

C.A.F.E

CENTER FOR ADVANCED FINANCIAL EXPERIMENTATION

THE IMPORTANCE OF INSURANCE

A MESSAGE FROM EDUCATION FIRST

Hello First Name!

Now that you have learned something about insurance, we encourage you to ask your parents about their car and home insurance to help understand how it keeps you and your family protected from accidents. Maybe you can play a “matching” game where you match up types of insurance that covers different types of accidents. Before you know it, you will become an insurance “pro” and can share your learning with friends!



WHY WE INSURE

Hi First Name!

Having insurance protects you when you're facing a loss, such as damage to your car from an accident or damage to your home in a storm. There are limitless possibilities of what could go wrong with your car, your home, your boat, your health or anything else you choose to insure. Having insurance limits your losses by providing you with the insurance you need in exchange for the price you pay for the insurance. Check out Will's advice below to learn about how insurance companies work!

Recruit: **OSCAR**



ASK A FRIEND

Question: What keeps insurance companies from going broke in a natural disaster?

Answer:

Great question! Insurance companies hire workers who are trained as 'actuaries'. An actuary is someone who can predict the future. Well, not really, but they are trained to assess risks in various areas so the company charges enough to provide the necessary coverage and still make a profit. Insurance companies charge 'premiums' to their customers in exchange for the type of insurance they've purchased. Your parents likely have several different types of insurance and they pay a premium monthly, quarterly, or annually to the insurance companies that provide them with the important coverage they need.

Recruit: **WILL**

