

CYCLES

CHILD AND YOUTH CARETAKERS FINANCIAL LITERACY AND ENTREPRENEURSHIP SKILLS



IO4 – Guidelines

Module 2: Contracts, law and benefits in finances (E-Learning)

Done by Gerhard Lechner, Sabrina Rinder

27 January 2019

"The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein."



Table of Contents

1. MODULE 2: Contracts, law and benefits in finances.....	3
2. LEARNING OBJECTIVES.....	3
3. TOPIC: CONTRACT.....	3
MATERIAL USED.....	3
4. TOPIC: THIRD PARTY VEHICLE INSURANCE CONTRACT	4
MATERIAL USED.....	4
5. TOPIC: LIFE INSURANCE CONTRACT	4
MATERIAL USED.....	4
6. TOPIC: HOUSEHOLD INSURANCE CONTRACT	5
MATERIAL USED.....	5
7. TOPIC: MOBILE PHONE CONTRACT	5
MATERIAL USED.....	5
8. TOPIC: RENTAL LEASE AGREEMENT.....	5
MATERIAL USED.....	5
9. TOPIC: UNEMPLOYMENT BENEFIT	6
MATERIAL USED.....	6
10. TOPIC: CHALLENGES AGAINST SANCTIONS OF UNEMPLOYMENT BENEFITS.....	6
MATERIAL USED.....	6
11. TOPIC: HOUSING BENEFIT	7
MATERIAL USED.....	7
12. MULTIPLE CHOICE QUESTIONS.....	7

"The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein."

Trainer Guidelines

1. MODULE 2: Contracts, law and benefits in finances

The course “Contracts, law and benefits in finances” starts with the first topic “contract” where basics of contracts are considered. Furthermore, this topic contains a short description of contracts like “life insurance”, “Third party vehicle insurance”, “mobile phone contracts”, “household insurance” and “rental agreement”. Then, the most important aspects of an employment contract will be taught in order to give CYCPs an overview. The course continues with “unemployment benefits” and “challenges against sanctions of unemployment benefits”. CYCPs should know the basics of unemployment benefits. Finally, the module ends with “Housing benefit” which is especially relevant for our secondary target group YCL. CYCPs should also know the basics about it.

2. LEARNING OBJECTIVES

- knowing what is a contract, an offer and an acceptance of an offer
- knowing sensitive contract details of a rental agreement
- knowing specific details of mobile phone contracts
- knowing the basics of life insurance and for why it makes sense to save via life insurance
- knowing details of employment contracts
- knowing when someone is entitled to claim unemployment and housing benefits.

3. TOPIC: CONTRACT

MATERIAL USED

Web Sites

<https://legal-dictionary.thefreedictionary.com/contract>. This website delivers a good definition of a contract.

<http://www.businessdictionary.com/definition/contract.html>. This website also delivers a definition of a contract.

Videos

<https://www.youtube.com/watch?v=slfN6eJlI8k>. This video contains the basic requirements of a contract. For example, the question “What are the requirements of a contract?” are answered.

<https://www.youtube.com/watch?v=HrZDpDvxqJo>. This video contains the basics of the question “What is a contract?”.

<https://www.youtube.com/watch?v=6MRj-88m4bM>. This video explains an offer and acceptance of an offer.

“The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.”



https://www.youtube.com/watch?v=hmdW_95r2jl. This video gives an answer to the question “what is a consideration?”.

4. TOPIC: THIRD PARTY VEHICLE INSURANCE CONTRACT

MATERIAL USED

Web Sites

<https://www.howtogermaany.com/pages/vehicle-insurance.html>. This website shows the basics of vehicle insurance in Germany.

<https://dj-finanz.de/en/insurance-comparison-portal/>. On this website you can find an insurance comparison portal for Germany where you can compare the premiums of different insurance companies. Comparisons are possible for car insurance.

<https://durchblicker.at/>. It is a good comparison portal for insurance. A comparison of car insurance is possible.

Videos

<https://www.youtube.com/watch?v=u3s3VWTVglA>. This video explains the basics and the definition of a third party insurance contract.

<https://www.youtube.com/watch?v=6c66XPxAK9c>. This video is in German language and explains the most important aspects of a third party insurance contract.

Books

Burton, M., Nesiba, R., Brown, B. 2010. An introduction to financial markets and institutions. Second edition. Chapter 18. New York: M.E. Sharpe, Inc.

Marshall Wilson Reavis III. 2012. Insurance: Concepts & Coverage. Property, Liability, Life, Health and Risk Management. Victoria: Friesen Press.

5. TOPIC: LIFE INSURANCE CONTRACT

MATERIAL USED

Videos

<https://www.youtube.com/watch?v=YPpdpiZ5yEw&t=5s>. This video explains the types of coverage in life insurance contracts. It is a basic video for understanding life insurance contracts.

<https://www.youtube.com/watch?v=Kwf1TVtHWKk>. This video brings a short explanation of an endowment life insurance contract.

Books

"The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein."



Burton, M., Nesiba, R., Brown, B. 2010. An introduction to financial markets and institutions. Second edition. Chapter 18. New York: M.E. Sharpe, Inc.

Marshall Wilson Reavis III. 2012. Insurance: Concepts & Coverage. Property, Liability, Life, Health and Risk Management. Victoria: Friesen Press.

6. TOPIC: HOUSEHOLD INSURANCE CONTRACT

MATERIAL USED

Web Sites

<https://dj-finanz.de/en/insurance-comparison-portal/>. On this website you can find an insurance comparison portal for Germany where you can compare the premiums of different insurance companies. You can also compare household insurance.

<https://durchblicker.at/>. It is a good comparison portal for insurance, other finance products, electricity and gas. This link is relevant for household insurance Austria.

Video

<https://www.youtube.com/watch?v=bic4qOulJol>. This video explains the basics of household insurance.

7. TOPIC: MOBILE PHONE CONTRACT

MATERIAL USED

Web Sites

<https://www.uswitch.com/mobiles/guides/guide-to-mobile-phone-tariffs/>. This webpage gives a good overview about mobile phone contracts. You find an answer to the questions "what is the right tariff?".

<https://www.billiger-telefonieren.de/handy-tarifvergleich/>. This is a comparison portal for handy tariffs in Germany.

<https://www.tarife.at/telefon-internet/handytarife>. This is a comparison portal for handy tariffs in Austria.

<https://ec.europa.eu/digital-single-market/en/faq/question-and-answers-roaming> You can find information about EU roaming at this webpage.

8. TOPIC: RENTAL AGREEMENT

MATERIAL USED

Web Sites

"The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein."



<https://forms.legal/free-rental-lease-agreement/>. This website gives a detailed overview about the content of rental agreements.

Video

https://www.youtube.com/watch?v=jS_LxhG_dkY. This video gives an answer to the question “what is included in a tenant lease agreement.”

9. TOPIC: UNEMPLOYMENT BENEFIT

MATERIAL USED

Web Sites

<https://www.arbeitslosengeld.at/> This link delivers a very excellent overview of unemployment benefits in Austria.

<https://www.arbeitsagentur.de/arbeitslos-arbeit-finden/anspruch-hoehe-dauer-arbeitslosengeld> this link delivers an overview about unemployment benefits in Germany.

https://www.cleiss.fr/docs/regimes/regime_france/an_5.html this link shows in detail all relevant information about unemployment benefits in France.

<https://www.a-kasser.dk/unemployment-insurance-in-europe/poland/> this link gives a good overview of unemployment benefits in Poland.

<http://www.nssi.bg/en/faqs/faqs-2> This web site delivers details of unemployment benefits in Bulgaria.

10. TOPIC: CHALLENGES AGAINST SANCTIONS OF UNEMPLOYMENT BENEFITS

MATERIAL USED

Web Sites

<https://www.a-kasser.dk/unemployment-insurance-in-europe/austria/>. The sanctions against unemployment benefits in Austria are shown at this link.

<https://www.a-kasser.dk/unemployment-insurance-in-europe/germany/>. The sanctions against unemployment benefits in Germany are shown at this link.

<https://www.ams.at/arbeitsuchende/faq#fragenzuranwartschaft>. At this website is described how the unemployed persons can complaint against sanctions of unemployment benefits in Austria.

<http://www.nssi.bg/en/faqs/faqs-2>. For Bulgaria this link is relevant. However, in Bulgaria are not many sanctions against unemployment benefit.

<https://www.infor.pl/prawo/zasilki/zasilek-dla-bezrobotnych/285281,Kiedy-bezrobotny-traci-prawo-do-zasilku-dla-bezrobotnych.html>. The sanctions against unemployment benefit in Poland are depicted at this link.

"The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein."



https://kadry.infor.pl/kadry/inne_formy_zatrudnienia/mlodociani_niepelnosprawni_bezrobotni/2696889_Zasilek_dla_bezrobotnych_brutto netto_nowa_wysokosc_od_1_czerwca_2018_r.html. This link also gives a good overview of possible reasons for sanctions against unemployment benefit.

11. TOPIC: HOUSING BENEFIT

MATERIAL USED

Web Sites

<https://moveria.at/wohnbeihilfe-in-den-oesterreichischen-bundeslaendern/>. This website gives an overview about the housing benefit in Austria.

<https://www.wien.gv.at/wohnen/wohnbauforderung/wohnbeihilfe/>. This website shows the application and the criteria for the housing benefit in Vienna.

<https://www.land-oberoesterreich.gv.at/wohnbeihilfe.htm>. (federal office upper Austria)

https://www.vorarlberg.at/vorarlberg/bauen_wohnen/wohnen/wohnbauforderung/weitereinformationen/wohnbeihilfe/wohnbeihilfe-uebersicht.htm. (federal office Vorarlberg)

<https://www.tirol.gv.at/bauen-wohnen/wohnbauforderung/beihilfen/> (federal office Tyrol)

https://www.salzburg.gv.at/bauenwohnen_/Seiten/wohnbeihilfe.aspx. (federal office Salzburg)

<http://www.soziales.steiermark.at/cms/beitrag/10363956/5361>. (federal office Styria)

<https://www.burgenland.at/themen/wohnen/wohnbeihilfe/>. (federal office Burgenland)

http://www.noe.gv.at/noe/Wohnen-Leben/Foerd_Wohnzuschuss_Wohnbeihilfe.html. (federal office lower Austria)

<https://www.ktn.gv.at/Service/Formulare-und-Leistungen/BW-L58>. (federal office Carinthia)

<https://www.bmi.bund.de/SharedDocs/faqs/DE/themen/bauen-wohnen/wohngeld/wohngeld.html#f10660692>. This website delivers all relevant information about housing benefit in Germany. For example: the application, who can get the benefit.

<https://www.lex.bg/laws/ldoc/-13038592>. Here is the link to the regulation on the implementation of law on social assistance.

12. MULTIPLE CHOICE QUESTIONS

More than one answer could be correct.

- 1) Which of the following examples are contracts?
- David tells his children that he will pick up them from school.
 - You pay a book at Amazon online.
 - You tell your bank that you are not able to pay back your loan as agreed.
 - You get a birthday gift of EUR 100 from your mother.
 - You pay a newspaper in a supermarket.

Correct Answers: You pay a book at Amazon online, You pay a newspaper in a supermarket

"The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein."



2) What is necessary for an acceptance of an offer?

- The acceptance can occur at any time
- Acceptance has to be done by letter
- Be communicated to the offeror as agreed
- The acceptance must not vary the terms of the contract proposed in the offer

Correct answer: Acceptance has to be done by letter (could be necessary), Be communicated to the offeror as agreed, The acceptance must not vary the terms of the contract proposed in the offer

3) What is the purpose of a third party vehicle insurance

- To protect yourself against a damage of your car.
- To protect yourself for the case that you are legally liable for causing injury to other parties and/or damage to cars of other parties.
- To protect yourself against any accident with the car.
- To protect yourself against an injury.

Correct Answers: To protect yourself for the case that you are legally liable for causing injury to other parties and/or damage to cars of other parties.

4) What is necessary that the insurance company pays out money in the case of an accident?

- You paid your premiums to the insurance company
- The other party of the accident has a third party vehicle insurance
- Your neighbour which was driving the car has a third party vehicle insurance
- All people who were involved in the accident have a third party vehicle insurance

Correct Answers: You paid your premiums to the insurance company

5) What are advantages of endowment life insurance?

- In the long run the yield is higher than holding the money on a savings account.
- The policyholder has no risk at all.
- You get back the money without a loss at any time of the contract.

Correct answer: In the long run the yield is higher than holding the money on a savings account

6) What are disadvantages of permanent life insurance?

- The premium of permanent life insurance is higher than endowment life insurance
- Permanent life insurance is not a good saving product in the long run
- It is not easy to end the contract without a loss within the first ten years
- The risk of permanent life insurance is higher than unit linked life insurance
- Correct answer: The premium of permanent life insurance is higher than endowment life insurance, It is not easy to end the contract without a loss within the first ten years

7) What is covered through a household insurance?

- Your appartement is burning down. Contents of your home like furniture, appliance, clothing or toys are paid by the insurance company.
- Someone gets injured in your household without third party negligence
- You go skiing and another person gets injured due to your fault
- A thief burgles into your appartement and steals your laptop and your television



Co-funded by the
Erasmus+ Programme
of the European Union

Correct Answers: Your appartement is burning down. Contents of your home like furniture, appliance, clothing or toys are paid by the insurance company, You go skiing and another person gets injured due to your fault, A thief burgles into your appartement and steals your laptop and your television.

- 8) Are the following contents part of a rental lease agreement?
- The property is furnished and can be used by the tenant.
 - The colour of the wall in the appartement
 - The date when the appartement was built.
 - Deposits paid (security/damage deposit, pet deposit, etc.)
 - Cancellation period

Correct Answers: The property is furnished and can be used by the tenant, Deposits paid (security/damage deposit, pet deposit, etc.), Cancellation period

- 9) What is necessary to get an unemployment benefit?
- Each person must be unemployed and registered at the unemployment office
 - Everyone who is unemployed gets a benefit from the unemployment office
 - It is necessary that the unemployed person is older than 18 years

Correct Answers: Each person must be unemployed and registered at the unemployment office

- 10) What is included in a rental lease agreement?

- Amount of rent and when it is due
- The payment method of the rent
- An instruction what you need to do when you get unemployed
- An instruction what to do when someone burgled into the house or appartement.

Correct Answers: Amount of rent and when it is due, The payment method of the rent (could be in the contract).

"The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein."