



# BANKS

***“If you owe the bank \$100 that's your problem. If you owe the bank \$100 million, that's the bank's problem.”***

J. Paul Getty (1892 – 1976), British-American petroleum industrialist

## 1. Banks Discussion

1. What do you use banks for? What different services do banks provide?
2. Would you like to work in a bank? What kind of jobs could you do in a bank?
3. Do you trust banks to keep your money safe?
4. How are customer services in banks?
5. What do you think about ATM fees? Is this acceptable?
6. What makes you angry about banks? Have you ever made a complaint to your bank?
7. What would make you close your bank account?
8. How do banks make money?

## 2. Banks Vocabulary

- **to borrow** (verb) – *to receive something for a temporary period before giving it back.*
- **to lend / loan** (verb) – *to provide something for a temporary period before receiving it back*
- **loan** (noun), **mortgage** (noun) – *a sum of money borrowed to be paid back at a later date; a mortgage is a loan to buy a house.*
- **overdraft** (noun) – *a negative amount created by withdrawing more money than is in a bank account.*
- **piggy bank** (noun) – *a container used by children to save money, usually coins.*
- **offshore** (adjective) – *in a foreign country, especially one that provides lower taxes.*

**Using the vocabulary words above, complete the following sentences (remember to use the correct form of the word, e.g. verb conjugation or plural noun):**

1. Be careful not to take out more than you have in your account. I went into my **overdraft** and the interest was astronomical!
2. Many people open **offshore** bank accounts in the Isle of Man to take advantage of lower taxes on savings.
3. Negative equity is when the value of your house is less than the amount remaining on your **mortgage**.
4. The bank refused to **lend** Helen any money due to her poor credit rating.
5. Tim **borrowed** \$10,000 to help him buy a new car.
6. When I was a child, I used to put all my pennies in a **piggy bank** and then at the end of the month, I'd take my savings to the shop to buy sweets.

### **Banks vocabulary comprehension questions**

1. Why might you need to borrow money from a bank?
2. What are the considerations a bank must take before lending money?
3. What happens if you don't repay back a loan or mortgage?
4. Do you have an overdraft agreement on your bank account? Are overdrafts useful?
5. Did you have a piggy bank when you were a child? Are these a good way to teach children how to save?
6. Would you consider opening an offshore bank account to save money on taxes?

### 3. Video: Banking Explained

You are going to watch a video by Kurzgesagt – In a Nutshell called “Banking Explained – Money and Credit.”

*Watch the video here: <https://youenglishpal.com/blog/esl-conversation-lesson-plan-banks/>*

**While you watch the video, answer the following questions:**

#### Multiple choice

1. What was a problem in 11th century Italy?  
*a) too much trade                      **b) too many currencies**                      c) too many merchants*
2. The word “bank” comes from which word?  
***a) bench**                                      b) boat                                      c) bird*
3. What did Genevese merchants develop?  
*a) loans                                      b) credits to businessmen                      **c) cashless payments***
4. What business are banks in today?  
***a) risk management**                      b) money management                      c) credit management*

#### Sentence completion

5. People put their money in banks and in return receive a small amount of **interest**.
6. Banks use the money they keep safe to **lend** it to other people and businesses.
7. Banks abandoned their traditional role as providers of long-term financial products in favour of short-term gains that carry much higher **risks**.
8. Banks perform their own trading to make fast money and earn their traders millions in **bonuses**.

#### Short answer

9. How many people lost their jobs and lots of money during the 2008 global banking crisis?  
**Millions**
10. New investment banks that charge a yearly fee don't get commissions from what? **Sales**
11. Who do members of credit unions elect? **The board of directors**
12. Large groups of whom provide loans through crowdfunding? **Small investors**

## 4. Banks Conversation Questions

1. What are the pros and cons of credit cards? When would it be better to pay with a debit card?
2. What alternatives to banks are there to save your money?
3. What do you think about online banking? Is it safe?
4. What kind of problems can people have with banking services?
5. How can banks facilitate organised crime and corruption?
6. How did the 2008 global banking crisis happen?
7. Do banks have too much influence over society?
8. What will banks look like in the future?

## 5. Banks Writing Task

Write about your opinion of banks. Try to use some of the vocabulary you learned earlier in this lesson. In your answer, you could include some of the following topics:

- The different services offered by banks.
- Problems people can have when banking.
- Whether banks can be trusted with our money.

### **Alternative exam practice question:**

In order to avoid another banking crisis as happened in 2008, banks should only lend money to individuals and businesses that have an exceptionally good credit rating. Do you agree or disagree?