

I. Match this vocabulary.

mortgage	money
default	the amount of money in your bank account at any given time
funds	guarantee a loan for somebody else
annual	when someone looks at your financial record to see if you will be able to pay a loan
variable interest rate	when you don't pay back a loan
fixed interest rate	when you put money into your bank account
co-sign a note	a summary of all the transactions to your bank account for the past month
bank teller	a loan in which the interest rate stays the same for the life of the loan
credit limit	when you take money out of your bank account
deposit	an automatic teller machine where you can withdraw cash from your bank accounts
withdrawal	a local center for your bank
credit check	the maximum you can borrow
ATM	a loan in which the interest varies according to the current market rate
bank statement	a loan to buy a house
branch	yearly
balance	an employee of a bank who deals with customers

II. Read and discuss this conversation in your group. Underline any vocabulary you do not understand and ask other students or the teacher.

Jan: I'm not sure how to get money at an ATM machine. Can you help me?

Jess: Sure. First insert your ATM card. Then type in your PIN. Enter the amount of cash you want to withdraw.

Jan: Oh, the money comes out here. That is fast.

Jess: Yes, it is fast, but you shouldn't withdraw money this way often.

Jan: Why not? It is so easy.

Jess: You are right that it is easy. However, there is a fee for every transaction.

Jan: Oh, how much is the fee?

Jess: It depends on the bank. Usually it is about \$3.00.

Jan: That's a lot.

Jess: Also, you should be very careful when you are withdrawing cash. Sometimes criminals watch ATM machines and rob people of their cash. You should try to use machines in the daytime. And you should use machines that are in a lighted area where there are other people around.

Jan: You are scaring me!

Jess: I don't mean to scare you. You should use ATM machines when you need them. Just be careful and use common sense.

III. In the U.S., the **FDIC** insures your bank deposits to the amount of \$250,000 per deposit per bank. If a bank fails, you will not lose your money. The FDIC guarantees that you will get your money back. The FDIC is an agency of the federal government. Is this the same in your country?

IV. Something that is **counterfeit** is not genuine or real. People counterfeit money, stock certificates and other documents. In some countries people counterfeit goods as well. For example, they make cheap copies of a name brand product and put a name brand logo on them. This way they can sell cheap goods at expensive prices. In the U.S., counterfeiting anything is illegal. You cannot use a **registered** logo or **duplicate a copyrighted** design. In some countries, there is no law against this. In other countries, there is a law against counterfeiting, but it is not enforced. This is a big problem for businesses.

When you go to New York City, you see people selling counterfeited goods on the sidewalks. You can buy Louis Vuitton purses for \$10.00. It is obvious they are counterfeited. It is illegal to sell counterfeit goods. In the U.S. it is not illegal to buy counterfeit goods. However, if you go to France and Italy, it is illegal to buy counterfeit goods. So be careful.

A knock-off is legal. A knock-off is a product that looks very similar to a copyrighted design, but does not have a registered logo. Many companies make a product that looks very similar to a popular design. They change the logo just enough to evade the law. Have you seen products like this? Would you buy products you knew were counterfeit? Would you buy knock-offs?

V. Banking Idioms

break the bank: to use up all the money

Ex: I won so much money at a small casino in Las Vegas that I broke the bank. They had to bring in more money to pay me.

Eating dinner at that **high dollar** restaurant will break the bank.

take it to the bank: very dependable, not **counterfeit** or wrong

Ex: I am telling you the truth. You can take it to the bank.

This information is as **good as gold**. You can take it to the bank.

VI. Questions:

Do you bank online?

Do you balance your bank statement **to the penny** each month?

Do you use **branch** banks or do you go to the central location of your bank?

How is banking different in your country?