

Name _____

Date _____

COMPARING RATES

Examine the three insurance quotes below and then answer the following questions. Use the internet to look up terms you don't know.

Quote one

Year: 2007
Make: Chevrolet
Model: Cavalier
Type: Standard
Use: Pleasure
Driver: 16
Prem.: \$546.00 per year
Pts: 0

| Coverage: | Limit: | Amount: |
|----------------------|----------------|-----------------|
| P.I.P. | FULL COV | \$257.00 |
| P.I.P. Options | EXCESS MED | Included |
| Bodily Injury | 100/300 | \$148.00 |
| Property Damage | 100 | \$30.00 |
| Uninsured | 100/300 | \$8.00 |
| Underinsured | 100/300 | \$14.00 |
| Statutory Fees | MCCA/MAIPF | \$89.00 |
| Discount | 20% Seat Belt | Included |
| Discount | 5% Air Bag | Included |
| Discount | 10% Honor Roll | Included |
| Vehicle Total | | \$546.00 |

Quote two

Year: 2007
Make: Chevrolet
Model: Cavalier
Type: Standard
Use: Pleasure
Driver: 16
Prem.: \$1,573.00 per year
Pts: 0

| Coverage: | Limit: | Amount: |
|----------------------|----------------|-------------------|
| P.I.P. | FULL COV | \$257.00 |
| P.I.P. Options | EXCESS MED | Included |
| Bodily Injury | 100/300 | \$148.00 |
| Property Damage | 100 | \$30.00 |
| Uninsured | 100/300 | \$8.00 |
| Underinsured | 100/300 | \$14.00 |
| Other Than Coll. | \$100 Deduct. | \$265.00 |
| Broad Collision | \$500 Deduct. | \$762.00 |
| Statutory Fees | MCCA/MAIPF | \$89.00 |
| Discount | 20% Seat Belt | Included |
| Discount | 5% Air Bag | Included |
| Discount | 10% Honor Roll | Included |
| Vehicle Total | | \$1,573.00 |

Quote three

Year: 2007
Make: BMW
Model: z4 3.0i
Type: Sports Premium
Use: Pleasure
Driver: 16
Prem.: \$2,286.00 per year
Pts: 0

| Coverage: | Limit: | Amount: |
|----------------------|----------------|-------------------|
| P.I.P. | FULL COV | \$257.00 |
| P.I.P. Options | EXCESS MED | Included |
| Bodily Injury | 100/300 | \$148.00 |
| Property Damage | 100 | \$30.00 |
| Uninsured | 100/300 | \$8.00 |
| Underinsured | 100/300 | \$14.00 |
| Other Than Coll. | \$100 Deduct. | \$454.00 |
| Broad Collision | \$250 Deduct. | \$1,286.00 |
| Statutory Fees | MCCA/MAIPF | \$89.00 |
| Discount | 20% Seat Belt | Included |
| Discount | 5% Air Bag | Included |
| Discount | 15% Anti-theft | Included |
| Discount | 15% Honor Roll | Included |
| Vehicle Total | | \$2,286.00 |

1. How old is the driver?
2. Does this person have a good driving record? How can you tell?
3. What does P.I.P. stand for and what does it cover?
4. Explain the difference between uninsured and underinsured?

5. What discounts is this driver getting?

6. Why is there a price difference between quote #1 and quote #2?

7. How could this driver save money on quote #2?

8. What is the dollar amount difference in premiums between quote #2 and quote #3?

9. Why is there a significant difference between quote #2 and quote #3?

10. What broad conclusions can you make from examining the three quotes?