

## Insurance

### S1-S3, National 4

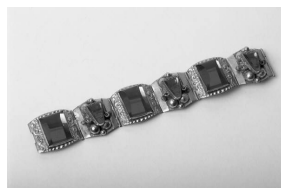
1. Amanda has inherited a painting from her grandparents. The painting is valued at £18 600. Calculate the annual cost of insuring the painting at a rate of £5.25 per £1000.
2. An antique vase is valued at £9 500. Calculate the cost of insuring the vase at a rate of £1.35 per £500.
3. David buys a new bicycle costing £350. He insures the bicycle at a rate of £6.20 per £50. Calculate his annual premium.
4. Mrs. Alishahi insures the contents of her house with Legal Direct Insurance. The rate she is charged is £5.40 per £1000.
  - (a) Calculate her annual premium if the contents are valued at £26 000.
  - (b) Mrs. Alishahi is allowed to pay her premium monthly at no extra charge. Calculate her monthly payment.
5. A house is valued at £260 000. Calculate the annual cost of insuring this house at a rate of £2.10 per £1000.
6. Commercial United Insurance company charge 90p per £50 for insuring items of jewellery. Use this rate to find the cost of insuring each item below.



(a)



(b)



(c)



Cameo necklace

Platinum bracelet

Gold watch and chain

Value £350

Value £2600

Value £420

7. Michael buys a new computer system costing £960. Calculate the annual cost of insuring the system at a rate of £6.50 per £100.



8. Calculate the annual cost of insuring a set of golf clubs worth £375 at a rate of £6.40 per £50.



9. Debbie buys a new car costing £14 500. Her insurance company calculates her premium at a rate of £32.50 per £1000.

- (a) Calculate Debbie's annual premium.  
(b) Debbie can pay her premium monthly but is charged an extra 10% for doing so. Debbie agrees to pay her premium monthly. Calculate her monthly premium, to the nearest penny.



10. Donald has a caravan valued at £9 800. He insures the caravan at a rate of £18 per £1000.

- (a) Calculate the annual cost of insuring the caravan.  
(b) This premium can be paid over 10 monthly payments at no extra cost. Calculate the size of each monthly payment.

11. Sukwinder has inherited an antique bronze statue valued at £3 500. The cost of insuring the statue is £6.20 per £500.

- (a) Calculate the annual cost of insuring the statue.  
(b) This cost can be split in 4 quarterly payments but Sukwinder is charged an extra 5% for this. Calculate the size of each quarterly payment, to the nearest penny.



12. Neil moves into a new house and wants to insure both the building and the contents of the house. His insurance company charges

£3.20 per £500 for contents and £2.20 per £1000 for buildings

Find the total annual premium Neil will have to pay for insuring his contents valued at £28 000 and his house valued at £120 500.

13. Nadia has purchased a new home cinema system costing £2 200.

She has contacted two insurance companies for quotes on the cost of insuring the system and for paying the premium monthly. The quotes are given below.

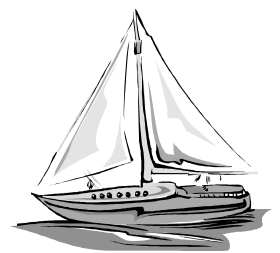
<p><u>Domestic Insurance Ltd.</u></p> <p>Annual charge £7.20 per £100</p> <p><b>Extra charge for monthly payment: 10 % of premium</b></p>
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<p><u>Axia Insurance</u></p> <p>Annual charge £4.20 per £500</p> <p><b>Extra charge for monthly payment: £25</b></p>
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Nadia chooses the cheaper company. Which company will she choose and how much will she save?

14. Stephen owns a yacht valued at £52 500. The annual cost of insuring the yacht is £1197.

Calculate the rate per £1000 which the insurance company charges for insuring the yacht.



15. Sasha owns a Porsche car. It is valued at £32 500 and costs £2 340 to insure annually. Calculate the rate per £100 the insurance company charge to insure the Porsche.

16. Asif owns an antique clock valued at £4600. He contacts an Insurance company to get a quote for insuring his clock. He is quoted an annual premium of £147.20. Calculate the rate per £50 the insurance company has quoted Asif.

17. Laura wants to insure her dog so that all vets bills will be paid if the dog becomes ill or suffers an accident. To obtain cover worth £15 000 Laura is quoted an annual premium of £102. Calculate the rate per £500 Laura has been quoted.



18. The table below shows the insurance premiums for holidays abroad.

Length of holiday	Adult	Child*(2 to 16 years)
Up to 7 nights	£25	£15
8 to 14 nights	£35	£18
15 to 21 nights	£40	£20
Each additional week (or part of)	£10	£5

**\*Children under 2 years of age insured for free**

- (a) Mr. and Mrs. MacDonald and their two children aged 7 years and 18 months are going to France for 7 nights. Find their total insurance premium.
- (b) Mr. Jones and his three children aged 11, 9 and 8 are going abroad for 14 nights. Calculate their total insurance premium.
- (c) Mr. and Mrs. Cameron and their 4 year old son are going to Spain for 25 days. Calculate their total premium.

19. The table shows the holiday insurance premiums for safaris and cruises to Africa.

- (a) Find the cost of insuring Sheila, aged 32, and George, aged 36, on a 21 day safari to Kenya.
- (b) Mr. and Mrs. Smith, both aged 44, are going on a cruise with their children Sarah, aged 14 and Simon aged 11, and Mr. Smith's mother aged 70. Their cruise will last 16 days. Calculate their total insurance premium.

Duration	Safari	Cruise
Up to 9 days	£30	£24
10 to 17 days	£38	£30
18 to 23 days	£45	£34
24 to 31 days	£50	£40

**\*children aged 2 to 16, 25% discount**  
**\*adults aged over 65 add 30%**

- (c) Mr. Chan, aged 66, is taking his grandson Raymond, aged 15, on a 4 week safari. Calculate their total insurance premium.