



Warranties and Guarantees | Lesson Plan

How do warranties and guarantees differ, and why are they vital for consumer protection?

Students will understand what consumer protections are, specifically warranties and guarantees, and how they benefit buyers.

Learning Objectives:

- Understand what consumer protections are, focusing on warranties and guarantees.
- Define key terms associated with consumer protections, including warranty, guarantee, limited warranty, and extended warranty.
- Identify the different types of guarantees and warranties, understanding their purposes and limitations.
- Learn how to evaluate and effectively use warranties and guarantees to make informed purchasing decisions.

Key Vocabulary:

- **Consumer Protections:** Safeguards for fair treatment and quality for buyers.
- **Guarantee:** Seller's promise to address product issues at no cost.
- **Warranty:** Seller's promise that a product will work as expected.
- **Limited Warranty:** Warranty with time/product restrictions, excluding labor.
- **Extended Warranty:** Additional coverage beyond the standard warranty.

Educational Standards: CCRA.R.7, CCRA.R.10, CCRA.W.2, CCRA.W.4, CCRA.W.7, CCRA.SL.1, CCRA.SL.2, CCRA.L.6

Academic Subject Areas: Financial Literacy, Money, Life Skills

What You'll Need

- Video: *Ca\$h Cour\$e: Warranties and Guarantees* (Watch [Here](#))
- Worksheet: *Ca\$h Cour\$e: Warranties and Guarantees* (Click [Here](#))
- Classroom whiteboard and dry-erase markers (Or a technology resource if available).

Lesson Plan (45 mins.)

Warm-Up: (10 mins.)

1. Begin the lesson by going over this introductory scenario: You've saved up for months to buy a new electronic gadget, perhaps a smartphone or a gaming console. You believe you've made a wise investment, but what happens if it malfunctions shortly after you purchase it? How do you ensure that you get what you paid for and that the manufacturer stands by their product? In today's lesson, we'll explore how guarantees



and warranties fit into the practice of personal responsibility. We'll discuss how these protections promote a fair marketplace, encourage businesses to deliver quality products, and empower consumers to make informed choices.

2. Play a quick game of fact or fiction with common perceptions about guarantees and warranties. Have students write "fact" on one side of a piece of paper and "fiction" on the other. Ask them to hold up their choice for each of the following perceptions:
 - A guarantee means you can return a product for any reason and get a full refund.
Fiction: Guarantees often have specific conditions and may not cover every issue.
 - Money-back guarantees allow you to get a full refund if unsatisfied with a product or service.
Fact: These typically offer a full refund if the customer is unsatisfied as long as specific terms and time limits are satisfied.
 - If a product has a 'lifetime guarantee,' that means it will be replaced for free any time it breaks.
Fiction: 'Lifetime' refers to the expected lifespan of a product, not an owner, and may have many conditions or limitations.
 - You need to keep receipts or documentation of item purchases under a warranty or guarantee.
Fact: Keeping proof of purchase and warranty documents is crucial for making claims.
3. As a class, brainstorm the advantages and potential pitfalls of guarantees and warranties. Encourage students to think about different scenarios where having a guarantee or warranty could be beneficial or, conversely, where it might not be as useful.

Watch and Apply: (25 mins.)

1. Announce that the class will watch *Ca\$h Cour\$e: Warranties and Guarantees* to learn about stocks and investment. Emphasize the importance of understanding these concepts.
2. Distribute the "Ca\$h Cour\$e: Warranties and Guarantees Worksheet" for students to complete independently. Allow 10 minutes for this task.
3. Review the worksheet answers as a class, addressing areas where students may need help or clarification.

Wrap-Up: (10 mins.)

1. Invite students to share new insights they gained about guarantees and warranties, and how this knowledge could be financially beneficial.
2. Allow students to share how they answered the application question on the worksheet. What did they choose? How did they apply what they learned from the video?

Don't have time for the full lesson? Quick Activity (10-15 mins.)

Distribute the worksheet and allow students to complete it while they follow along with the video. Or, have students watch the video at home and use the worksheet as a quick quiz the next day in class.