

Sequence III: The biggest bankruptcy in US financial history

1 - Reading comprehension

2 - Pronunciation

3 - Word Building

4 - Grammar

5 - Writing



Read the text and answer the questions

**The biggest bankruptcy
in U.S. financial history
January 30, 2002**



There are certain companies you think will always be there. Nike, Microsoft, and McDonalds seem too powerful to ever run out of money. That's the way many people felt about a company called Enron.



Enron Corporation was an American energy company based in Houston, Texas.

Enron was a multinational that traded electricity, plastics, Internet connections and more- in the U.S. and around the world. In just over 15 years, it turned itself from a natural gas company into one of the world's biggest energy firm. but now it is the largest company ever to go bankrupt in U.S. financial history.

Enron's success was in reality based on nonexistent profits and fraud.



Enron collapsed in 2001.
Consequently Enron's *stock price took a dive and it suddenly had to repay lots of money. As the company could not execute the payments, it was forced to declare *bankruptcy .



As a result, thousands of Enron employees were out of work and thousands of investors lost their life savings.

The company executives got prison sentences for conspiracy and fraud



Unfamiliar words:

*** a stock:** a share in a company.

***bankruptcy:** A situation in which the chief executive officially says that the company or the bank is unable to pay debts.

Reading Comprehension

Activity 1:

Find in the text the sentence expressing the violation of business ethics.

.....

Activity 2:

Answer the following questions

1. Where was Enron based?
.....
2. What did it sell?
.....
3. How long did it take the company to become a world energy giant?
.....
4. How did the Enron executives manage to give the illusion that the company was a shining success?
.....
5. Why did the company go bankrupt?
.....
6. What were the consequences of the bankruptcy?
.....

Pronunciation

Activity:

Write the following sentence correctly:

ðə kʌmpəni wɛnt bæŋkrʌpt bi'kɔz it wəz beised ɔn frɒd

.....

Word Building

Activity 1:

Complete the table below with the correct word.

Verb	Adjective	Noun
falsify	false	falsification
1. inflate
2.	assumed
3.	investment/investor
4.	announced	announcement
5. exceed	excess
6.	speculative
7.	corrupt

Activity 2:

Supply a word from the table in the sentences below:

1. He was accused ofthe company's records.
2. They the benefits to make the company look more successful than it was in reality.
3. They made a \$5000 in stocks.
4. Your light wasn't on so I that you were out.
5. On January 9, 2002, the U S Department of Justice it was going to pursue a criminal investigation of Enron
6. The police arrested him because he the speed limit.
7. They found an of alcohol in his blood.
8. We must fight against in city politics.

Activity 3: Write these words out correctly

1. tacixbenrile
2. bainelebulev
3. laibifen
4. batsilytin

Grammar

OVERVIEW OF CONDITIONAL SENTENCES	
Situation	Form
1. True in the present/future	If + present → future
If I have enough money, I will invest it.	
2. Untrue in the present/future	If + past → would + stem
If I had enough money, I would invest it.	
3. Untrue in the Past	If+ past perfect→ would + have + pp pp: (past participle)
If I had had enough money, I would have invested it	

Activity 1:

Supply the correct form of the verbs between brackets:

e.g.: **If I knew** how it worked, I (explain) it to you.

If I knew how it worked, **I would have explained** it.



1. If you stay in bed, you
(recover) quickly.

.....
.....

2. If we had been younger,
we (go) on a trip abroad.

.....
.....



3. If you (catch) a speed
train, you would save
a lot of time.

.....
.....



4. You will have to take a
taxi if you (want) to be
at the office on time.

.....
.....



5. If I (know) how difficult the
job was, I wouldn't have taken it.

.....
.....



6. If the driver had (slow) down, he could have avoided the accident .

.....

7. What would you do if you (win) at the lottery?

.....



8. If people all over the world participated to demonstrations against injustice and arbitrary, they (contribute) to establish peace.

If

.....



9. If more money were spent on cancer research, a prevention
(be) found.

.....
.....

Activity 2:

Rewrite the sentences with 'if' as in the example:

e.g.: I am so busy
that I have
little time to spend with
my family.

→ **If I am not** so busy, **I will**
spend more time with my
family.



1. I don't have a screwdriver so I can't fix your bicycle.
→ If I



2. She didn't prepare for the interview, so she didn't get the job.
→



3. I had only a few apples so I could bake only a small pie. →



4. You may get a fine when you exceed the speed while driving.
→ If you



5. Why don't you illustrate your research work.
Your presentation (be) clearer.

→ If
.....
.....



6. Don't open the cage otherwise the canary will fly.

→

7. The truck driver did not check his vehicle at the petrol station before setting off. That is why he had problems on his way to San Francisco.

→
.....



Activity 3:

Answer the questions with 'yes' or 'no'

e.g.: If I had an envelope and a stamp, I **would** mail this letter right now.

- a. Do I have an envelope and a stamp now **No**
b. Do I want to mail this letter right now? **Yes**
c. Am I going to mail this letter right now? **No**



1. If the hotel **had been built to withstand** an earthquake, **it would not have collapsed.**

- a)-Was the hotel built to withstand an earthquake?
- b)- Did the hotel collapse?

2. If he were rich, he would travel all around the world.
- a)- Does he want to travel all around the world?
- b)- Is he rich?



3. If you take a fish out of water, it will die.
- a)- Can fish live out of water?
- b)- Is the child allowed to take a fish out of water?

4. If you teach a child to plant trees, he will learn to respect nature.
- a)- Is planting trees a positive lesson for a child?
- b)- Will it help the child to understand the value of nature?






Activity 4:

Complete the following sentences with personal sentences. Add comas where necessary.

1. If I have enough money.....
-
2. If I had more time I
-
3. If I had gone to the Art School
-

Use **WISH** to show that you want **reality to be different from the present situation.**

Meaning	Real situation	Wish
A wish about the future	<p>I have too much work.</p> 	<p>I wish I had less work. or I wish I didn't have so much work.</p>
A wish about the present	 <p>I don't speak Japanese.</p>	<p>I wish I spoke Japanese</p>
A wish about the past	 <p>I missed the bus.</p>	<p>I wish I had not missed the bus.</p>

Activity 1:

Complete the following sentences with an appropriate form of the verbs between brackets

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e.g.: We need some help. I wish Bob (be) here now.
If he (be) here, we could finish this work today.

We need some help. I wish Bob **were** here now.
If he were here, we **could finish** this work today.



1. I wish it (be / not) cold today. If it (be / not) so cold
I (feel) better.

.....
.....

2. I missed part of the
lecture because I arrived late,
and now my notes are not
complete. I wish I (arrive) on time.

.....
.....



3. The noise from the
construction site is too loud
It drives me crazy.
I wish they (stop) the work.

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.....





4. We had a good time in London last year. I wish (you come) with us. If you (come) with us you (have) a good time too.

.....

.....

5. He lives far from the centre of town. He has to commute every day.

He wishes he (not /live) so far.

.....

.....



Activity 2:

Complete the sentences with an appropriate verb form.



1. I can't go to the concert tomorrow because I have an urgent report to finish.

I wish I

.....



2. Helen is a shop assistant. She loves playing the piano.
She wishes



3. There are too many conflicts in the world.
I wish

.....
.....



4. John loves playing dressing as a fireman.
He wishes later.

Activity 3:

Correct the six (6) mistakes in the passage below:



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Charles Prestwood, a former pipeline operator for Enron who lost \$1.3 million in retirement savings with Enron's bankruptcy, said to a journalist :

I think about all the families Enron destroyed and all the hard working people that believed the bankers. If it were up to me, they will be sentenced to life prison. I wish I don't not invest my savings at Enron. I wish I buy a house instead . I wish It is only a nightmare.

I really wish someone wakes me up and says all this story is not true.



Other ways of expressing CAUSE and EFFECT:

SUCH ... THAT / SO ... THAT

e.g.: It was **such a good book that** I couldn't stop reading it
They're **such nice people that** everyone likes them.

such (a / an) + (adjective) + noun + that

The book **was so good that** I couldn't stop reading it.

so + adjective or adverb + that



e.g.: It was **such a nice day that** the kids spent the whole day on the beach.

The day was **so nice that** the kids spent the whole day on the beach.

Activity 1:

Supply such, such a / an, or so in the following sentences:



1. The food at the hotel was awful that we couldn't eat it.

2. After a day's work, people are tired that they want to get home as early as possible.



3. He had exhausting trip that he fell asleep in the armchair.



4. Football fans were excited that the police intervened.

5. The situation was amusing that Prince Charles laughed.



6. Nadia is passionate tennis player that she spends most of her free time on the tennis court.



7. Jill and Liz are interesting persons that we always enjoy talking to them. They've traveled a lot and they've done lots of different things.

8. Elephants have been hunted much that they are on the verge of extinction.

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Activity 2:

Write sentences by combining the beginning of the sentences in column A with the endings from column B.

Use so or such.

A	B
1. She speaks English well.	a. I didn't eat anything else for the rest of the day.
2. The music was loud	b. we couldn't stay outside.
3. I've got a lot of things to do	c. you would think it was her native language.
4. The weather was cold.	d. you could hear it from miles away.
5. I had a big breakfast	e. I don't know where to begin.

1.
2.
3.
4.
5.

WRITING

- a)- What would you do if you heard about an illegal activity in your company.
Use the notes below to write a paragraph:

- speak to the involved person
- explain that it is wrong
- try to convince him/her to stop misbehaving
- bring the issue up to the manager.

Start like this:

If I heard about an illegal activity in my company, I would first of all

.....
.....
.....
.....
.....

- b)- What would you do if you lost both your savings and your job because of the bankruptcy of the company?

If I lost both my savings and my job, I would

.....
.....
.....
.....