

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

Sr	Questions	Answers Choice
1	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
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	The letter of credit which can be endorsed to another person is called:	A. Special L.C B. Transferable L.C C. Revolving L.C D. None of the above
5	Which of the following gets facility due to commercial letter of credit:	A. Home traders B. Exporter C. Importer D. Both exporter and importer
6	Which letter of credit is issued for a single or particular transaction:	A. Fixed B. Revocable C. Red clause D. Green Clause
7	Commercial letter of credit is issued for the facility of:	A. Ambassadors B. Common people C. Businessmen D. All of the above
8	If the exporter is not the receiver (beneficiary) of money then a letter of credit is called:	A. Revolving B. Back to Back C. Transferable D. None of the above
9	What does the bank receive on issuing a letter of credit:	A. Profit B. Interest C. Commission D. Duty
10	What is recieved by the post office on money order:	A. Profit B. Interest C. Commision D. All of the above
11	If there is no guarantee to honour a letter of credit then it is called:	A. Confirmed letter of credit B. Irrevocable letter of credit C. Unconfirmed letter of credit D. None of the above
12	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
13	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
14	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
15	Which of the following parties of a letter of credit is called beneficiary	A. Importer B. Exporter C. Opening bank D. Advising bank

