# [INSERT NARRATOR/SPEAKER HERE]

In this lesson, we're going to  
be talking about finance. And  
testest

# [INSERT NARRATOR/SPEAKER HERE]

one of the most important aspects

# [INSERT NARRATOR/SPEAKER HERE]

When I go to a bank or some  
other lending institution

# [INSERT NARRATOR/SPEAKER HERE]

to borrow money, the bank is happy

# [INSERT NARRATOR/SPEAKER HERE]

going to be paying the bank for the  
privilege of using their money. And that

# [INSERT NARRATOR/SPEAKER HERE]

amount of money that I pay the bank is  
called interest. Likewise, if I put money

# [INSERT NARRATOR/SPEAKER HERE]

in a savings account or I purchase a  
certificate of deposit, the bank just

# [INSERT NARRATOR/SPEAKER HERE]

doesn't put my money in a little box  
and leave it there until later. They take

# [INSERT NARRATOR/SPEAKER HERE]

my money and lend it to someone  
else. So they are using my money.

# [INSERT NARRATOR/SPEAKER HERE]

The bank has to pay me for the privilege  
of using my money.

# [INSERT NARRATOR/SPEAKER HERE]

Now what makes banks  
profitable is the rate

# [INSERT NARRATOR/SPEAKER HERE]

that they charge people to use the bank's  
money is higher than the rate that they

# [INSERT NARRATOR/SPEAKER HERE]

pay people like me to use my money. The  
amount of interest that a person pays or

# [INSERT NARRATOR/SPEAKER HERE]

earns is dependent on three things. It's  
dependent on how much money is involved.

# [INSERT NARRATOR/SPEAKER HERE]

It's dependent upon the rate of interest  
being paid or the rate of interest being

# [INSERT NARRATOR/SPEAKER HERE]

charged. And it's also dependent upon  
how much time is involved. If I have

# [INSERT NARRATOR/SPEAKER HERE]

a loan and I want to decrease the amount  
of interest that I'm going to pay, then  
testtest

# [INSERT NARRATOR/SPEAKER HERE]

I'm either going to have to decrease how  
much money I borrow, I'm going to have

# [INSERT NARRATOR/SPEAKER HERE]

to borrow the money over a shorter period  
of time, or I'm going to have to find a

# [INSERT NARRATOR/SPEAKER HERE]

lending institution that charges a lower  
interest rate. On the other hand, if I

# [INSERT NARRATOR/SPEAKER HERE]

want to earn more interest on my  
investment, I'm going to have to invest

# [INSERT NARRATOR/SPEAKER HERE]

more money, leave the money in the  
account for a longer period of time, or

# [INSERT NARRATOR/SPEAKER HERE]

find an institution that will pay  
me a higher interest rate.