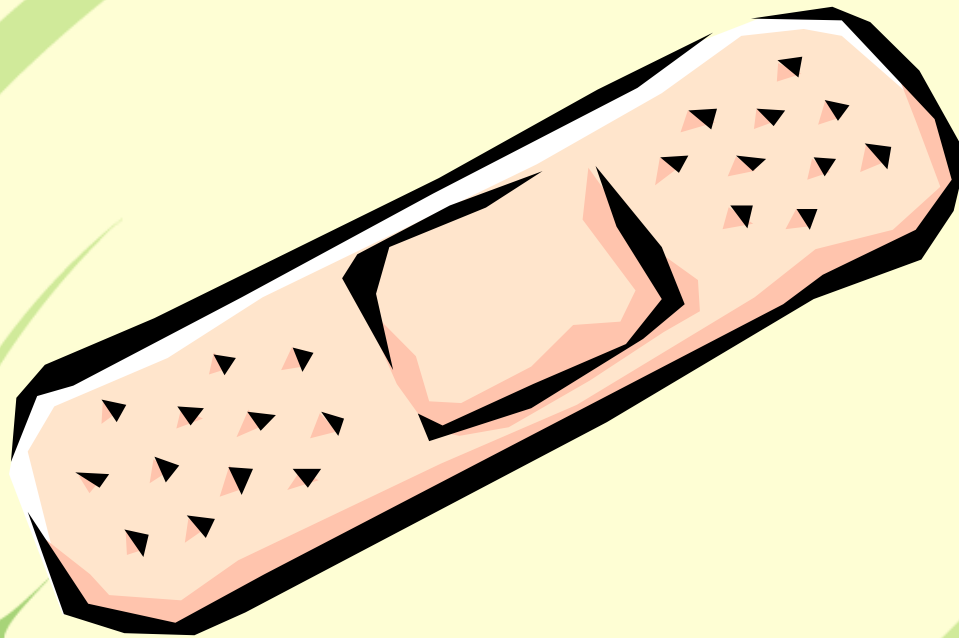


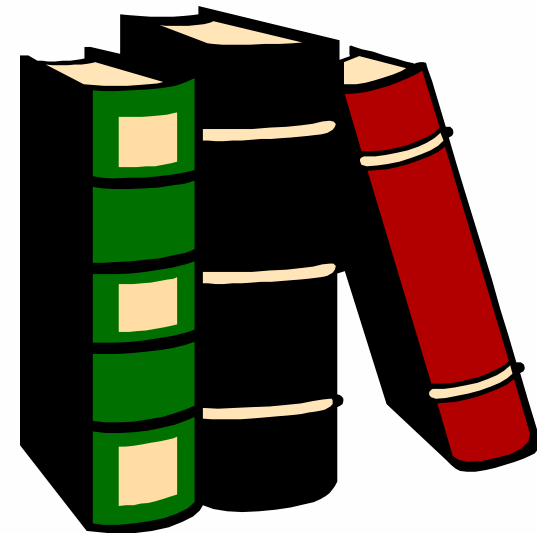
INSURANCE BASICS



What You Don't Know CAN Hurt You

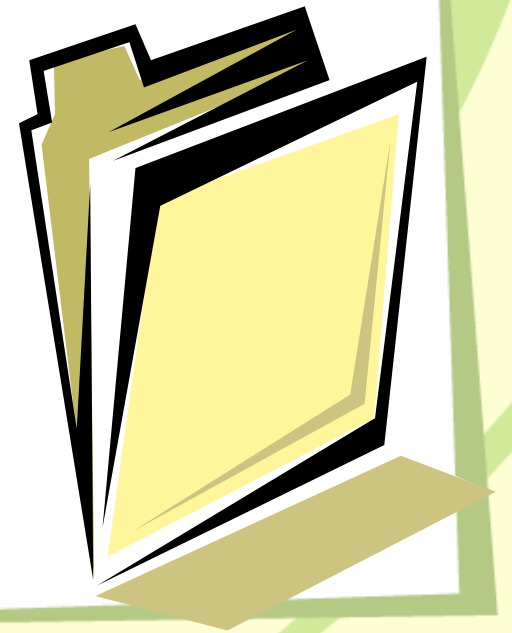
Basic Concepts of Insurance

- Insurance Defined
- Risk Sharing
- Contractual Agreement
- Concept of Indemnity



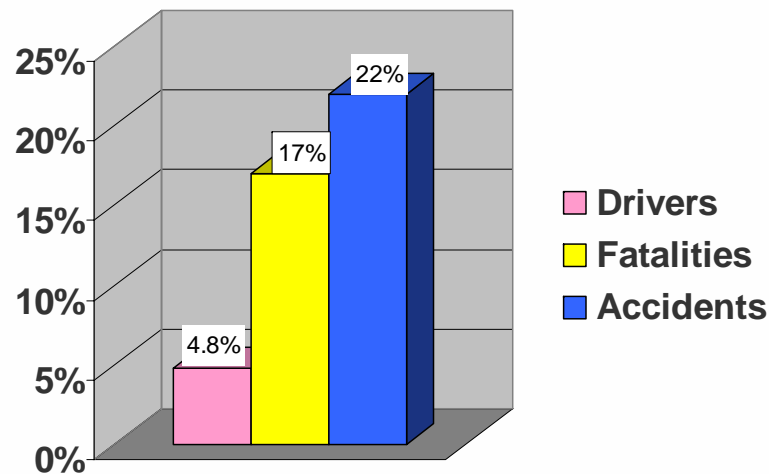
Four Major Types of Insurance

- Life Insurance
- Health and Disability Insurance
- Property Insurance
 - Direct, Indirect losses
- Casualty Insurance
 - Liability
 - Auto, Workers Comp



Insurance Grouping

Teen Drivers Involved in Accidents



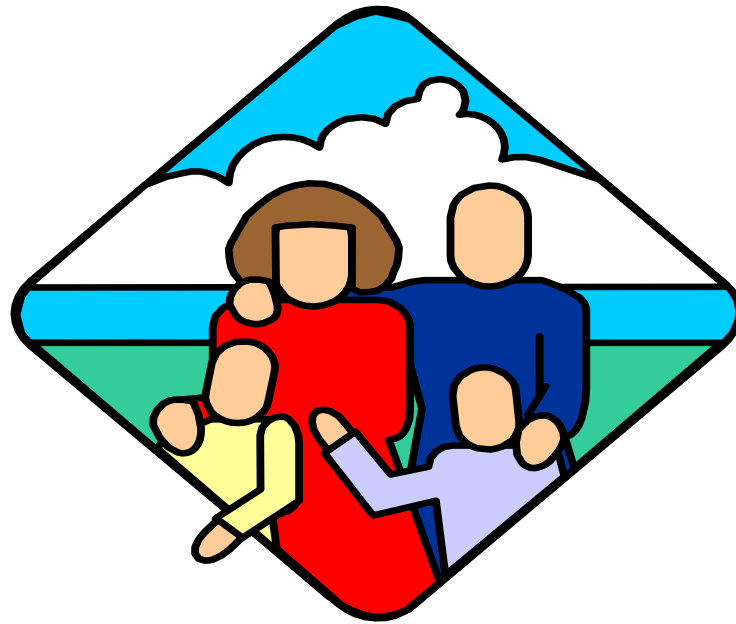
- In 2003 individuals under the age of 20 represented 4.8% of the drivers involved in accidents.
- Teen drivers were involved in 22% of all motor vehicle accidents.
- Teens were involved in 17.0% of all fatal accidents.

*Source: National Safety Council

This information is located on the Insurance Information Institute website at www.iii.org

Life Insurance

- Whole Life
 - Straight
 - Universal
 - Permanent
- Term Life
 - Single Year
 - Multi-Year



Cost Factors

- Contract Amount
- Type of Policy
 - Whole, Term
- Probable Life Expectations
 - Gender
 - Age
 - Medical History



Health and Disability Insurance

- Types of Policies
 - Major Medical, Comprehensive
- Types of Rating
 - Individual, Group
- Health Insurance Options
 - HMO, PPO
 - Individual
 - Group



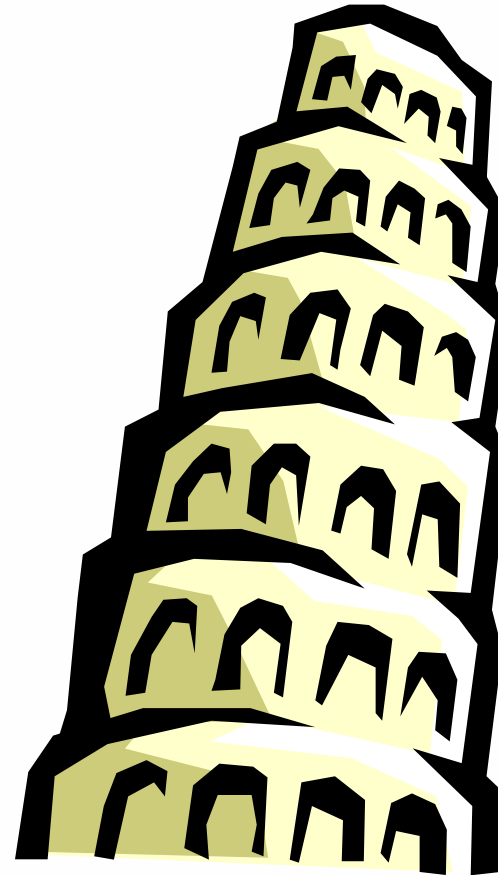
Cost Factors

- Group Experience
- Age, Gender
- Medical History
- Deductible
- Co-Payment
- Type of Policy



Property Insurance

- Fire and Other Perils
- Personal Liability



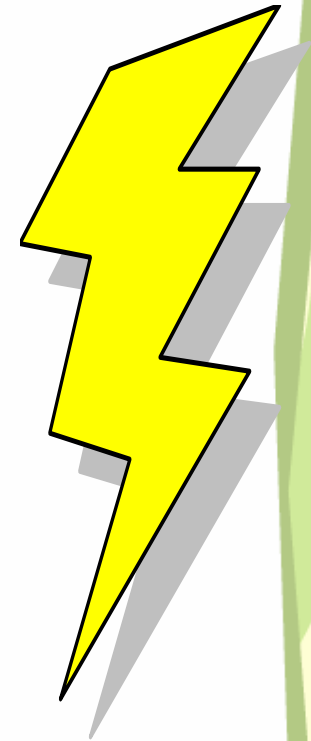
Why Should You Buy?

- Mortgage Requirements
- Financial Ruin
 - Damage to your home
 - Damage to your property and belongings
 - Liability suits due to negligence



Perils Protected Against

- Fire, Lightning, Smoke, Explosion
- Windstorm, Hail, Weight of Ice
- Riot, Civil Commotion
- Aircraft, Vehicles, Falling Objects
- Theft, Vandalism, Malicious Mischief
- Accidental Overflow of Water, Freezing of Plumbing



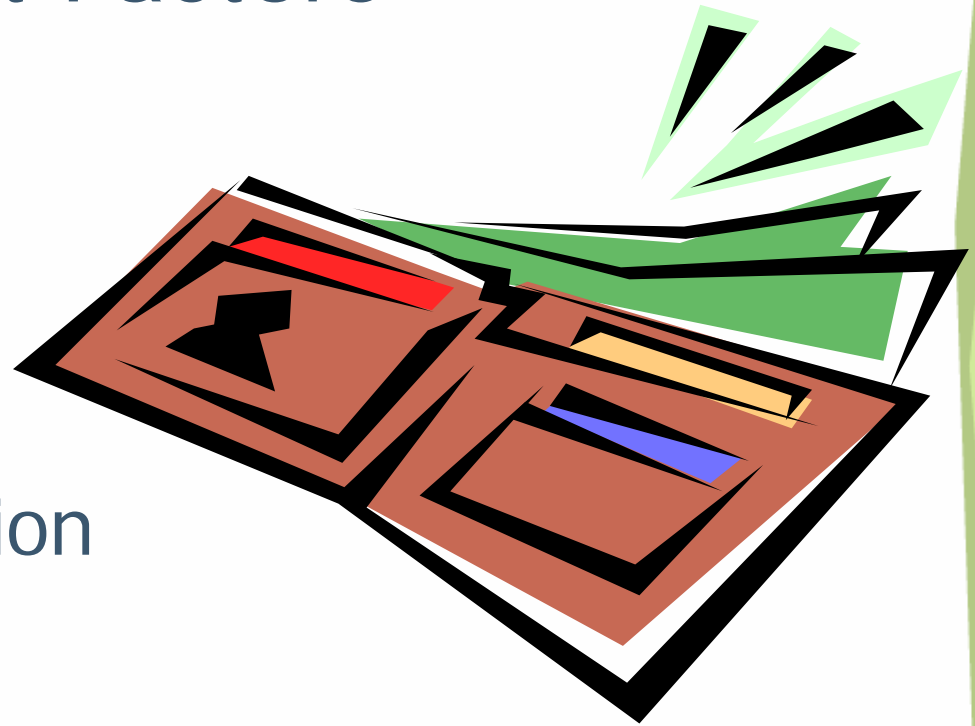
Usually Not Covered

- Flood
- Earth Movement
 - Earthquake
 - Landslide
 - Mudflow
- Intentional Loss by or at the direction of an insured



Cost Factors

- Policy Limits
- Location
- Protection
- Type of Construction
- Loss History
- Policy Credits



Automobile Insurance

- Definition
- History of Automobile Insurance
- Financial Responsibility
- State Regulation



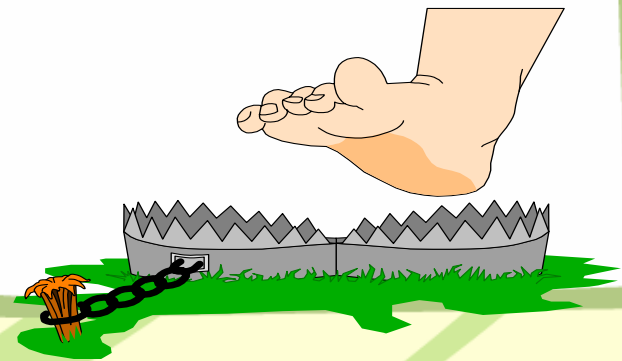
Why Should You Buy?

- It's the Law
- Lienholder Requirements
- Financial Ruin
 - Property damage
 - Physical damage
 - Medical costs



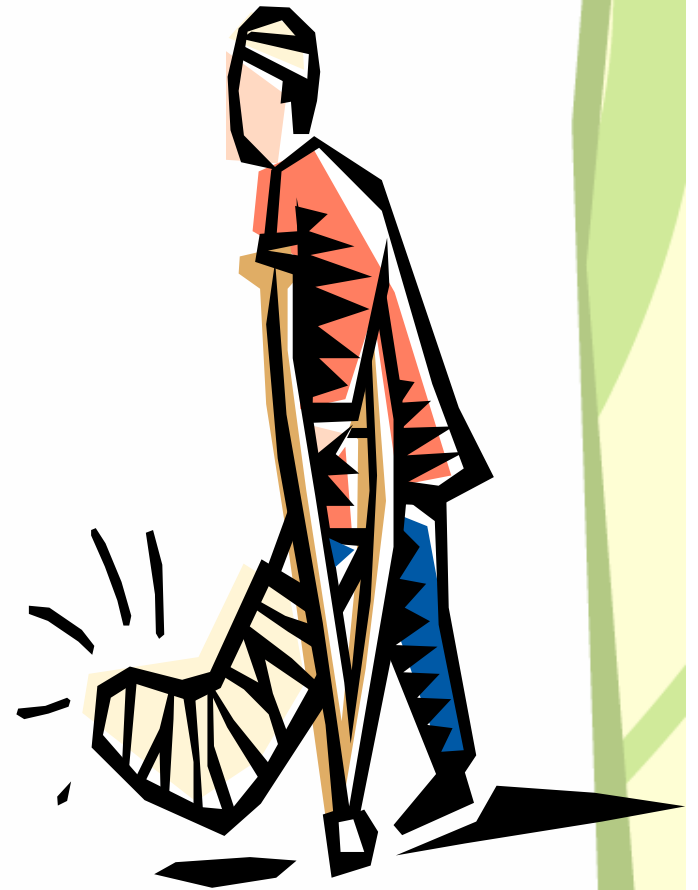
What If I Don't?

- Rebuilding a Car
 - A new Ford Taurus costs about \$21,000.
If the same car was totaled in an accident it would cost about \$75,000 to rebuild it using replacement parts.
- Loss of Use
- Medical Costs
 - At least \$2,300 per day



Primary Types of Coverage

- Liability
- Personal Injury Protection
- Collision
- Comprehensive
- Uninsured Motorists
- Other Options



Cost Factors

- Age
- Sex
- Marital Status
- Amount You Drive
- Where You Drive
- What You Drive
- Accident and Ticket Record



Ways to Save

- Clean Driving Record
- Driver's Training Course
- Good Student Discount
- Limits/Deductibles
- Type of Car
- Shop Your Company!



Careers in Insurance

- Marketing Agents
- Underwriters, Actuaries
- Customer Service Reps
- Insurance Attorneys
- Insurance Adjusters
- Insurance Educators
- ...and more - over 350 different careers!



InVEST

- Students form and operate model insurance agencies and an insurance company home office in the classroom
- Annually prepares more than 6,000 high school and community college students for insurance careers
- Teaches marketable business skills