

The Human Factor Shield

Behavioral & Legal Risk Screen

Created by SafeSimpleSound Financial Planning

Financial Excellence • Educational Generosity

Your S3 Internal Risk Assessment

Safe • Simple • Sound > Foundation-First Financial Wisdom

What You'll Discover:

- Safe: Protect yourself from the risks that come from *inside* the house.
 - Simple: Clear definitions of Moral vs. Morale hazards.
 - Sound: Strategies to align your behavior with your financial goals.
 - Constitutional Advantage: Integrating the human element into risk management.
-

Part 1: The “Morale” Hazard Self-Audit

Morale Hazard = “I don’t care because I’m insured.” It is the subtle indifference that leads to loss.

Ask yourself honestly:

- [] Do I leave my car unlocked because “that’s what insurance is for”?
- [] Do I skip medical checkups because I have good health coverage?
- [] Do I ignore small home repairs because “if it breaks, I’ll file a claim”?
- [] Do I take higher investment risks because I feel “too big to fail”?

The S3 Truth: Insurance restores you financially, but it cannot restore time, health, or sentimental value. *Indifference is expensive.*

Part 2: The “Moral” Hazard Check

Moral Hazard = Dishonesty or character flaws that increase loss probability.

The Integrity Scan:

- [] Have I ever exaggerated the value of an item on a claim?
- [] Have I omitted information (like a teen driver) to lower premiums?
- [] Is my business accurately reporting revenue and payroll for worker’s comp?

The Cost: “Little white lies” on applications can void coverage entirely when you need it most.

Part 3: Legal Hazard Primer (Top 5 Exposures)

Legal Hazard = Regulatory or liability risks affecting your assets.

1. The “Guest” Risk: Do you have a pool, trampoline, or dog? (Strict Liability)
 2. The “Teen” Risk: Are cars titled in your name while driven by minors? (Vicarious Liability)
 3. The “Employee” Risk: Do you have domestic help (nanny/gardener) without worker’s comp?
 4. The “Business” Risk: Are you mixing personal and business funds? (Piercing the Corporate Veil)
 5. The “Contract” Risk: Have you signed agreements without a legal review?
-

Part 4: Your Behavior Shield Action Plan

Risk Detected	The Fix	Deadline
<i>Example: Ignoring home alarm</i>	<i>Set alarm every night, no exceptions</i>	<i>Tonight</i>

Insights Summary

Key S3 Differentiator: We don't just manage your money; we help you manage the behaviors that jeopardize your money.

Stakeholder Synthesis: Protecting your integrity protects your family, your business, and your community.

Your Next Steps

Immediate Action: Correct one “Morale” behavior this week.

Professional Support: Book a “Liability Gap Analysis” with our team.

Contact Us: <https://www.safesimplesound.com/contact>