

FINE PRINT: Auto Insurance Declaration Page

❖ **Teacher Tip:** If you prefer to administer this activity using a Google Form, please see the answer key for the Google form link. You can find this on the [Unit Page](#) this resource is in.

In this activity, you will explore an auto insurance declaration page in more detail and answer questions to understand its various components. See next page.

Part I: Read The Fine Print:

Directions: Analyze the auto insurance declaration page and answer the questions that follow.



State Farm Fire and Casualty Company

11350 Johns Creek Parkway
Duluth, GA 30098-0001

23311-4-P

FIRE OVL

DECLARATIONS PAGE

PAGE 1 OF 2

NAMED INSURED

AT2 11-2097-4 P A

Matt & Sarah Justice
123 GetTheW St.
Atlanta, GA 30306

POLICY NUMBER 35 5055-A

POLICY PERIOD JUL 21 2017 to JAN 16 2018
12:01 A.M. Standard Time

AGENT

PHONE: (770)

**DO NOT PAY PREMIUMS SHOWN ON THIS PAGE.
IF AN AMOUNT IS DUE, THEN A SEPARATE STATEMENT IS ENCLOSED.**

YOUR CAR

| YEAR | MAKE | MODEL | BODY STYLE | VEHICLE ID. NUMBER | CLASS |
|------|--------|-------|------------|--------------------|------------|
| 2007 | TOYOTA | CAMRY | 4DR | 4T1B | 603011H300 |

| SYMBOLS | COVERAGE & LIMITS | PREMIUMS |
|---------|---|----------|
| A | Liability Coverage | \$544.58 |
| | Bodily Injury Limits | |
| | Each Person, Each Accident | |
| | \$100,000 \$300,000 | |
| | Property Damage Limit | |
| | Each Accident | |
| | \$100,000 | |
| C | Medical Payments Coverage | \$54.55 |
| | Limit - Each Person | |
| | \$1,000 | |
| D | Comprehensive Coverage - \$200 Deductible | \$66.98 |
| G | Collision Coverage - \$1,000 Deductible | \$193.70 |
| H | Emergency Road Service Coverage | \$4.39 |
| R1 | Car Rental and Travel Expenses Coverage | \$27.07 |
| | Limit - Car Rental Expense | |
| | Each Day, Each Loss | |
| | 80% \$1,000 | |
| U | Uninsured Motor Vehicle Coverage (Difference-In-Limits) | \$99.19 |
| | Bodily Injury Limits | |
| | Each Person, Each Accident | |
| | \$50,000 \$100,000 | |
| | Property Damage Limit (\$250 Deductible) | |
| | Each Accident | |
| | \$50,000 | |

Total premium for JUL 21 2017 to JAN 16 2018.

\$990.46

This is not a bill.

1. What insurance company is providing this coverage, and who is the policy holder(s)?
 - a. Company: State Farm Fire and Casualty Company // Policyholder(s): Toyota Camry
 - b. Company: State Farm Fire and Casualty Company // Policyholder(s): Matt and Sarah Justice
 - c. Company: Matt and Sarah Justice // Policyholder(s) Toyota Camry
 - d. Company: Toyota Camry // Policyholder(s): State Farm Fire and Casualty Company
2. What time period is covered by this insurance policy?
 - a. All of 2007
 - b. From July 21, 2017 until they sell the car
 - c. From July 21, 2017 until roughly 6 months later
 - d. From July 21, 2017 until roughly one year later
3. Which component of the policyholder's coverage is most expensive?
 - a. Their liability coverage
 - b. Their medical payments coverage
 - c. Their collision coverage
 - d. Their uninsured motor vehicle coverage
4. If this policyholder causes a huge, serious accident with both bodily injuries and property damage, what is the highest amount their liability coverage will provide?
 - a. \$544.58
 - b. \$300,000
 - c. \$400,000
 - d. Unlimited amounts, depending on the number of people injured
5. The policyholder hit another vehicle as he swerved to avoid a hubcap lying in the middle of the road. In this two-car accident, the other driver's car sustained \$3,500 in damage. This was the policyholder's first accident. Based on his auto policy, how much of the costs will the insurance policy cover?
 - a. \$0
 - b. \$1000
 - c. \$2,500
 - d. \$3,500
6. Which part of the policyholder's insurance coverage provides payment if the policyholder is injured in an accident they cause or another insured motorist causes?
 - a. Liability coverage
 - b. Medical payments coverage
 - c. Comprehensive coverage
 - d. Uninsured motor vehicle coverage

7. The policyholder's car was damaged after a massive hail storm came through her city. The cost of repairs due to the hail damage was \$350. Based on her auto policy, how much will the insurance company pay to repair the car?
 - a. \$0
 - b. \$150
 - c. \$200
 - d. \$350
8. The policyholder is really tight on cash and wants to trim down their insurance premiums so they can devote more of their budget to paying off a large credit card debt. Which coverage makes the most sense to eliminate?
 - a. Liability coverage, because it is the most expensive part of their bill
 - b. Collision coverage, because their car is quite old and the deductible is relatively high
 - c. Uninsured motor vehicle coverage, because they already have car insurance, so they won't ever be uninsured
 - d. They cannot eliminate any of this coverage -- it is all required by Federal law
9. An uninsured motorist accelerates into the back of this Toyota Camry when it is stopped at a red light. The accident causes \$1,000 of damage to the policyholder's car. How much will the policyholder's insurance pay?
 - a. \$0
 - b. \$99.19
 - c. \$750
 - d. \$1000
10. Assuming nothing changes and the bill matches this declaration page, how much will the policyholder pay for their auto insurance?
 - a. \$544.58 for one month of coverage
 - b. \$544.58 for one year of coverage
 - c. \$990.46 for six months of coverage
 - d. \$990.46 for one year of coverage

Part II: What Did You Learn?

Directions: Use what you learned from analyzing the auto insurance declaration page to answer this question

11. Your grandparent says you should always buy as much auto insurance coverage as you can afford to pay. Would you agree or disagree? Explain why?

