

Gambling with Your Money | Worksheet



Matching

Match the definition in Column A with the term in Column B.

Column A

- _____ A bet placed on the outcome of an event.
- _____ Risking money on uncertain outcomes.
- _____ The advantage gambling platforms have over players.
- _____ Probability of an outcome, usually favoring the house.
- _____ Value lost when choosing one option over another.

Column B

- a. Gambling
- b. Odds
- c. Wager
- d. Opportunity Cost
- e. House Edge

Multiple Choice

1. **What is the primary reason gambling platforms have a “house edge”?**
 - a. To ensure players win frequently.
 - b. To make gambling games more exciting.
 - c. To guarantee the platform makes a profit over time.
 - d. To balance out the odds for all players.
2. **Which of the following best describes “opportunity cost”?**
 - a. The chance of winning a big payout in gambling.
 - b. The money spent on gambling instead of saving or investing.
 - c. The reward you get from taking risks in gambling.
 - d. The cost of entering a gambling competition.
3. **Why might someone be tempted to gamble despite the risks?**
 - a. Gambling always guarantees a profit.
 - b. Gambling provides a reliable source of income.
 - c. Gambling offers the possibility of a quick, easy win.
 - d. Gambling is a requirement for financial success.
4. **What is a significant risk associated with gambling addiction?**
 - a. Winning too much money.
 - b. Developing long-term wealth and financial success.
 - c. Accumulating serious debt and financial stress.
 - d. Avoiding any financial consequences.

Application

Imagine you're like Noah, and you've just downloaded an online slots app that promises a big payout. You've played a few rounds and won a small amount of money, but you're tempted to keep playing in hopes of winning more. Considering the concept of the house edge and the risks discussed in the lesson, explain what your next steps should be. How would understanding the odds, house edge, and opportunity cost influence your decision to continue playing or to stop?



Gambling with Your Money | Answer Key

Matching

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- c. A bet placed on the outcome of an event.
- a. Risking money on uncertain outcomes.
- e. The advantage gambling platforms have over players.
- b. Probability of an outcome, usually favoring the house.
- d. Value lost when choosing one option over another.

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Application

Responses will vary depending on the student. Evaluate responses for a comprehensive understanding of the basic principles, including the house edge, considering the odds, evaluating opportunity cost, and making an informed decision.

Sample response: If I were in Noah’s situation, I’d understand that the house edge means the odds are against me, making it more likely I’ll lose money the longer I play. Even though I’ve won a small amount, the platform is designed to profit, not the players. Considering the opportunity cost, I’d realize that the money I’m using to gamble could be better saved or invested. Therefore,

I would stop playing and use the money for something with long-term benefits. Understanding these concepts helps me avoid financial losses and make wiser decisions.