

# Chartered Banker

Leading financial professionalism

## Retail Banking (Scotland)

### Assignment 2

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Charitable Body: The Chartered Institute of Bankers in Scotland (CIOBS) – Reg No.: SC013927



## Important Assignment Information

### ASSIGNMENT LENGTH

For assignments submitted on or after **1st September 2008**, there is a **maximum** word count of **2,500 words**.

From that date, if you fail to adhere to the maximum word count, a deduction will be made to your final assignment mark. Specifically, if you exceed the 2,500 limit, you will be deducted **1%** for every **100 words** or **part of 100 words** over the limit.

For example, if you write a total of **2,614 words**, a **2%** deduction will be made to your mark. For clarification, the word count includes all references and attached appendices.

### PASS COMPENSATION AWARD

In recognition of the importance attached to the assignments, an award of **Pass Compensation** will be made to you if you score between 45% and 54% in the final exam and if you complete the required assignment(s) under the following conditions:

1. The assignment mark must be 60% or above – where two assignments are required, then the average mark must be 60% or above **and**
2. Assignments must be in the hands of the Tutor **at least** one month prior to the **chosen examination date for each subject**.

For example, if you enrol to sit a **full** credit subject examination on **15<sup>th</sup> December**, you must have sent **both** assignments to your tutor by **15<sup>th</sup> November**.

Similarly, if you enrol to sit a **half** credit subject examination on **2<sup>nd</sup> March**, you must have sent the **sole** assignment to the tutor by **2<sup>nd</sup> February**.

Please also note the following:

- (a) Where an assignment is marked at less than 60%, this may show up as **'Fail'** in the web-based student record – this is purely with reference to the Pass Compensation award and does not necessarily mean it is a sub-standard submission
- (b) You are **not** permitted to **re-submit** an assignment in order to gain a higher mark
- (c) In the event that you fail an exam and have not completed the required assignment(s), you can subsequently complete the required assignment(s) – these will then count towards any re-sit examination undertaken. Submission dates for these assignments must comply with the relevant timescales as stated in **2** above.

## Question 1

(a)

Some years have passed and Homer and Natasha are now married, with two children – Farrah and Wanda.

You are discussing a loan with Homer, and whilst you are happy with the viability of the proposal, you would feel more comfortable were the facility to be secured. After discussing this, Homer comes back to you to say that Jasper and Marigold (who are customers of Caledonian Bank) are willing to guarantee the loan. However, he has heard from a friend at his golf club that care must be taken to guard against undue influence. Homer confesses to you that he has never come across this term before and asks you what is meant by this, and in what situations it may occur.

Outline the points that you will make in this discussion with Homer, also explaining how a charge of undue influence can be avoided.

**(8 marks)**

(b)

Jasper and Marigold are happy to proceed with the guarantee, which is to be joint and several.

Outline the steps that you will take to complete this security.

**(17 marks)**

**(TOTAL 25 MARKS)**

## Question 2

Homer is a member of his local Rotary Club and he has approached you to ask if you would be able to give a talk at their monthly meeting. The subject of the talk is “Different Types of Stocks and Shares Explained to the Person in the Street”

You want this talk to cover the different types of stocks and shares that are available. In order to maintain a topical interest in your talk, you decide to explain how the value of shares under the different headings have moved over the past 12 months, and to give specific examples of different types of share under each heading.

Prepare your notes for this session.

**(TOTAL 40 MARKS)**

### Question 3

Following the success of your talk to the Rotary Club, Homer calls into the branch to thank you. He mentions that one of his Rotary colleagues is a solicitor and he mentioned to him a form of diligence called an arrestment.

Homer asks you what this is and what you would do if an arrestment were served on the branch.

How would you respond?

**(TOTAL 15 MARKS)**

### Question 4

**(a)**

Homer calls you in an agitated state – he has been talking to a close friend, and this person has been sequestrated. He also tells you that an interim trustee has been appointed. He asks you if you are familiar with this term, and when you tell him that you are he asks you explain what an interim trustee is. He also needs to know what the functions, powers and duties of an interim trustee are.

**(10 marks)**

**(b)**

As a result of your explanation, Homer asks that if there is an interim trustee, will there also be a permanent trustee. When you tell him that this is the case, he asks you to explain how the interim trustee is discharged, and what the powers and duties of the permanent trustee are.

**(10 marks)**

**(TOTAL 20 MARKS)**

**TOTAL ASSIGNMENT MARKS – 100**