

HSBC bank helped the rich hide money

12th February, 2015



The BBC says that HSBC, the world's second largest bank, helped rich people to hide money so they would not have to pay tax. A BBC documentary

programme got access to the details of thousands of private bank accounts, worth \$128 billion, from an HSBC bank in Switzerland. The information was leaked by a whistleblower in 2007. It shows that HSBC helped its wealthy clients to evade tax. The whistleblower was a computer expert working for HSBC in Geneva. He stole the details of more than 100,000 clients worldwide. A French banking team looked at the stolen data in 2013. It concluded that 99.8% of French citizens on the list were probably evading tax.

HSBC said the bank has changed a lot since 2007. It said: "HSBC has [put in place] numerous initiatives designed to prevent its banking services being used to evade taxes or launder money." The Guardian newspaper in the U.K. said HSBC told its reporters that the bank understood that it failed to follow the law properly. One woman who complained when the bank did not make changes lost her job. Sue Shelley was responsible for making sure HSBC followed the law. The BBC said that when she complained that the bank was not keeping its promise to change, the bank fired her. The BBC said HSBC is now facing criminal investigations in the USA, France, Belgium and Argentina.

Sources: *BBC / The Independent / The Guardian*

Writing

There is one law for the rich and one law for the poor. Discuss.

Chat

Talk about these words from the article.

BBC / bank / pay tax / documentary / whistleblower / wealthy / clients / evading tax / changed / 2007 / banking services / follow the law / responsible / complained / fired

True / False

- HSBC is the world's third largest bank. T / F
- The article reports on a documentary made by CNN. T / F
- Someone stole private data about HSBC's rich clients in 2007. T / F
- A team said many of HSBC's wealthy French customers evaded tax. T / F
- HSBC has done very little to change since 2007. T / F
- HSBC told a British newspaper that it had done wrong. T / F
- An HSBC worker complained about the bank so the bank fired her. T / F
- HSBC is facing an investigation in the UK. T / F

Synonym Match

- | | |
|--------------------|----------------|
| 1. rich | a. globally |
| 2. got | b. specialist |
| 3. shows | c. certain |
| 4. expert | d. gained |
| 5. worldwide | e. many |
| 6. numerous | f. correctly |
| 7. prevent | g. wealthy |
| 8. properly | h. questioning |
| 9. sure | i. stop |
| 10. investigations | j. reveals |

Discussion – Student A

- Banks say customers are more important than profits. What do you think?
- What is laundering money and how do people do it?
- What is the best bank and why?
- What should happen to HSBC for breaking the law?
- What should the woman who lost her job do?
- What do you think of a career in banking?
- What do you think will happen to HSBC in the court cases?
- What questions would you like to ask the boss of HSBC?

BreakingNewsEnglish - The Mini Lesson

Phrase Match

- the world's second
- A BBC
- The information was leaked
- more than 100,000 clients
- probably evading
- numerous
- launder
- it failed to follow
- the bank fired
- HSBC is now facing criminal
- investigations
- tax
- initiatives
- largest bank
- worldwide
- the law properly
- documentary
- her
- money
- by a whistleblower

Discussion – Student B

- What do you think about what you read?
- Is it easier for rich people to break the law?
- Why do these very rich people try to hide their money?
- What do you think of rich people not paying tax?
- What do you think of the idea of tax?
- What do you think of whistleblowers?
- Should poorer people pay no tax?
- What should the punishment be for people who evade tax?

Spelling

- A BBC noytaeudcrm programme
- HSBC helped its yalthwe clients
- a computer eerpxt
- more than 100,000 ltnseci worldwide
- French sntiiecz
- bylorabp evading tax
- umosrneu initiatives
- rndeula money
- follow the law rproeylp
- One woman who caimodlnpe
- not keeping its mspiroe to change
- facing aircmnli investigations in the USA

Answers – Synonym Match

1. g	2. d	3. j	4. b	5. a
6. e	7. i	8. f	9. c	10. h

Role Play

Role A – Housing loans

You think housing loans are the most important services that banks offer. Tell the others three reasons why. Tell them why their services aren't so good. Also, tell the others which is the least useful of these (and why): credit cards, ATMs or financial advice.

Role B – Credit cards

You think credit cards are the most important services that banks offer. Tell the others three reasons why. Tell them why their services aren't so good. Also, tell the others which is the least useful of these (and why): housing loans, ATMs or financial advice.

Role C – ATMs

You think ATMs are the most important services that banks offer. Tell the others three reasons why. Tell them why their services aren't so good. Also, tell the others which is the least useful of these (and why): credit cards, housing loans or financial advice.

Role D – Financial advice

You think financial advice is the most important services that banks offer. Tell the others three reasons why. Tell them why their services aren't so good. Also, tell the others which is the least useful of these (and why): credit cards, ATMs or housing loans.

Speaking – Banking services

Rank these with your partner. Put the most important at the top. Change partners often and share your rankings.

- savings accounts
- car loans
- financial advice
- cheque books
- mortgages (housing loans)
- credit cards
- ATMs
- pensions

Answers – True False

a F	b F	c T	d T	e F	f T	g T	h F
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Answers to Phrase Match and Spelling are in the text.