

# Auto Insurance

Login to **Banzai**, click **High School Personal Finance**, scroll down to the library section, and read the article “**Auto Insurance**.” Answer the following questions based on what you read.

1. What is the most common type of insurance that states require?

- a. Collision
- b. Comprehensive
- c. Uninsured Driver
- ☒ d. Personal Injury or Personal Liability

2. Name and define three components of auto insurance:

- a. Money you Property damage: covers you in case you damage another person's property.
- b. Collision: covers damage to your car if you're in an accident with something other than another moving car.
- c. Comprehensive: Covers events that aren't crashes like weather-related damage, falling objects, or vandalism.

3. What kind of insurance protects you if you're hit by someone who doesn't have insurance themselves? Uninsured or underinsured driver

4. In your opinion, why is auto insurance important?

Answers vary. Example answer: Cars are extremely expensive and they cost even more  
to repair or maintain. Auto insurance is important because it reduces some of that cost  
for me, the driver, if I needed a significant repair or had to replace my car completely.  
Accidents happen all the time, and you never know if you'll be involved in one.

5. A deductible is the amount you have to pay before your insurance kicks in.

- ☒ a. True
- b. False

6. Fill in the blank: A lower deductible usually means a higher premium.