



BIZ KID\$

Episode 207: The World is a Risky Place

Episode 207 Synopsis:

Taking risks in life is important, but you want to be smart about those risks. What things can you do to protect your business, your assets and yourself?

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Biz Kid\$ Curriculum Package #207



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Biz Terms

1. accident
2. advice
3. assets
4. business plan
5. calculated risk
6. client
7. collision
8. contract
9. coverage
10. downside
11. drawback
12. emergency fund
13. employee agreements
14. identity theft
15. indemnity
16. independent contractor
17. insurance
18. legal fees
19. legal protection
20. liability
21. LLC (Limited Liability Corporation)
22. manage risk
23. non-compete clause precautions
24. premium
25. protection
26. releases
27. responsibility
28. risk
29. risk management
30. safety
31. uninsured
32. upside
33. vigilance
34. waiver



Suggestions for using Biz Terms include:

- Have students research and write dictionary definitions.
- Discuss the use of these terms in the episode of "Biz Kid\$".
- Have students construct sentences using these terms.
- Have students write paragraphs, stories, dialogs, "raps", or lyrics.



Episode 207

The World is a Risky Place

Equipment/Materials/Prep needed:

Day One and Day Two:

- TV or projection system
- DVD player
- DVD of Episode 207

Day Two only:

- Student copies of the "Family Activity Sheet".
- Student copies of the "Biz Terms" Sheet.
- Paper, pens, pencils, color markers, and highlighters for students making ads and posters.
- Computers for students to explore web sites listed.
- Guest speaker to be greeted and directed to the correct location for the session.

Preparation:

- Check to be sure needed equipment is available and operational prior to the sessions.
- Gather listed materials.
- Make an appropriate number of copies of the "Biz Terms" Sheet and the "Family Activity Sheet".
- Invite guest speaker from the local community regarding fraud and how to prevent being scammed.



Episode 207: The World is a Risky Place

Day One

Previewing Questions:

Day One Introduction

Welcome students/youth to "Biz Kid\$" and introduce yourself, giving your name and job title.

Explain that "Biz Kid\$" is a program to help people become financially educated, learn work-readiness skills, and to even become entrepreneurs...Biz Kids!!!

They can view the program "Biz Kid\$" with their families on Public Television stations all over the country, and also participate by using the "Biz Kids" web site. Today, they get to see an episode with you.

Today's pre-viewing questions:

1. What are some risks you face every day?
2. Think about what you do in the course of a day that may be risky.
3. Let's list some of your ideas.

(Call on all students who volunteer answers. Record student responses on a blank OHP Transparency.)

Suggestions might include such things as riding in a car, riding a bike, cooking, turning on hot water, skateboarding, sports, climbing to reach something, using electronics, not doing your homework on time, breaking a rule, and so forth.



- **Are there ways to moderate the risks involved in those activities?**

(Again, list student responses on an OHP Transparency.)

Suggestions may include using safety devices such as seat belts, helmets, and safety equipment; taking precautions by following safe procedures; planning your time to ensure that you meet your obligations; and respecting rules, such as safe ways to use the Internet.

Today's episode of "Biz Kid\$" will raise your awareness of ways to protect yourself, your business, and your assets in this risky world.

Show Episode 207: "The World is a Risky Place."

Activity to follow viewing the program together:

Let's focus on some "**Risk Reducers**" that business owners can use to protect their assets from risks they face.

What are some "**tools**" business owners use for protection that you saw in the program?

(List student responses on a blank OHP Transparency for further discussion.)

"Risk Reducers" may include:

- Insurance Coverage (Health, Life, Fire, Auto, Accident, Disaster, Legal, LLC, Property, General Liability...)
- A financial emergency fund or savings
- Proper equipment and maintenance
- Training in safe use of equipment for employees



- Alarm systems
- A Business Plan

Thank students for their attention and participation in today's session.
Encourage them to list questions they may have for further discussion.



Episode 207: The World is a Risky Place

Day Two Day Two Introduction

Play part of the theme music for “Biz Kid\$” from the episode intro to motivate and engage the students. Then stop the music, welcome the students/youth to today’s session, and introduce yourself. If needed, ask students to please use their nametags.

Review and Connect with the Previous Session

There was an abundance of information about safeguards that business owners employ to protect their assets and employees in the episode titled **“The World is a Risky Place.”**

Biz Kid **Mark Atkinson**, owner of **“Mark Atkinson Racing”**, does what he can to minimize the many risks associated with car racing. He uses flame-proof clothing and shoes; a helmet; a roll cage; and special tires. Mark takes as many safety precautions as possible. He formed an **LLC**, a Limited Liability Corporation, for legal protection. Though what he does is risky, he has learned how to **“manage” the risks.**

Cody, the young entrepreneur who owns the skate shop caboose in Pittsburg known as **“Small Town Skate Shop”**, protects his assets using alarm systems and various forms of insurance.

His insurance agent Steve recommends getting three quotes **in writing** from different insurance agents or brokers prior to making a choice. He emphasized that **if it’s not in writing, it’s not covered!**



Cody has to insure his stock, as well as protect against theft, fire, and other disasters. In addition, he has obligations to his employees through contracts and employee agreements. If someone gets hurt, or a product malfunctions, he's covered.

Eric and Jim, owners of "**Serve It Up Tennis**", have a business that teaches tennis lessons. They mentioned the importance of having a **business plan** that includes having **liability protection**. They listen to the advice of a **good lawyer**.

The coaches they hire from high schools and colleges sign non-complete clauses so they don't take the clients away from the business. Clients are required to sign an agreement that includes a **waiver** protecting the business owners if someone gets hurt. **Eric and Jim use legal barriers** to protect themselves and their business.

Kristina is one of the actors on "Biz Kid\$". She talked about the risks involved in driving a car, especially driving without auto insurance.

She was involved in a collision in her first car; luckily, she was covered by insurance for medical and other expenses.

You need to be aware of the need for auto insurance that covers collision, theft, uninsured drivers, and medical expenses. Without this protection, you are responsible for paying for all those costs "out of pocket." It is also important to learn about the benefits of maintaining good grades as a beginning driver in order to reduce the amount of premium you are charged. How are you going to pay for, or contribute to, the cost of your insurance coverage?

The social entrepreneurs featured in this episode of "Biz Kid\$" are **Brian and Jason**. They created the non-profit organization "**Beams and Dreams**" as a way to give back to their community. Their organization unites people who have cancer with people in the boating community. They take cancer patients and their families sailing. Boating is a dangerous



activity. Brian and Jason deal with many risks, the biggest one being a “man overboard” situation. They deal with that risk by having people sign a legal document called a **release of liability**. The participants assume some of the risk themselves, and it lowers the risk for the business. Their first layer of defense is **vigilance**, followed by the waiver or release that protects them from **indemnity**.

You’ve heard the adage, **“Nothing ventured, nothing gained.”**

You can’t avoid risk, but by using your brain, common sense, and by being prepared, you can reduce or **“manage” those risks**.

As the character “Dr. Bill” said, **“Fortune favors the prepared.”**

ACTIVITY

Many types of insurance were mentioned during this episode. However, our focus for this Activity will be on Auto Insurance.

Distribute a copy of the worksheet titled **“Automobile Insurance Vocabulary”** (*from the Insurance Education Institute curriculum on Automobile Insurance*) to all students. Display an OHP Transparency of the same worksheet.

Explain to students that they will need to know the terms and definitions on the worksheet, since they will probably drive a car.



The privilege and “risk” of driving comes with a lot of responsibility, some of which is financial.

Explain that the worksheet has vocabulary terms on the left, and definitions on the right. They are to match the terms with their definitions by writing the alphabet letter proceeding the term on the line in front of the definition, using **pencils**.

- Students may work alone, in pairs, or in small groups for five to ten minutes to complete the worksheet.
- When time is up, display the OHP Transparency of the “Automobile Insurance Vocabulary Key”, and let students correct their own papers.
- This is the ideal time for students to generate additional questions they would like to have answered.

If possible, have a local Independent Insurance Agent there, as a guest speaker, to answer students’ questions. If need be, shorten the other parts of the plan in order to spend more time with the guest expert.

Please refer students to an online resource: www.theiei.org.

The worksheet they just completed is available on this web site.

The Griffith Insurance Education Foundation provides risk management and insurance education programs and resources to students and educators. They also have information about careers in insurance.

Tell students that more online resources are listed on the “**Family Activity Sheet**” for this episode. They are encouraged to share this information with their families.

Thank students for their attention and participation in today’s session.



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Family Activity Sheet

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Taking risks in life is important, but you want to be smart about those risks. What things can you do to protect your business, your assets and yourself?

Family Activities:

Discuss the types of **insurance** available to protect your family and assets, the cost of the coverage, and the risks associated with not having insurance.

Make a plan with your student driver to contribute financially to the cost of their auto insurance coverage. **Maintaining good grades** in school can reduce the amount of the premium, which is a contribution!

Learn what your state requires in the way of **automobile insurance coverage** for beginning drivers.

Reinforce the **safety rules** for various activities in which members of your family participate. Explain how preventing problems can minimize risks and save money!

Health care coverage is a major issue and topic of discussion in our country. Read news articles together and discuss as a family your views on this issue.



Visit web sites together to learn more about risk management and insurance issues:

www.theiei.org The Insurance Education Institute

www.edutopia.org/financial-literacy-resources The George Lucas Educational Foundation

www.econedlink.org. The National Council on Economic Education (NCEE)

www.jumpstartcoalition.org The Jump\$tart Coalition for Personal Financial Literacy.