

WHAT'S INSIDE

- Find out how to help your family prepare for unexpected events.
- Giving to a charity? Follow the tips on page 4.
- Check out how much money the Red Cross has given to aid natural-disaster relief efforts over the years.
- Are you old enough to get a job? Money expert Jean Chatzky has the answer.



a note from Jean

Dear Teachers,

Explaining the rationale behind insurance is not easy, whether you're talking to children or adults. After all, why would you pay a lot of money for something you hope never to use? The answer is that if you don't buy insurance, you could wind up in a much more precarious position—financially. That, combined with the fact that natural disasters are occurring much more frequently these days, is why we decided to tackle the topic. If your students have questions or observations, please take a moment to jot them down and send me a note. They'll help us when we return to the topic in the future.

All the best,
Jean

COURTESY JEAN CHATZKY



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From the Editor: Thanks to the PwC Charitable Foundation, *TIME For Kids* is pleased to offer teachers, students, and their families a monthly financial-literacy magazine. —*Nellie Gonzalez Cutler, Editor, TIME For Kids*

Teaching the cover story

THE COST OF NATURAL DISASTERS

SUMMARY

The cover story highlights ways to prepare for natural disasters and other unexpected events.

TEACHING TIPS

Before Reading

Make Real-World Connections

- Some risks can be anticipated. Ask: What are the risks of riding a bike or a skateboard? Make a list. What can you do to avoid these risks?
- Tell students that when it comes to homes, cars, and other belongings, people can protect themselves from unexpected harm or loss: They can buy insurance. Ask: What unexpected events might damage your property? How does insurance provide protection?

Build Comprehension

Preview the Cover

- Ask: Have students look at the cover photo. Ask: How might a tornado affect people and their belongings? What can people do to prepare for natural disasters and other unexpected events?

Recall Key Details

- Read the cover story together, stopping to discuss important

facts and details along the way. Ask: Why do people buy insurance? What does the typical homeowner's policy protect against? What events might a typical homeowner's policy not protect against? What is a home inventory? Why should you create one?

Extend Learning

Design an Ad

- The cover story suggests ways to prepare for unexpected events. Have students work in groups to create an ad that convinces people of the importance of protecting their property. Allow students to choose from among these three topics for their ads: buying home insurance, creating a home inventory, or checking smoke alarms. Before students get started on the ads, hold a class discussion. Ask: What can you include in the ad to convince people of the importance of taking precautions? What kinds of images might persuade someone to buy home insurance, do a home inventory, or check smoke alarms? What facts and details from the cover story could you include? What makes those details persuasive?

FINANCIAL-LITERACY STANDARDS ADDRESSED

Grades K–12 III. Saving
VI. Protecting and Insuring

COMMON CORE STATE STANDARDS ADDRESSED

Grade 4 RI.4.1, RI.4.3, RI.4.5, SL.4.1, W.4.1

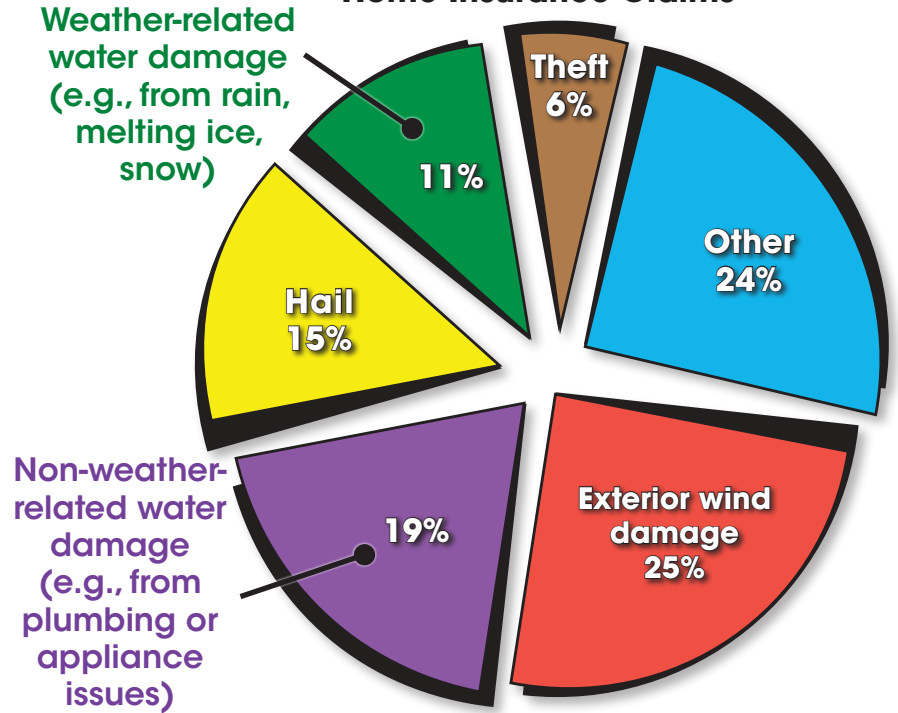
Your name _____

Date _____

THE CLAIM GAME

Damages to a home can be costly. That's why homeowners buy insurance. If their home is damaged, homeowners can file a claim to pay for repairs. What are the most common reasons homeowners file insurance claims? Read the graph to find out. Then answer the questions.

Most Common Causes of Home Insurance Claims



SOURCE: THE TRAVELERS COMPANIES, INC., BASED ON U.S. HOMEOWNERS' INSURANCE CLAIMS FROM 2009 TO 2015

1. What is the cause of 15% of home insurance claims

2. What percentage of claims are for wind damage?

3. Which happens more often, weather-related water damage or non-weather-related water damage? _____
4. What is one example of a source of weather-related water damage? _____

 How might that type of weather damage a home? _____

5. Why do you think insurance companies collect this information? How might they use it?

6. How might this information help homeowners? _____

BONUS: Share the graph with an adult family member. Ask: How would the information in the graph affect your decisions about how to protect your home?

