

01	☒ A	☐ B	☐ C	☐ D	☐ E
02	☐ A	☐ B	☐ C	☒ D	☐ E
03	☐ A	☐ B	☐ C	☐ D	☒ E
04	☒ A	☐ B	☐ C	☐ D	☐ E
05	☒ A	☐ B	☐ C	☐ D	☐ E
06	☐ A	☐ B	☐ C	☒ D	☐ E
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13	☐ A	☐ B	☐ C	☒ D	☐ E

14	☐ A	☒ B	☐ C	☐ D	☐ E
15	☐ A	☐ B	☐ C	☒ D	☐ E
16	☒ A	☐ B	☐ C	☐ D	☐ E
17	☐ A	☐ B	☐ C	☒ D	☐ E
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26	☐ A	☒ B	☐ C	☐ D	☐ E

27	☒ A	☐ B	☐ C	☐ D	☐ E
28	☐ A	☐ B	☐ C	☒ D	☐ E
29	☐ A	☐ B	☒ C	☐ D	☐ E
30	☒ A	☐ B	☐ C	☐ D	☐ E
31	☒ A	☐ B	☐ C	☐ D	☐ E
32	☐ A	☐ B	☐ C	☒ D	☐ E
33	☐ A	☒ B	☐ C	☐ D	☐ E
34	☐ A	☐ B	☐ C	☒ D	☐ E
35	☐ A	☐ B	☒ C	☐ D	☐ E
36	☐ A	☐ B	☒ C	☐ D	☐ E
37	☐ A	☐ B	☐ C	☒ D	☐ E
38	☒ A	☐ B	☐ C	☐ D	☐ E
39	☐ A	☐ B	☒ C	☐ D	☐ E

PRACTICE QUESTIONS

Arizona Insurance

YTLQVG3F

AZ Insurance Claims Adjuster (property and casualty)

EDITION

Demo

QUESTIONS

9

FORMAT

Limited Edition PDF

Before you begin

What this is

9 practice questions for Arizona Insurance YTLQVG3F, each with its answer key and an explanation. Answer a question before you read its key — the explanation is worth more once you have committed.

If something looks wrong

Send us three things and we will check it:

- the exam code, YTLQVG3F
- the question number
- the email address on your order

Write to **support@mometrix.net**. We reply within one business day.

QUESTION 1

SINGLE CHOICE

An insurance policy provision that allows the insurer to require the insured to share in the cost of a loss is known as:

- ☒ **A** Deductible
- ☐ **B** Premium
- ☐ **C** Endorsement
- ☐ **D** Binder

ANSWER A

WHY A deductible is the portion of a covered loss that the insured must pay out of pocket before the insurer pays the remainder. A premium is the price paid for coverage, an endorsement modifies coverage, and a binder is temporary evidence of insurance.

QUESTION 2

SINGLE CHOICE

When a covered property loss occurs, the adjuster's first step in the claims process is to:

- ☒ **A** Verify policy coverage and confirm the loss is covered
- ☐ **B** Pay the insured's claim
- ☐ **C** Obtain a recorded statement from the insured
- ☐ **D** Assign a replacement cost estimate

ANSWER A

WHY The first step in handling a claim is to verify that the policy was in force and that the loss is covered by the policy. Payments, statements and estimates all follow once coverage is established.

QUESTION 3

SINGLE CHOICE

The Coverage A (Dwelling) limit in a Homeowners policy is most commonly based on:

- ☐ A The fair market value of the home
- ☒ B The replacement cost of the dwelling
- ☐ C The actual cash value of the dwelling
- ☐ D The mortgage balance on the property

ANSWER B

WHY Coverage A is normally written on a replacement cost basis so that the dwelling can be rebuilt with materials of like kind and quality at current prices, without deduction for depreciation.

QUESTION 4

SINGLE CHOICE

Which of the following best describes 'subrogation' in property insurance?

- ☒ A The insurer's right to pursue a third party who caused the loss in order to recover the claim payment
- ☐ B The insured's right to cancel the policy at any time
- ☐ C The right to add additional insureds to the policy
- ☐ D The insurer's right to deny a claim

ANSWER A

WHY Subrogation is the legal right of the insurer, after paying a loss, to step into the shoes of the insured and pursue recovery from a responsible third party.

QUESTION 5 SINGLE CHOICE

The principle that requires an insured to disclose all material information to the insurer is called:

- ☐ A Indemnity
- ☒ B Utmost good faith (Uberrima fides)
- ☐ C Subrogation
- ☐ D Estoppel

ANSWER B

WHY Insurance contracts are contracts of utmost good faith, meaning both parties must deal honestly and disclose all material facts. A breach of this duty may entitle the insurer to void the contract.

QUESTION 6 SINGLE CHOICE

Which homeowners coverage part typically pays for temporary living expenses when the home is uninhabitable due to a covered loss?

- ☐ A Coverage A – Dwelling
- ☐ B Coverage B – Other Structures
- ☒ C Coverage D – Loss of Use
- ☐ D Coverage E – Personal Liability

ANSWER C

WHY Coverage D – Loss of Use pays the additional living expenses and fair rental value when the residence premises become uninhabitable due to a covered peril.

QUESTION 7

SINGLE CHOICE

In an auto physical damage claim, when an insured chooses to have a damaged vehicle repaired rather than replaced, the adjuster typically settles the claim on what basis?

- ☐ A Stated amount
- ☐ B Actual cash value
- ☒ C Repair or replacement cost
- ☐ D Agreed value

ANSWER C

WHY When the insured elects repair, the insurer settles on the basis of the reasonable cost to repair the vehicle with parts of like kind and quality, subject to policy limits and deductibles.

QUESTION 8

TRUE FALSE

An insurance adjuster is generally required to provide a recorded statement to the claimant whenever requested by the claimant's attorney.

- ☐ A True
- ☒ B False

ANSWER B

WHY False. A recorded statement is taken at the discretion of the insurer/adjuster based on the needs of the investigation; the adjuster is not required to provide one simply because it is requested. Statements are typically scheduled with appropriate notice and under proper conditions.

QUESTION 9

MULTIPLE CHOICE

Which of the following are standard perils covered under an unendorsed ISO Homeowners (HO-3) policy? (Choose two.)

- ☒ **A** Fire
- ☐ **B** Flood
- ☐ **C** Earthquake
- ☒ **D** Theft
- ☐ **E** War

ANSWER A • D

WHY The HO-3 policy is a special-form (open perils) policy that, as written, covers fire, theft, and many other named/open perils but excludes flood, earthquake and war unless specifically added by endorsement.