

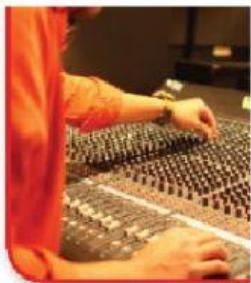
**1 Watch the video and then choose the best option to complete the statements**

1. You might watch this video to learn . . . .
  - a. which banks are the best to borrow from
  - b. about the history of banking in the United States
  - c. how borrowing money from a bank works
2. The *interest rate* on a loan is . . . .
  - a. a fine you pay for not repaying the bank
  - b. the money you borrow from the bank
  - c. a fee you pay for borrowing money

**2 Rachel is a musician who needs to borrow some money from the bank. Watch the video again and complete the outline**

A. Reason she needs to borrow money: \_\_\_\_\_

How much she needs: \$\_\_\_\_\_



B. First loan terms:

- \_\_\_\_\_ % APR (annual percentage rate)
- Must pay back the loan in \_\_\_\_\_ year(s)
- Payment amount per month: \$\_\_\_\_\_
- If she accepted this loan, she would \_\_\_\_\_ of money in \_\_\_\_\_ months.

C. She finally finds a loan with a \_\_\_\_\_ APR and a \_\_\_\_\_ time frame.

**3 Before accepting her loan, what two important things did Rachel learn?**

the importance of making payments on time       how to budget your money

some banks don't lend money to students       interest rates can change

**4 Watch the video again and write TRUE or FALSE.**

1. Sometimes borrowing money can help us accomplish a goal.

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2. Financial institutions can't help you purchase a car.

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3. Interest is paid at the end of the loan term.

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4. All loans have the same interest rate and time frame.

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5. A bank may charge fees for late payments on a loan.

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