sure Alarm clock radios were shipped by Fastway air - express today". Sufficiently implies that the order has been received and filled. Refers to specific merchandise shipped and reveals method of shipment.

2. "The red ticket attached to each unit explains how the wake-up alarm works perfectly - even if the electric power fails". Points out a specific quality of the merchandise (uses resale).

3. "See the enclosed folder for price lists and form for ordering additional radios or other high quality electric units". Implies expectation of additional orders. Refers to enclosures without using an entire sentence to reveal their presence. Mentions related merchandise (uses sales promotional material) :

## Vocabulary

1. *Payment plan* : kế hoạch, phương thức thanh toán.

2. *To ship* : vận chuyển (hàng hóa).

*Shipping Co.* : công ty hàng hải.

*Shipper* : người gửi hàng (người bán).

*Shipping advice* : thông báo gửi hàng (đường biển).

*(Shipped) bill of lading* : vận đơn (đã bốc hàng).

*Shipping documents* : chứng từ gửi hàng.

*Shipping instructions* : yêu cầu (chỉ thị về việc vận chuyển).

*Shipment* : sự xếp hàng xuống tàu.

*Instalment shipment / partial shipment* : giao hàng từng phần.

3. *An order* : đơn đặt hàng (*purchase order*).

*To place an order* : đặt hàng.

*Order form* : mẫu đơn đặt hàng.

4. *To purchase* : mua.

*To purchase on credit* : mua trả chậm.

*Purchasing power* : sức mua.

5. *Letter of acknowledgement* : thư xác nhận.

## The claim letter

A claim letter is a request for an adjustment. When writers ask for something to which they think they are entitled (a refund, replacement, exchange, payment for damages, and soon) the letter is called a claim letter.

These requests can be divided into two groups : routine claims and persuasive claims. Persuasive claims assume that the request will be granted only after explanations and persuasive arguments have been presented. Routine claim (possibly because of guarantees, warranties, or other contractual conditions) assume that the request will be granted quickly and willingly, without persuasion.

### Vocabulary

1. *Claim* : sự khiếu nại, yêu sách, thỉnh cầu.

(Bảo hiểm) : yêu cầu của người bảo hiểm đối với cơ quan bảo hiểm về việc bồi thường theo chế độ (bảo hiểm).

- *To claim payment of a debt / of damages / of the sum insured* : Yêu cầu thanh toán công nợ / thanh toán tổn hại / thanh toán số tiền bảo hiểm.

*Claim book* : sổ góp ý (ghi các khiếu nại).

2. *Guarantee* : sự bảo đảm, bảo hành, cam kết của nhà sản xuất về phẩm chất sản phẩm của mình trong một thời gian nhất định.

(Đồng nghĩa : *Guaranty, warranty ; maker's guarantee ; surety*).

- *This TV is guaranteed for one year.*

*Performance guarantee* : sự bảo đảm thực hiện, hợp đồng (dưới hình thức ký quỹ trước từ 5 % đến 10 % giá trị hợp đồng).

3. *Warranty* : sự bảo chứng, bảo đảm.

- *One magic element often makes the choice easier for customers : the word "Warranty".* (Một yếu tố đầy ma lực thường khiến người mua cảm thấy dễ dàng hơn trong việc lựa chọn là từ ngữ Bảo hành).

(*Investment Review - 10 Oct 93*).

- *Warranty - key factor to sales success is under question.* (Bảo hành - yếu tố then chốt để kinh doanh thắng lợi đang bị hoài nghi).

*Without warranty* : (hàng bán rồi) miễn đổi lại, hay khiếu nại.

\* (Luật) : điều khoản thứ yếu của hợp đồng.

4. *To be entitled* : có quyền.

- *If you fail three times, you are not entitled to try any more.* (Nếu bạn thất bại ba lần, bạn sẽ không được phép thử lại thêm lần nữa).

5. *Promotion* : Activities aimed to increase the demand of for a product. (Những hoạt động nhằm đẩy mạnh việc gia tăng nhu cầu về một loại sản phẩm).

*Sales promotion* : tác nghiệp khuyến mãi.

- *The sales promotion can be carried out by all useful methods such as : powerful advertising ; personal persuasion of possible customers by visit, phone or letter ; exhibitions, displays ; competition for prices ; free samples.* (Việc khuyến mãi có thể thực hiện bằng nhiều phương pháp hữu hiệu như : quảng cáo mạnh mẽ, thuyết phục cá nhân khách hàng bằng việc thăm hỏi, điện thoại hay thư từ ; triển lãm, trưng bày và cạnh tranh giá cả, bằng việc tặng không hàng mẫu...).

6. *Legitimate* : hợp pháp.

- *Public funds should be used for legitimate purposes.* (Công quỹ chỉ nên sử dụng cho những mục đích hợp pháp).

7. *Well-worn* : (sentence) : (câu...) được sử dụng nhiều lần.

8. *To grant* : đồng ý cấp cho hay cho phép.

- *He was granted a pension* (Người ta đã cấp hưu bổng cho ông ấy).

*Grant* (Luật) : *The formal transfer of ownership of land.* (Việc chuyển giao chính thức quyền sở hữu đất đai).

(Tài chính) : *A sum of money given by the government for a particular purpose.* (Số tiền do Nhà nước trợ cấp cho một mục tiêu đặc thù nào đó).

*Student's grant* : trợ cấp sinh viên.

*Capital grant* : trợ cấp ngân sách (ở Anh Quốc) của chính quyền Trung ương cho địa phương nhằm thực hiện một dự án đã được chấp thuận, thường là làm đường mới, hệ thống chiếu sáng vỉa hè.

9. *Corrective measure* : biện pháp sửa sai.

## Writing about the unpleasant

Writing bad news is more difficult than writing good news. The difficulty is not in clarity; it is in human relations. Just as good news is accompanied with detail, bad news is accompanied with supporting detail (relations, explanations). If the bad news is presented in the first sentence, the reaction is likely to be negative : "They never gave me a fair chance", "That's unfair", "This just can't be", having made a value judgment on reading the first sentence, readers are naturally a bit reluctant to change their minds before the last sentence - even though the intervening sentences present a valid basis for doing so. Having been disappointed by the idea contained in the first sentence, readers are tempted to concentrate on refuting (instead of understanding) supporting details.

From the writer's point of the view, details that support a refusal are very important. If the supporting details are understood and believed, the message may be readily accepted and good business relationships preserved. Because the reasons behind the bad news are so important, the writer needs to organize the message in such a way as to emphasize the reasons. The chances of getting the reader to understand the reasons are much better before the bad news is presented than after the bad news is presented. If presented afterward, reasons may not even be read.

People who are refused want to know why. To them (and to the person doing the refusing) the reasons are vital; they must be transmitted and received. The process is simplified if the writer employs the following outline :

1. Begin with a neutral statement that leads to the reasons for refusing the request.
2. Present the facts, an analysis, and the reasons for refusal.
3. State the refusal.
4. Chose with a related idea that shifts emphasis away from the refusal.

How "no" is said really does affect a writer's image. An effective refusal can be transmitted without using the negative. For example, consider this question: "Will you go with me to this afternoon's baseball game ?".

**Words used message conveyed**

Answer A) No, I won't. (Direct) Invitation rejected.

B) I wish I could. (Indirect) Invitation rejected.

C) I must get my work done. ( \*\* ) Invitation rejected.

D) If I skipped work, I'd lose my job (\*\*) Invitation rejected.

E) I'm a football fan. (\*\*) Invitation rejected.

For most people, an indirect statement of refusal is sufficiently clear. Especially when sound reasons precede it, most people expect the refusal. However, if you think your reader will not understand the refusal until it is stated directly, go ahead and state directly. For example, after starting "I wish I could go", you could add "But I can't". On most cases, the twin goals of clarity and human relations can be achieved without adding the extra words.

The inductive outline is recommended for most letters that convey bad news (as refusals usually do). Keep this point in mind: Your intent is to learn the techniques available to you in accomplishing the goals of your message.

Normally, those goals are to present a clear message, and to present it with sufficient tact to preserve the business relationship.

**Vocabulary**

1. *Supporting details* : những chi tiết minh họa, bổ sung.

2. *A fair chance* : một cơ hội công bằng.

- *Our educational system must offer fair chances to all students.* (Hệ thống giáo dục của chúng ta phải tạo những cơ hội công bằng cho mọi học sinh).

3. *Judgement* : phán đoán, nhận xét.

- *In my judgement, the plan is ill conceived.* (Theo ý kiến tôi, kế hoạch này thiếu chín chắn).

(Luật) : Phán quyết của tòa án.

- *The court has still to pass judgement in this case.* (Tòa còn phải thông qua bản án về vụ này).

4. *To intervene* : can thiệp, cản trở.

- *The peasants in Phu Yen should have finished harvesting, but a dramatic storm intervened.* (Lê ra thì các nông dân ở Phú Yên đã thu hoạch xong, nhưng một trận bão thảm khốc đã ngăn cản họ).

- *The Trade Union has to intervene in disputes between employers and employees.* (Công đoàn phải can thiệp vào cuộc tranh chấp giữa chủ và người làm).

- *Some politicians protested against the armed intervention by the country in the affairs of another.* (Một số chính khách phản đối việc can thiệp vũ trang của quốc gia vào công việc một quốc gia khác).

5. *To tempt* : Lôi cuốn ; *To be tempted to* : bị cám dỗ, quyến rũ.

- *He was tempted into a life of crime by greed and laziness.* (Hắn đã sa ngã vào một cuộc đời tội lỗi vì lòng tham và sự lười biếng).

*A reasonable tax policy will surely tempt foreigners into doing business with VIETNAM.*

6. *To refute* : bác bỏ ; *Refutation* (danh từ).

- *The insurance co. refuted his claim due to insufficient evidences.* (Công ty bảo hiểm đã bác khiếu nại của hắn vì thiếu chứng lý).

7. *Sound* (reason): (lý do) xác đáng, vững chắc...

- *Many foreign investors are looking for sound business firms* (doanh nghiệp đáng tin cậy) *to be their partness.*

8. *Intent* : Ý định, mục đích.

9. *Tact* : Sự khéo léo trong ứng xử.

- *Being a successful businessman, he showed great tact in dealing with tricky situations.* (Là một doanh nhân thành đạt, ông ta đã chứng tỏ tài ứng xử tuyệt vời trong những tình huống ngặt nghèo).

# Memorandums

## *Qualities of Memorandums*

To provide business with the functions described, memorandums must have the following qualities :

1. Orderliness.
2. Logical organization.
3. Natural, informal writing style.
4. Graphic support when necessary.

The first two qualities will be carefully mentioned herebelow :

### *Orderliness*

The quality of orderliness in memorandums is a product of the traditional headings used in their preparation. Sometime in the distant past, someone came up with the following introductory items for memorandums :

Date :

To :

From:

Subject :

When these items are filled in, orderliness permits easy filing reference, the reader's immediate recognition of the writer (not possible with regular letters, where the name of the writer is at the end), and establishment of the subject before the reader comes to the content. The quality of orderliness is something like standardization of automobile parts and of one-size-fits-all hosiery. When everyone in the organization uses the standard memorandum format, uniformity is achieved; the memorandum becomes a part of the business routine.

### *Logical Organization*

The inductive-deductive or indirect-direct planning approaches apply to memorandum writing as well as letter writing. Both plans are logical,

so the writer does have a choice and may plan in terms of reader reaction. However, because the memo is an internal communication tool, the direct approach is most common. Because members of a corporation frequently write sensitive messages, they should consider the reader's feelings as well as the organization's morale, and so apply good human relations techniques to their writing.

Because this memorandum makes use of a standard "subject line" the inductive plan used for bad-news messages is relatively ineffective. If the subject line indicates bad news will follow, the purpose of inductive writing is defeated. Fortunately most memorandums do not carry information pertaining to personal feelings and therefore can be planned deductively.

*Are subject lines necessary ?*

As the first thing the reader sees, the subject line is a critical part of the memorandum. The subject line tells the reader what the following message is about and sets the stage for the reader to understand the message better. If you, as the memo writer, think through the reasons for the message and the purpose you hope to achieve, you should be able to write a good subject line. On the other hand, if you are unable to phrase the subject clearly, you probably won't be able to write your message clearly. Try these suggestions for preparing subject lines :

1. Make the subject line as lengthy as necessary to do the job. Some people tend to look at subject lines as though they were titles of books and so try to make them as short as possible. If, for example, your subject is the report of a meeting "Report of Meeting" is a poor subject line. "Report of June" 10 meeting on the relocation of Plant X" is a better subject lines provide information helpful to the clerks.

2. Take a suggestion from newspaper writers : Think of the five W's to give you some clues for good subject lines : Who, What, When, Where, and Why. Key words help in the development of good subject.

3. Even though you may write a complete subject line, you should not assume the reader will remember it while reading your memorandum. Opening sentences should not include wording such as "This is..." and "The above-mentioned subject..." "The body of the memorandum should be a complete thought in itself and should not rely on the subject line for elaboration a good opening sentence might very well be a repetition of

most of the subject line. Even if the subject lines were omitted, the memorandum should still be clear, logical, and complete.

4. Keyboard the subject line in all-capital letters for added emphasis.

## Vocabulary

1. *Proximity* : Sự gần gũi, thân cận.

*The café benefits from its proximity to several cinemas.*

2. *To characterize* : mô tả đặc trưng.

- *The beautiful secretary characterizes her boss as capricious and stingy.* (Cô thư ký xinh đẹp phác họa tính cách ông chủ như là một kẻ thất thường và bần tiện).

3. *Memorandum* (Số nhiều *Memoranda/ memorandums*, viết tắt *Memo/ Mem.*)

a. Bản thông báo không chính thức trong văn phòng, xí nghiệp.

b. Bản báo cáo ngắn về một thương vụ, một sự việc hay một buổi đối thoại.

*Memorandum of understanding* (M.O.U.) Bản ghi nhớ ký kết giữa các đối tác nhằm ghi nhận những cam kết buổi đầu.

*Memorandum of association* : Điều lệ thành lập công ty ở Anh-quốc M.O.A. được gửi đến văn phòng đăng ký Công Ty (Registrar of Companies) nhằm xin giấy phép thành lập (Certificate of Incorporation).

*Memorandum of deposit* : văn bản mà người thế chấp cổ phiếu, và bất kỳ tài sản nào vào ngân hàng để vay mượn, phải ký.

4. *Distortion* : Sự xuyên tạc, bóp méo.

- *The interpreter was accused of having intentionally distorted the workers' opinion* (Người thông dịch bị buộc tội đã cố ý xuyên tạc ý kiến công nhân).

5. *One-Size-Fit-All* : cỡ nào cũng vừa.

6. *Morale* : Trang thái tinh thần, nhiệt tình.

*To affect, boost, raise, lower, undermine sb's morale.* (tác động đến, thúc đẩy, nâng cao, hạ thấp, làm hao mòn tinh thần của ai).

7. *Elaboration* : Sự chi tiết hóa, trau chuốt, công phu.

- *The elaborations of your plan are requested to provide.* (Bạn cần phải cung cấp những chi tiết của kế hoạch).

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