

## EPISODE 02 · KIDS ADVENTURE WORKBOOK

# Risk vs Reward: Why Smart People Buy Both Insurance AND Stocks

*Two opposite tools. One smart adult. Here's why.*



Most kids hear 'risk' and think 'bad.' Most adults hear 'risk' and freeze. Smart people learn the truth in 2 minutes: there is risk you should chase (stocks) and risk you should pay someone else to absorb (insurance). Confuse the two and life punishes you. Get them right and life rewards you.

**Squire (6-9):** sticker the jars. Match the words. Try one quiz square.

**Knight (10-13):** finish the workbook. Take the 7-question quiz. Earn the Champion seal.

**Champion (14-16):** finish everything plus the family chat plus the extension question.

**Tagline:** *The Money Lessons Schools Skip. Taught as an Adventure, Not a Lecture.*

## THE HOOK

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**Quick — can you tell me ONE risk you should chase, and ONE risk you should pay to avoid?**

Write your answer in the box. There is no wrong answer here. We just want your first guess.


**Why this question matters:** Most kids hear 'risk' and think 'bad.' Most adults hear 'risk' and freeze. Smart people learn the truth in 2 minutes: there is risk you should chase (stocks) and risk you should pay someone else to absorb (insurance). Confuse the two and life punishes you. Get them right and life rewards you.

## THE FIVE-PANEL COMIC

Watch IVY + SHIELD walk through the five steps. Read each panel out loud.

Panel	Mentor	What happens
1. CHASE-IT-RISK	IVY	Stocks, businesses, skills — risks that can pay you back.
2. PAY-IT-AWAY-RISK	SHIELD	Insurance for the rare, ruinous events you cannot afford.
3. DIVERSIFY	IVY	Many small bets beat one big bet.
4. EMERGENCY FUND	SHIELD	Three to six months of cash — your private insurance.
5. TIME HORIZON	IVY	Long horizon = chase. Short horizon = protect.

**Squire challenge:** Circle the panel that surprised you most.

**Knight challenge:** Rewrite Panel 3 in one sentence using your own words.

**Champion challenge:** Add a sixth panel of your own. What would it say?

## VOCAB MATCH-UP

Draw a line from each word to its plain-English meaning.

Word	Meaning
Risk	Chance of an unwanted outcome
Reward	The good outcome risk can pay
Premium	Monthly cost of insurance
Diversify	Spread the bets
Volatility	How much the price bounces
Hedge	Pair to soften losses

**Bonus: Pick TWO words and use them in a sentence about your own money.**

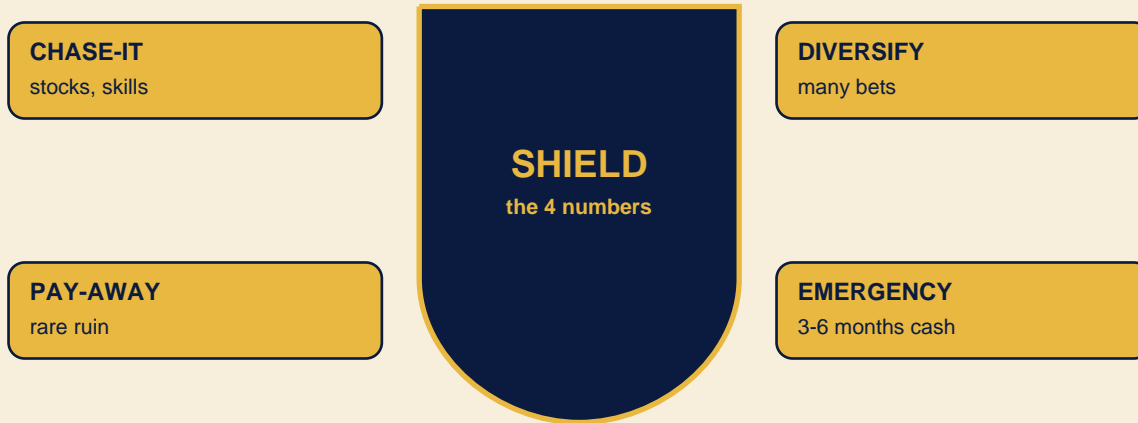

## GLOSSARY OF MONEY WORDS

Bookmark this page. Adults pretend to know all of these. You will actually know them.

Word	Plain meaning
Risk	The chance that something might not go the way you want.
Reward	The good outcome that risk can produce — money, growth, or learning.
Insurance	Paying a small amount now so a big disaster doesn't break you later.
Investing	Trading money today for ownership of something that may grow over time.
Premium	The small amount you pay for insurance, usually monthly.
Diversify	Spread your bets so one bad outcome doesn't sink everything.
Volatility	How much something bounces up and down in price.
Hedge	Pair two things so the loss of one is softened by the gain of the other.

## THE BIG PICTURE

Here is the one drawing that captures the whole episode. Stare at it for ten seconds.



**Your turn:** Re-draw this picture in your own notebook tonight. If you can draw it from memory, you own the idea.

## WORKED EXAMPLE — PICK YOUR LEVEL

Three versions of the same problem. Pick the one that matches your age band. Show your work.

Band	Problem	Hint
Squire (6-9)	Which is a CHASE-IT risk: A lost shoe? A stock that might grow? Pick the stock that might grow.	Stock
Knight (10-13)	A renters insurance policy costs 150 dollars a year and covers up to 25,000 dollars of stuff (ratio of cost to coverage is 1:166.67)	Ratio of cost to coverage
Champion (14-16)	A 30-year-old has a 1% chance of a 30,000-dollar car loss this year. The insurance cost is 300 dollars a year.	Expected loss = 300 dollars

**Show your work in the box. Bring it to the dinner table tonight.**


## TRY THIS AT HOME — 7-DAY MISSION

Pick ONE mission. Do it for seven days. Bring back what you noticed.

- Make two columns on a sheet: CHASE-IT and PAY-AWAY. List 10 risks you spotted this week and put each in a column.
- Find one piece of insurance your family pays for. Write down the premium and what it covers.
- Find one stock or index fund. Watch its price every day for 7 days. Notice the bouncing — that is volatility.

**Mission journal: Each day, jot down ONE sentence about what happened. Use the box below.**

Day 1	
Day 2	
Day 3	
Day 4	
Day 5	
Day 6	
Day 7	

# THE 7-QUESTION QUIZ

Pick the best answer. Check it against the explanation at the bottom.

#	Question	Choose
1	Which of these is a CHASE-IT risk a long-horizon kid should CHASE-IT?	(A) Buying a stock with money you can leave alone / (B) Buying a stock with money you can leave alone / (C) Buying a car for 20 years / (D) Buying a house
2	Which of these should you PAY-AWAY with insurance?	(A) Earning a good grade / (B) Learning piano / (C) A house burning down / (D) A house burning down
3	What is a premium?	(A) A type of stock / (B) The small monthly payment for insurance / (C) The small monthly cost of insurance / (D) The small monthly cost of insurance
4	Diversify means...	(A) Buy one big thing / (B) Spread your bets / (C) Wait forever / (D) Spread your bets
5	Long time horizon means you can take...	(A) Less risk / (B) More chase-it risk / (C) No risk / (D) Only insurance
6	Why do smart adults buy BOTH insurance AND stocks?	(A) To get rich / (B) Because both are gambling / (C) Because the two risks are opposite / (D) Because the two risks are opposite
7	If a 12-year-old has \$100 they can leave alone for 30 years...	(A) The smartest / (B) Cash under the mattress / (C) A diversified investment / (D) Cash under the mattress

## ANSWER KEY + EXPLANATIONS

#	Answer	Why
1	(B) Buying a stock with money you can leave alone for 20 years	Buying a car for 20 years is a productive risk. Time turns volatility into growth.
2	(C) A house burning down	A house fire is rare and ruinous. That is exactly the kind of risk insurance is designed for.
3	(B) The small monthly payment for insurance	A premium is the small monthly cost of insurance. Pay it to protect against the rare, ruinous event.
4	(B) Spread your bets	Diversify means spread your bets so one bad outcome does not sink everything.
5	(B) More chase-it risk	Long horizons let you ride out volatility. Stocks reward patience.
6	(C) Because the two risks are opposite	Smart adults grow on the chase-it side and protect against ruin on the pay-it-away side.
7	(C) A diversified investment	A long horizon plus diversification turns small amounts into meaningful wealth.

## PAUSE AND PREDICT

Three predictions. Make them BEFORE you finish the workbook. Check them at the end.

Predict	Your guess	After you finish — were you close?
What is the SCARIEST risk on my list right now?		
What is the most BORING risk that should still be insured?		
How much could I afford to lose without disaster?		

Predictions you write down stick 4x better than predictions you only think about. Real research, real result.

## SELF-CHECK — DID I GET IT?

Tick each box honestly. There is no test, no grade. Just an honest read on yourself.

I can name the 5 pillars from this episode.

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I can use 3 vocab words in a sentence without looking.

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I drew the big-picture visual from memory.

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I picked one mission and started it.

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I told a family member ONE thing I learned.

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I have a question I still want to answer.

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**One question I still want to answer:**

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## WORD SEARCH

Find every vocab word from this episode. Words go across, down, and diagonally.

R	I	S	K	F	X	Z	V	J	I	T	G
R	E	W	A	R	D	U	M	Z	X	Q	L
I	N	S	U	R	A	N	C	E	M	N	Q
I	N	V	E	S	T	I	N	G	E	Q	Q
P	R	E	M	I	U	M	N	X	Q	Y	L
D	I	V	E	R	S	I	F	Y	X	O	U
Q	H	P	I	P	Q	Q	Z	L	V	O	O
L	S	X	R	X	O	P	V	H	K	W	F
T	I	Y	P	J	J	Z	W	Q	R	Q	Q
U	T	S	N	J	X	G	P	Q	L	V	T
C	Z	K	X	A	G	X	D	B	S	U	B
I	S	H	V	D	Y	Q	E	I	H	G	B

Find these words: **RISK, REWARD, INSURANCE, INVESTING, PREMIUM, DIVERSIFY**

## MINI-COMIC DIALOGUE

Read this mini-comic out loud with one parent or sibling. Take turns being IVY + SHIELD and being the kid.

Speaker	Line
IVY	Two risks. One you chase. One you pay to avoid. Tell me which is which.
Kid	House fire — that's pay-away?
SHIELD	Yes. Rare. Ruinous. That's exactly what insurance is for.
IVY	And buying a piece of a great company for 30 years?
Kid	Chase-it.
SHIELD	Why?
Kid	Because the time turns the bouncing into a trend.
IVY	Now you sound like a 25-year-old who already won.

**Director's note: Whichever person plays the mentor — keep your voice STEADY. The mentor is never panicked. That is part of the lesson.**

## REFLECTION JOURNAL

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After you watch the video AND finish this workbook, answer these three questions in your own words.

**What is ONE word from the glossary I'd never heard before?**


**What is ONE thing I did NOT believe before but I do now?**


**What is ONE habit I want to start by next Monday?**

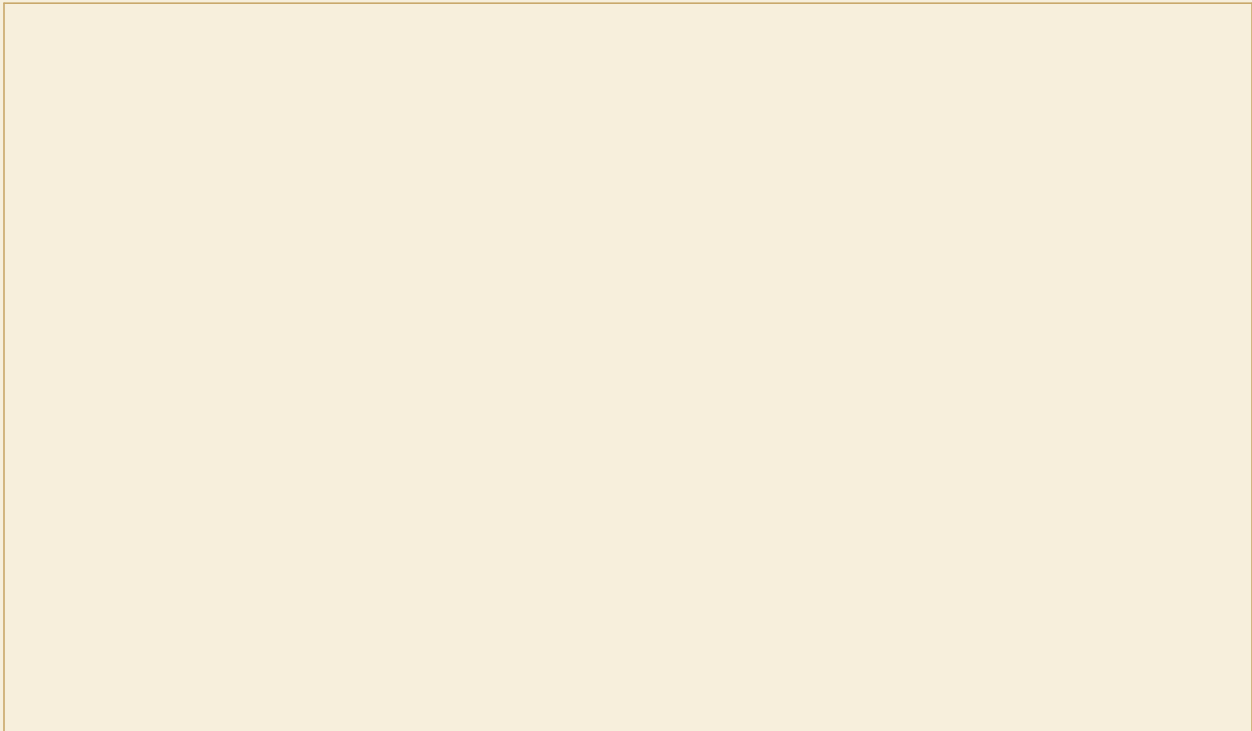

## SHOW WHAT YOU KNOW

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Pick ONE of these. Make it the way you make best.

- Draw a poster that teaches the 5 pillars to a first-grader in your school.
- Record a 60-second voice memo explaining the lesson to your future self at age 25.
- Write a 4-line rap or song with the key vocabulary words.
- Sketch a comic where the mentor shows up at YOUR dinner table.
- Build a simple chart with 3 columns: I knew, I sort-of knew, I learned today.

**Sketch box:**



## FAMILY CHAT

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Take this home tonight. Pick ONE prompt and share at dinner.

- What is one chase-it risk our family already takes? What is one pay-it-away risk we already cover?
- If a kid had \$50 a month, how should they split it between investing and emergency savings?
- What is a risk we are NOT covering that we probably should be?

**Champion-band only: Want to go deep? Insurance Genius (12 episodes with SHIELD) and Investor Lab (12 episodes with IVY) live inside the master pass at [flexlifefi.com/cashquest-kids](https://flexlifefi.com/cashquest-kids) — \$149/year.**

# CERTIFICATE OF COMPLETION

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This certifies that

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*completed PILLARS\_EP02 — Risk vs Reward: Why Smart People Buy Both Insurance AND Stocks*

*learned with mentor IVY + SHIELD and the Money Pillars series.*



Date: \_\_\_\_\_ Signed: \_\_\_\_\_

*The Money Lessons Schools Skip. Taught as an Adventure, Not a Lecture.*

## RESOURCES + WHAT'S NEXT

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**Enroll:** <https://www.flexlifefi.com/cashquest-kids>

**Other tracts you can pick from inside the pass:**

Money Smarts (5 Jars). Insurance Genius (SHIELD). Investor Lab (IVY). What's a Tax (LEDGER). Business World (FORGE).

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