



## Matching

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

### Column A

- \_\_\_\_\_ Out-of-pocket cost before insurance pays.
- \_\_\_\_\_ Pays others' injury or property damage costs.
- \_\_\_\_\_ Insurance for non-collision vehicle damage
- \_\_\_\_\_ Protection against financial loss from incidents.
- \_\_\_\_\_ Regular payment for insurance coverage.
- \_\_\_\_\_ Insurance for damage from car collisions.

### Column B

- a. Premium
- b. Auto Insurance
- c. Comprehensive Coverage
- d. Liability Coverage
- e. Deductible
- f. Collision Coverage

## Multiple Choice

1. **What does liability coverage in an auto insurance policy provide?**
  - a. Coverage for the theft of your vehicle
  - b. Coverage for your medical expenses, regardless of who is at fault
  - c. Financial protection for damages you cause to another person's car or property
  - d. Reimbursement for damages to your car in a collision
2. **Which of the following is NOT covered under collision coverage?**
  - a. Damages to your car from hitting a pothole
  - b. Damages to your car from a collision with another vehicle
  - c. Mechanical failure or normal wear and tear of your car
  - d. Damage to your car from rolling over
3. **Why might your auto insurance premium increase even if you haven't filed a claim?**
  - a. Because the color has faded over time.
  - b. Natural disasters and increased crime rates lead to more claims in your area.
  - c. You decided to switch your insurance provider.
  - d. Because the price of gas has increased.
4. **Which factor does NOT generally affect your auto insurance premium?**
  - a. The deductible you select
  - b. The type of coverage you choose
  - c. Your driving record
  - d. The color of your car

## Application

Imagine you're planning to buy your first car and are considering auto insurance options. You live in a city known for its heavy traffic and occasional severe weather conditions. List three types of auto insurance coverage you think would be the most important for your situation.



## Navigating Auto Insurance | Answer Key

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- d. Pays others' injury or property damage costs.
- c. Insurance for non-collision vehicle damage
- b. Protection against financial loss from incidents.
- a. Regular payment for insurance coverage.
- f. Insurance for damage from car collisions.

#### Column B

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### Application Sample Answer

- 1) Three types of insurance coverage that would be helpful in a high-traffic city might be
  - a) Collision Coverage - the likelihood of accidents is higher.
  - b) Comprehensive Coverage - severe weather can cause damage that is non-collision related, such as hail or flooding.
  - c) Uninsured Motorist Coverage - in a busy city, there is a higher chance of accidents with drivers who might not have sufficient coverage.