Principles of Banking Icom Part 2 English Medium Chapter 11 Online Test

Sr	Questions	Answers Choice
1	Which of the following can be cancelled by the issuing bank without the consent of the other parties	A. Revocable letter of credit B. Irrevocable letter of credit C. Revolving letter of credit D. Unconditional letter of credit
2	Which one can be crossed :	A. Money order B. Postal order C. Credit card D. All of the above
3	The important types of banker's letter of credit:	A. Two B. Three C. Four D. None of these
4	Which letter of credit is accompanied by some documents	A. Confirmed B. Documentary C. Non-documentary D. All the above
5	What is recieved by the post office on money order:	A. Profit B. Interest C. Commision D. All of the above
6	If the exporter is not the receiver (beneficiary) of money then a letter of credit is called:	A. Resolving B. Back to Back C. Transferable D. None of the above
7	What is the nature of credit instrument IOU	A. An autograph B. A monograph C. A holograph D. A sonograph
8	Which of the following parties of a letter of credit is called beneficiary	A. Importer B. Exporter C. Opening bank D. Advising bank
9	Stock certificate is a document issued by	A. Commercial bank B. Central bank C. Limited companies D. Stock-market
10	The letter of credit which can be endorsed to another person is called:	A. Special L.C B. Transferable L.C C. Resolving L.C D. None of the above
11	Which of the following is an order of payment by one post office for another post office	A. Postal order B. Money order C. Both a and b D. None of these
12	Which of the following is useful in facilitating trade relation between the businessmen of different countries	A. Bank draft B. Money order C. Letter of credit D. Stock certificate
13	I Owe You is a written instrument drawn by	A. Trader B. Debtor C. Creditor D. All the above
14	Commercial letter of credit is issued for the facilty of:	A. Ambassadors B. Common people C. Businessmen D. Alll of the above
15	IOU is a document	A. Negotiable B. Non-negotiable C. Conditional negotiable D. Unconditional negotiable

16	What does the bank receive on issuing a letter of credit:	A. Profit B. Interest C. Commission D. Duty
17	The first stage or step between importer and exporter for the purpose of sale and purchase is:	A. Oath or undertaking B. Agreement C. Contract with bank D. Issuing of L.C
18	What does IOU mean	A. I am a debtor to you B. I am a creditor to you C. Both a and b D. None of these
19	Which type of letter of credit authorized the exporter to obtain an advance before the shipment of goods	A. Documentary letter of credit B. Green-clause letter of credit C. Confirmed letter of credit D. Red-clause letter of credit
20	Which of the following is a non-commercial letter of credit	A. Irrevocable letter of credit B. Red-clause letter of credit C. Special letter of credit D. Traveller's letter of credit