

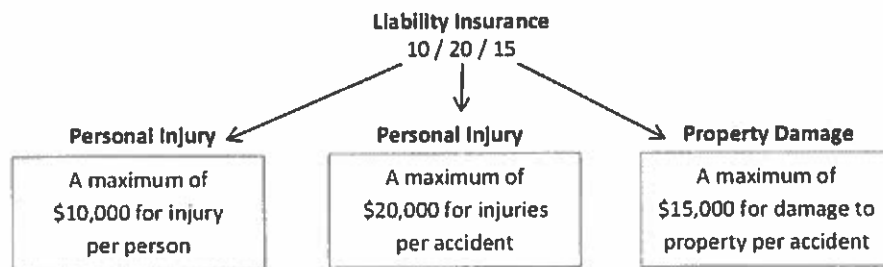
Finish 53 from Last Week

3/27/2015

5.4 Automobile Insurance

VOCAB

- **Liable** – is when a person is bound by law to make good for damages done
- **Liability Insurance** – is a policy that pays for damages done in an accident
- **Premium** – is the amount paid for insurance



- 1. What is the premium for a 75/150/50 policy in a low risk area?
- 2. Roland lives in an average risk area and wants 10/20/10 coverage. Young men have a greater chance to be in accidents, so he is charged a factor of 1.77. Find his premium.

Annual Liability Insurance Premiums								
Area	Personal Injury				Property Damage			
	10/20	20/40	40/80	75/150	5	10	25	50
High risk	\$210	\$470	\$610	\$835	\$72	\$84	\$99	\$148
Average	\$167	\$339	\$470	\$620	\$56	\$69	\$77	\$98
Low risk	\$140	\$229	\$340	\$489	\$48	\$52	\$61	\$73

- 1. What is the premium for a 40/80/10 policy in an average risk area?
- 2. Find the premium for a 10/20/25 policy in a high risk area.
- 3. Lindsay lives in a high risk area and wants 40/80/50 coverage. She will be using her car for business, so she is charged a factor of 1.29. Find his premium.

- 1. What is the premium for a 10/20/50 policy in a low risk area?
- 2. Find the premium for a 75/150/10 policy in an average risk area.
- 3. Woody lives in a low risk area and wants 20/40/25 coverage. He has a poor driving record, so he is charged a factor of 1.48. Find his premium.

Name: _____ Date: _____ Period _____

5.4 Worksheet: Automobile Insurance

Annual Liability Insurance Premiums								
Personal Injury					Property Damage			
Area	10/20	20/40	40/80	75/150	5	10	25	50
High risk	\$210	\$470	\$610	\$835	\$72	\$84	\$99	\$148
Average	\$167	\$339	\$470	\$620	\$56	\$69	\$77	\$98
Low risk	\$140	\$229	\$340	\$489	\$48	\$52	\$61	\$73

1. What is the premium due for a 75/150/50 policy in a high risk area?
2. Find the premium for a 20/40/5 policy in a average risk area.
3. Because Jenna has a good driving record, she earns a "good driver discount." After finding her premium, the insurance agent multiplies her premium by the good driver factor, 0.86, to find her actual cost. Jenna buys 40/80/50 coverage in a low risk area.
4. Ronald is 18 years old, lives in an average risk area, and wants 10/20/10 coverage. Because young males have the highest rate of accidents, he will be charged a 1.77 factor on his policy. Find his premium.
5. Lindsay lives in a high risk area and wants 40/80/25 coverage. Because she also uses her car for business, she is charged a 1.15 factor on her policy. Find her premium.
6. Because Woody has a poor driving record, he must pay a 1.37 factor on his policy for 20/40/10 coverage in a average risk area. What is his premium?
7. Susan has a terrible driving record, drives 30 miles to work every day, and lives in a high risk area. She needs 75/150/50 coverage. Her factor is 2.84. What is Susan's premium?

8. What is the premium due for a 40/80/25 policy in an average risk area?
 9. Find the premium for a 10/20/5 policy in an low risk area.
 10. What is the premium due for a 75/150/10 policy in an average risk area?
 11. Find the premium for a 40/80/25 policy in a high risk area.
 12. What is the premium due for a 75/150/5 policy in an average risk area?
 13. Find the premium for a 20/40/10 policy in an average risk area.
 14. What is the premium due for a 75/150/50 policy in an average risk area?
 15. Find the premium for a 20/40/5 policy in a low risk area.
 16. What is the premium due for a 75/150/25 policy in an average risk area?
 17. Find the premium for a 20/40/25 policy in a low risk area.
 18. What is the premium due for a 40/80/10 policy in a low risk area?
 19. Find the premium for a 20/40/50 policy in an average risk area.
 20. What is the premium due for a 75/150/25 policy in a high risk area?
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