

AAA

Welcome to AAA, we will be learning about the different types of insurance.

Please read this slide to the students.

Click for next slide.

Junior Achievement | JA Finance Park*

Keys to Understanding Property Insurance: Auto & Home

Everyone faces financial risks!

Insurance is about having a back-up plan, in case things don't work out like you planned!

Please read this slide to the students.

Click for next slide

Junior Achievement | JA Finance Park* Auto Insurance

Your Insurance premium costs depend on:

- Driving record
- Age
- Gender
- Annual mileage driven
- Good student discount

Please read this slide to the students.

Click for next slide.

Junior Achievement | JA Finance Park* Auto Insurance

Types of Coverage

1. **Liability Coverage:** pays others for injuries or property damage that you caused; required by law.
2. **Collision Coverage:** pays for repairs to your vehicle if it's damaged in a collision with another vehicle or an object.
3. **Comprehensive Coverage:** pays for repairs to your vehicle caused by something other than a collision, such as fire, theft, vandalism, glass breakage, or wind damage.

Please read this slide to the students.

Click for next slide.

Junior Achievement | JA Finance Park* Home Insurance

Home insurance protects you

- **Cash Value:** In the event of a fire, theft or other loss, the insurance company gives you the *value of your property today*
- **Replacement Value:** In the event of a loss, the insurance company gives you *what it takes to replace* your home or contents at that time

Premium is the cost of insurance (more coverage = higher premium)

AAA

Walk thru example on slide.

If you only have cash value insurance, you would only get \$50. With replacement value insurance you would get \$500. Which would you rather have?

Click for next slide.

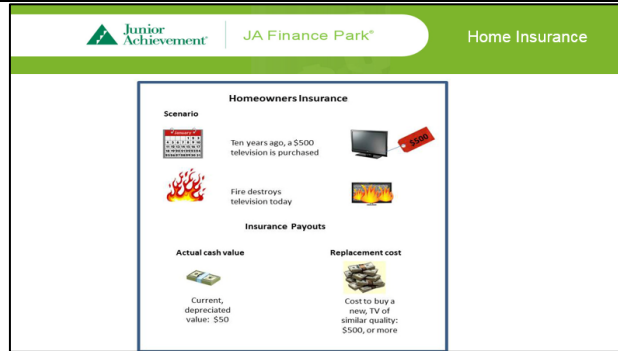
Please pass out all cards. Give 1 to each student, or 2 if smaller group. Ask students to work together match the coverage to the type of accident.

At the end of the game, collect cards and shuffle.

Click for next slide.

Point out the two codes that they need to unlock Insurance.

After each group leaves, return to the first slide for the next group.



Junior Achievement | JA Finance Park® Home Insurance

Homeowners Insurance

Scenario

Ten years ago, a \$500 television is purchased

Fire destroys television today

Insurance Payouts

Actual cash value
Current, depreciated value: \$50

Replacement cost
Cost to buy a new, TV of similar quality: \$500, or more



Junior Achievement | JA Finance Park®

Images: House on fire, Car accident, Refrigerator



Junior Achievement | JA Finance Park®

AAA Auto Insurance
Business ID: 892

AAA Home Insurance
Business ID: 973