

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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14	☐ A	☐ B	☐ C	☐ D	☐ E
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27	☐ A	☐ B	☐ C	☐ D	☐ E
28	☐ A	☐ B	☐ C	☐ D	☐ E
29	☐ A	☐ B	☐ C	☐ D	☐ E
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31	☐ A	☐ B	☐ C	☐ D	☐ E
32	☐ A	☐ B	☐ C	☐ D	☐ E
33	☐ A	☐ B	☐ C	☐ D	☐ E
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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

LA9QH2RU

AZ Insurance Producer - Life, Accident and Health

EDITION

Demo

QUESTIONS

9

FORMAT

Limited Edition PDF

Before you begin

What this is

9 practice questions for Arizona Insurance **LA9QH2RU**, 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, **LA9QH2RU**
- the question number
- the email address on your order

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

QUESTION 1

SINGLE CHOICE

A life insurance policy that provides coverage for a specified period of time and pays a benefit only if the insured dies during that period is called:

- ☐ A Whole life insurance
- ☐ B Universal life insurance
- ☒ C Term life insurance
- ☐ D Variable life insurance

ANSWER C

WHY Term life insurance provides coverage for a specific period (the 'term') and pays the death benefit only if the insured dies during that term. Whole life and universal life are permanent (cash value) policies, and variable life is a type of permanent policy whose cash value is invested in subaccounts.

QUESTION 2

SINGLE CHOICE

The policy provision that allows the policyowner to purchase additional amounts of insurance without providing evidence of insurability is called the:

- ☐ A Reinstatement provision
- ☐ B Grace period provision
- ☒ C Guaranteed insurability rider
- ☐ D Payor benefit rider

ANSWER C

WHY The guaranteed insurability rider gives the policyowner the right to buy additional coverage at specified future dates (such as ages or life events) without proving insurability. The reinstatement provision allows a lapsed policy to be put back in force, and the grace period is the time after a premium is due during which the policy remains in force.

QUESTION 3 SINGLE CHOICE

An annuity in which the annuitant begins receiving payments at a future date, often at retirement, is classified as a:

- ☐ A Immediate annuity
- ☒ B Deferred annuity
- ☐ C Single-premium annuity
- ☐ D Joint-life annuity

ANSWER B

WHY A deferred annuity accumulates value during an accumulation period and begins income payments at a later date chosen by the owner. An immediate annuity begins paying out shortly (typically within one year) after the premium is paid.

QUESTION 4 SINGLE CHOICE

A health insurance policy that reimburses the insured for specific medical expenses such as hospital stays, surgery, or physician visits, after the insured pays a deductible, is known as:

- ☐ A A service-benefit plan
- ☒ B An indemnity plan
- ☐ C An HMO plan
- ☐ D A PPO plan

ANSWER B

WHY Indemnity (or reimbursement) plans pay the insured a set benefit amount or reimburse covered medical expenses after a deductible is satisfied. Service-benefit plans (such as many HMOs and PPOs) pay the provider directly for covered services, usually with little or no patient reimbursement.

QUESTION 5

SINGLE CHOICE

In a disability income policy, the provision that limits the insurer's liability to a stated period of time, such as two years, when the insured is unable to work in his or her own occupation but can perform another occupation, is the:

- ☐ A Elimination period
- ☒ B Benefit period
- ☐ C Own-occupation provision
- ☐ D Waiver of premium provision

ANSWER B

WHY The benefit period is the maximum length of time the insurer will pay disability benefits once the insured qualifies. The elimination period is the waiting period between the start of disability and when benefits begin. Own-occupation defines what type of work the insured must be unable to perform in order to be considered disabled.

QUESTION 6

SINGLE CHOICE

An insurance producer completes an application for an applicant who cannot read English. Which of the following is the correct procedure for handling the application?

- ☐ A The producer may fill in the answers based on his or her own knowledge of the applicant and sign the application on the applicant's behalf
- ☒ B The producer must personally translate each question and record the applicant's exact answers, then have the applicant acknowledge the answers by signature or mark
- ☐ C The producer may attach a translated version of the application and have the applicant sign the translated copy
- ☐ D The application may be completed only by a licensed notary public who is fluent in the applicant's language

ANSWER B

WHY When an applicant cannot read or speak English, the producer should ask each question exactly as written, record the applicant's exact answers, and have the applicant indicate understanding (by signature or mark) that the answers were accurately recorded. The producer cannot answer for the applicant, and a translated form is not a substitute for faithful recording of the applicant's answers.

QUESTION 7

SINGLE CHOICE

Under Arizona law, an insurance producer who has cause to believe that an insurance transaction may involve fraud must:

- ☐ A Notify the suspected party in writing and allow 30 days for a response
- ☒ B Notify the Arizona Department of Insurance and Financial Institutions promptly
- ☐ C File a report with the applicant's local police department only
- ☐ D Do nothing unless a formal complaint is filed by the insurer

ANSWER B

WHY Arizona insurance producers are required to report suspected insurance fraud to the Department of Insurance and Financial Institutions. This is an anti-fraud obligation, and failing to report is itself a violation that can lead to license discipline.

QUESTION 8 SINGLE CHOICE

In Arizona, an individual applying for a life or accident and health insurance producer license must complete a prelicensing education course of at least:

- ☐ A 10 hours of instruction
- ☐ B 20 hours of instruction
- ☒ C 40 hours of instruction
- ☐ D 60 hours of instruction

ANSWER C

WHY Arizona requires applicants for the life, accident and health producer license to complete at least 40 hours of approved prelicensing education before sitting for the licensing exam. Shorter courses are required for other limited lines, but the LAH license uses the 40-hour requirement.

QUESTION 9 SINGLE CHOICE

A client wants life insurance coverage that protects her family only during a 20-year period while her children are dependent. She does not want to build cash value and wants the lowest premium possible. Which type of policy best fits this need?

- ☐ A Whole life insurance
- ☐ B Universal life insurance
- ☒ C Term life insurance
- ☐ D Variable life insurance

ANSWER C

WHY Term life insurance provides coverage for a specified period (the term) and pays a death benefit only if the insured dies during that term. It does not build cash value, making it the lowest-premium option among the choices. Whole life and universal life are permanent policies with cash value, and variable life is a form of permanent life whose cash value is invested in subaccounts.