



BIZ KIDS

Episode 207: "The World is a Risky Place"

Day Two Introduction

Play part of the theme music for "Biz Kid\$" from the episode intro to motivate and engage the students. Then stop the music, welcome the students/youth to today's session, and introduce yourself. If needed, ask students to please use their nametags.

Review and Connect with the Previous Session

There was an abundance of information about safeguards that business owners employ to protect their assets and employees in the episode titled "The World is a Risky Place."

Biz Kid Mark Atkinson, owner of "Mark Atkinson Racing", does what he can to minimize the many risks associated with car racing. He uses flame-proof clothing and shoes; a helmet; a roll cage; and special tires. Mark takes as many safety precautions as possible. He formed an LLC, a Limited Liability Corporation, for legal protection. Though what he does is risky, he has learned how to "manage" the risks.

Cody, the young entrepreneur who owns the skate shop caboose in Pittsburg known as "Small Town Skate Shop", protects his assets using alarm systems and various forms of insurance.

His insurance agent Steve recommends getting three quotes in writing from different insurance agents or brokers prior to making a choice. He emphasized that if it's not in writing, it's not covered!





Other tips given included clarifying what is covered with the insurance agent, such as business interruption coverage, general liability insurance, property liability insurance, and insurance that covers court costs and other legal fees.

Cody has to insure his stock, as well as protect against theft, fire, and other disasters. In addition, he has obligations to his employees through contracts and employee agreements. If someone gets hurt, or a product malfunctions, he's covered.

Eric and Jim, owners of "Serve It Up Tennis", have a business that teaches tennis lessons. They mentioned the importance of having a business plan that includes having liability protection. They listen to the advice of a good lawyer. The coaches they hire from high schools and colleges sign non-complete clauses so they don't take the clients away from the business. Clients are required to sign an agreement that includes a waiver protecting the business owners if someone gets hurt. Eric and Jim use legal barriers to protect themselves and their business.

Kristina is one of the actors on "Biz Kid\$". She talked about the risks involved in driving a car, especially driving without auto insurance. She was involved in a collision in her first car; luckily, she was covered by insurance for medical and other expenses. You need to be aware of the need for auto insurance that covers collision, theft, uninsured drivers, and medical expenses. Without this protection, you are responsible for paying for all those costs "out of pocket." It is also important to learn about the benefits of maintaining good grades as a beginning driver in order to reduce the amount of premium you are charged. How are you going to pay for, or contribute to, the cost of your insurance coverage?





The social entrepreneurs featured in this episode of "Biz Kid\$" are Brian and Jason. They created the non-profit organization "Beams and Dreams" as a way to give back to their community. Their organization unites people who have cancer with people in the boating community. They take cancer patients and their families sailing. Boating is a dangerous activity. Brian and Jason deal with many risks, the biggest one being a "man overboard" situation. They deal with that risk by having people sign a legal document called a release of liability. The participants assume some of the risk themselves, and it lowers the risk for the business. Their first layer of defense is vigilance, followed by the waiver or release that protects them from indemnity.

You've heard the adage, "Nothing ventured, nothing gained." You can't avoid risk, but by using your brain, common sense, and by being prepared, you can reduce or "manage" those risks.

As the character "Dr. Bill" said, "Fortune favors the prepared."

ACTIVITY

Many types of insurance were mentioned during this episode. However, our focus for this Activity will be on Auto Insurance.

Distribute a copy of the worksheet titled "**Automobile Insurance Vocabulary**" (from the Insurance Education Institute curriculum on





Automobile Insurance) to all students. Display an OHP Transparency of the same worksheet.

Explain to students that they will need to know the terms and definitions on the worksheet, since they will probably drive a car.

The privilege and “risk” of driving comes with a lot of responsibility, some of which is financial.

Explain that the worksheet has vocabulary terms on the left, and definitions on the right. They are to match the terms with their definitions by writing the alphabet letter proceeding the term on the line in front of the definition, using **pencils**.

Students may work alone, in pairs, or in small groups for five to ten minutes to complete the worksheet.

When time is up, display the OHP Transparency of the “Automobile Insurance Vocabulary Key”, and let students correct their own papers.

This is the ideal time for students to generate additional questions they would like to have answered.

List their questions on a Blank OHP Transparency.

If possible, have a local Independent Insurance Agent there, as a guest speaker, to answer students’ questions. If need be, shorten the other parts of the plan in order to spend more time with the guest expert.

Please refer students to an online resource: www.theiei.org. The worksheet they just completed is available on this web site.





The Griffith Insurance Education Foundation provides risk management and insurance education programs and resources to students and educators. They also have information about careers in insurance.

Tell students that more online resources are listed on the "Family Activity Sheet" for this episode. They are encouraged to share this information with their families.

Thank students for their attention and participation in today's session.

