

THINK CRITICALLY

Handwrite your responses in the space below; 2 sentences each.

1. Why are employers willing to contribute 30 percent or more of the cost of employee salaries and wages to pay for benefits?
2. How does an umbrella liability policy benefit a business?
3. _____ provides medical care, rehabilitation, and lost wages for injured workers as well as death benefits for the dependents of persons killed in work-related accidents.
 - a. unemployment insurance
 - b. Social Security
 - c. workers' compensation
 - d. Medicare
4. Which of the following is not one of the penalties that can be applied in the case of liability? _____
 - a. a fine
 - b. a jail sentence
 - c. payments to those who suffer damage
 - d. All of the above are penalties for liability
5. A separate policy providing a higher limit of coverage over and above any other basic liability policies an insured may have is a(n) _____.
 - a. umbrella policy
 - b. all causes policy
 - c. malpractice policy
 - d. general conditions policy
6. True or False? _____ Businesses can choose not to offer Social Security benefits to their employees.
7. True or False? _____ Businesses are unable to reduce the liability risks they face so they should carry liability insurance for every risk they face.
8. _____ life insurance covers the insured for a specific period of years and does not accumulate any value beyond the death benefit.
 - a. term
 - b. AD&D
 - c. ordinary
 - d. universal