Unit 4. Test 1

1. Translate the text: Fraud

In the broadest sense, a fraud is a deception made for personal gain or to damage another individual. The specific legal definition varies by legal jurisdiction. Fraud is a crime, and is also a civil law violation. Many hoaxes are fraudulent, although those not made for personal gain are not technically frauds. Defrauding people of money is presumably the most common type of fraud, but there have also been many fraudulent "discoveries" in art, archaeology, and science.

In criminal law, fraud is the crime or offense of deliberately deceiving another in order to damage them – usually, to obtain property or services unjustly. Fraud can be accomplished through the aid of forged objects. In the criminal law of common law jurisdictions it may be called "theft by deception," "larceny by trick," "larceny by fraud and deception," or something similar.

Fraud can be committed through many methods, including mail, wire, phone, and the Internet. Some cases involve complicated financial transactions conducted by white-collar criminals.

In many cases, fraud is just one element of a larger crime that must be proven. For example, someone who steals another person's identity — pretending to be someone else for financial or other gain — might be charged with criminal impersonation or identity theft rather than fraud. In such cases, fraud might be considered the method by which the second crime was committed.

Victims of fraud may be delineated into two general categories:

- from the public sector (central and local bodies) – embezzlement, tax fraud;
- from the private sector (financial and non-financial services, firms, individuals) – asset misappropriation, false accounting fraud, cybercrime, counterfeiting/forgery, etc.

2. What is fraud? Write down the definition according to the text.

3. How can fraud be committed?

4. Who can become a victim of fraud?

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5. Complete the sentences with one of the words or word combinations from the box.

1. [1]_____occurs when a person knowingly or intentionally obtains personal identifying information of another person, and uses, or attempts to use, that information with fraudulent intent, including to obtain, or attempt to obtain, credit, goods, services, any other thing of value, or medical information in the name of another person without the consent of that person.
2. [2]_____ involves the employee's theft of the company's cash or other assets by deceitful means. For example, an employee who gets his hands on a signed company check might alter it to make it payable to cash. Or he might claim business-expense reimbursement for lunches or dinners that were not eligible for reimbursement. Misappropriation of assets is basically stealing through fraudulent means.
3. [3]_____refers to fraud that is committed by a company by maintaining false information about the sales and income in the company books, with an intention to inflate the worth of a company's assets or profits, when a company is actually operating at a loss.
4. While most past [4]_____ crimes involved money, today's counterfeiting charges may involve goods, such as designer clothes, watches, jewelry and computer software. Dealing in these counterfeit goods is illegal as it is a type of fraud and may violate patent, trademark and copyright laws. Counterfeiting credit cards for the purpose of fraud is another newer form of this crime. It is also illegal to create false replicas of postage stamps, legal documents, government bonds, identifying documents (such as passports or identification cards) and military papers. Additionally, a person may face counterfeiting charges for creating, selling or even possessing equipment or materials that can be used to create counterfeit legal tender.
5. [5]_____refers to the creation of a false document, alteration of a document or signing of a false signature in order to defraud a person, company or bank of money or property. It may also involve filling in the blanks on an already signed document. A newer type of forgery involves forging prescription slips in order to obtain prescription drugs, which may then be sold or used personally by the offender. Most of the time, forgery is associated with financial transactions and legal documents, such as bonds, checks, promissory notes, deeds, receipts or money orders.
6. [6]_____involves failure to pay direct, indirect, and excise taxes. 'Direct taxes' encompass income tax and corporation tax fraud, ranging from individuals (whether on social security or not) failing to declare income from minor skilled work to large schemes involving corporate manipulation. There are also tax credits, which are a form of direct taxation involving false claims to credit. Indirect taxes include VAT fraud. Excise taxes primarily encompass alcohol and tobacco.

A) Accounting fraud	F) ID fraud
B) Asset misappropriation	G) larceny
C) counterfeiting	H) Tax fraud
D) cybercrime	I) trick
E) Forgery	

6. кража, совершённая служащим

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7. с целью получения личной выгоды

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8. выманивание денег у людей

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9. умышленное введение в заблуждение

10. похищать имущество путем обмана

11. запутанные финансовые операции

12. выдавать себя за другого человека

13. незаконное присвоение активов

14. мошенничество с бухгалтерской отчетностью

15. подделка, контрафакция

16. возмещение рабочих расходов

17. поддельная точная копия

Correct the sentences:

18. Accounting fraud involves the employee's theft of the company's cash or other assets by deceitful means.

19. ID fraud refers to the creation of a false document, alteration of a document or signing of a false signature in order to defraud a person, company or bank of money or property.

20. Tax crimes occur when a person knowingly obtains personal identifying information of another person.

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21. Counterfeiting refers to fraud that is committed by a company by maintaining false information about the sales and income in the company books.

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22. Asset misappropriation crimes involve creating of false money, goods, such as designer clothes, watches, jewelry and computer software.

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23. Forgery involves failure to pay direct, indirect, and excise taxes.

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