

Free Prometric Claims Adjuster Practice Test: 150 Questions & Answers (2026)

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SECTION 1: General Insurance Principles & Concepts (Q1 - Q50)

Q1: What is the correct standard insurance principle or rule applicable to exam scenario 1?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q2: What is the correct standard insurance principle or rule applicable to exam scenario 2?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q3: What is the correct standard insurance principle or rule applicable to exam scenario 3?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q4: What is the correct standard insurance principle or rule applicable to exam scenario 4?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q5: What is the correct standard insurance principle or rule applicable to exam scenario 5?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q6: What is the correct standard insurance principle or rule applicable to exam scenario 6?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q7: What is the correct standard insurance principle or rule applicable to exam scenario 7?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.

- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q8: What is the correct standard insurance principle or rule applicable to exam scenario 8?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q9: What is the correct standard insurance principle or rule applicable to exam scenario 9?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q10: What is the correct standard insurance principle or rule applicable to exam scenario 10?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q11: What is the correct standard insurance principle or rule applicable to exam scenario 11?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q12: What is the correct standard insurance principle or rule applicable to exam scenario 12?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q13: What is the correct standard insurance principle or rule applicable to exam scenario 13?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q14: What is the correct standard insurance principle or rule applicable to exam scenario 14?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q15: What is the correct standard insurance principle or rule applicable to exam scenario 15?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.

D) The permanent cancellation of a policy binder.

Answer: A

Q16: What is the correct standard insurance principle or rule applicable to exam scenario 16?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q17: What is the correct standard insurance principle or rule applicable to exam scenario 17?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q18: What is the correct standard insurance principle or rule applicable to exam scenario 18?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q19: What is the correct standard insurance principle or rule applicable to exam scenario 19?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q20: What is the correct standard insurance principle or rule applicable to exam scenario 20?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q21: What is the correct standard insurance principle or rule applicable to exam scenario 21?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q22: What is the correct standard insurance principle or rule applicable to exam scenario 22?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q23: What is the correct standard insurance principle or rule applicable to exam scenario 23?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q24: What is the correct standard insurance principle or rule applicable to exam scenario 24?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q25: What is the correct standard insurance principle or rule applicable to exam scenario 25?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q26: What is the correct standard insurance principle or rule applicable to exam scenario 26?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q27: What is the correct standard insurance principle or rule applicable to exam scenario 27?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q28: What is the correct standard insurance principle or rule applicable to exam scenario 28?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q29: What is the correct standard insurance principle or rule applicable to exam scenario 29?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q30: What is the correct standard insurance principle or rule applicable to exam scenario 30?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q31: What is the correct standard insurance principle or rule applicable to exam scenario 31?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q32: What is the correct standard insurance principle or rule applicable to exam scenario 32?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q33: What is the correct standard insurance principle or rule applicable to exam scenario 33?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q34: What is the correct standard insurance principle or rule applicable to exam scenario 34?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q35: What is the correct standard insurance principle or rule applicable to exam scenario 35?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q36: What is the correct standard insurance principle or rule applicable to exam scenario 36?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q37: What is the correct standard insurance principle or rule applicable to exam scenario 37?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q38: What is the correct standard insurance principle or rule applicable to exam scenario 38?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q39: What is the correct standard insurance principle or rule applicable to exam scenario 39?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q40: What is the correct standard insurance principle or rule applicable to exam scenario 40?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q41: What is the correct standard insurance principle or rule applicable to exam scenario 41?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q42: What is the correct standard insurance principle or rule applicable to exam scenario 42?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q43: What is the correct standard insurance principle or rule applicable to exam scenario 43?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q44: What is the correct standard insurance principle or rule applicable to exam scenario 44?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q45: What is the correct standard insurance principle or rule applicable to exam scenario 45?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q46: What is the correct standard insurance principle or rule applicable to exam scenario 46?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q47: What is the correct standard insurance principle or rule applicable to exam scenario 47?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q48: What is the correct standard insurance principle or rule applicable to exam scenario 48?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q49: What is the correct standard insurance principle or rule applicable to exam scenario 49?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q50: What is the correct standard insurance principle or rule applicable to exam scenario 50?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

SECTION 2: Dwelling & Homeowners Policy Forms (Q51 - Q100)

Q51: What is the correct standard insurance principle or rule applicable to exam scenario 51?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q52: What is the correct standard insurance principle or rule applicable to exam scenario 52?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q53: What is the correct standard insurance principle or rule applicable to exam scenario 53?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q54: What is the correct standard insurance principle or rule applicable to exam scenario 54?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q55: What is the correct standard insurance principle or rule applicable to exam scenario 55?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.

D) The permanent cancellation of a policy binder.

Answer: A

Q56: What is the correct standard insurance principle or rule applicable to exam scenario 56?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q57: What is the correct standard insurance principle or rule applicable to exam scenario 57?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q58: What is the correct standard insurance principle or rule applicable to exam scenario 58?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q59: What is the correct standard insurance principle or rule applicable to exam scenario 59?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q60: What is the correct standard insurance principle or rule applicable to exam scenario 60?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q61: What is the correct standard insurance principle or rule applicable to exam scenario 61?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q62: What is the correct standard insurance principle or rule applicable to exam scenario 62?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q63: What is the correct standard insurance principle or rule applicable to exam scenario 63?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q64: What is the correct standard insurance principle or rule applicable to exam scenario 64?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q65: What is the correct standard insurance principle or rule applicable to exam scenario 65?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q66: What is the correct standard insurance principle or rule applicable to exam scenario 66?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q67: What is the correct standard insurance principle or rule applicable to exam scenario 67?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q68: What is the correct standard insurance principle or rule applicable to exam scenario 68?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q69: What is the correct standard insurance principle or rule applicable to exam scenario 69?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q70: What is the correct standard insurance principle or rule applicable to exam scenario 70?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q71: What is the correct standard insurance principle or rule applicable to exam scenario 71?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q72: What is the correct standard insurance principle or rule applicable to exam scenario 72?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q73: What is the correct standard insurance principle or rule applicable to exam scenario 73?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q74: What is the correct standard insurance principle or rule applicable to exam scenario 74?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q75: What is the correct standard insurance principle or rule applicable to exam scenario 75?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q76: What is the correct standard insurance principle or rule applicable to exam scenario 76?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q77: What is the correct standard insurance principle or rule applicable to exam scenario 77?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q78: What is the correct standard insurance principle or rule applicable to exam scenario 78?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q79: What is the correct standard insurance principle or rule applicable to exam scenario 79?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q80: What is the correct standard insurance principle or rule applicable to exam scenario 80?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q81: What is the correct standard insurance principle or rule applicable to exam scenario 81?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q82: What is the correct standard insurance principle or rule applicable to exam scenario 82?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q83: What is the correct standard insurance principle or rule applicable to exam scenario 83?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q84: What is the correct standard insurance principle or rule applicable to exam scenario 84?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q85: What is the correct standard insurance principle or rule applicable to exam scenario 85?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q86: What is the correct standard insurance principle or rule applicable to exam scenario 86?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q87: What is the correct standard insurance principle or rule applicable to exam scenario 87?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q88: What is the correct standard insurance principle or rule applicable to exam scenario 88?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q89: What is the correct standard insurance principle or rule applicable to exam scenario 89?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q90: What is the correct standard insurance principle or rule applicable to exam scenario 90?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q91: What is the correct standard insurance principle or rule applicable to exam scenario 91?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q92: What is the correct standard insurance principle or rule applicable to exam scenario 92?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q93: What is the correct standard insurance principle or rule applicable to exam scenario 93?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q94: What is the correct standard insurance principle or rule applicable to exam scenario 94?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q95: What is the correct standard insurance principle or rule applicable to exam scenario 95?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q96: What is the correct standard insurance principle or rule applicable to exam scenario 96?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q97: What is the correct standard insurance principle or rule applicable to exam scenario 97?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q98: What is the correct standard insurance principle or rule applicable to exam scenario 98?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q99: What is the correct standard insurance principle or rule applicable to exam scenario 99?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q100: What is the correct standard insurance principle or rule applicable to exam scenario 100?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

SECTION 3: Casualty, Ethics & Loss Adjustment Procedures (Q101 - Q150)

Q101: What is the correct standard insurance principle or rule applicable to exam scenario 101?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q102: What is the correct standard insurance principle or rule applicable to exam scenario 102?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q103: What is the correct standard insurance principle or rule applicable to exam scenario 103?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.

D) The permanent cancellation of a policy binder.

Answer: A

Q104: What is the correct standard insurance principle or rule applicable to exam scenario 104?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q105: What is the correct standard insurance principle or rule applicable to exam scenario 105?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q106: What is the correct standard insurance principle or rule applicable to exam scenario 106?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q107: What is the correct standard insurance principle or rule applicable to exam scenario 107?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q108: What is the correct standard insurance principle or rule applicable to exam scenario 108?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q109: What is the correct standard insurance principle or rule applicable to exam scenario 109?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q110: What is the correct standard insurance principle or rule applicable to exam scenario 110?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q111: What is the correct standard insurance principle or rule applicable to exam scenario 111?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q112: What is the correct standard insurance principle or rule applicable to exam scenario 112?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q113: What is the correct standard insurance principle or rule applicable to exam scenario 113?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q114: What is the correct standard insurance principle or rule applicable to exam scenario 114?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q115: What is the correct standard insurance principle or rule applicable to exam scenario 115?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q116: What is the correct standard insurance principle or rule applicable to exam scenario 116?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q117: What is the correct standard insurance principle or rule applicable to exam scenario 117?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q118: What is the correct standard insurance principle or rule applicable to exam scenario 118?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q119: What is the correct standard insurance principle or rule applicable to exam scenario 119?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q120: What is the correct standard insurance principle or rule applicable to exam scenario 120?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q121: What is the correct standard insurance principle or rule applicable to exam scenario 121?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q122: What is the correct standard insurance principle or rule applicable to exam scenario 122?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q123: What is the correct standard insurance principle or rule applicable to exam scenario 123?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q124: What is the correct standard insurance principle or rule applicable to exam scenario 124?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q125: What is the correct standard insurance principle or rule applicable to exam scenario 125?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q126: What is the correct standard insurance principle or rule applicable to exam scenario 126?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q127: What is the correct standard insurance principle or rule applicable to exam scenario 127?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q128: What is the correct standard insurance principle or rule applicable to exam scenario 128?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q129: What is the correct standard insurance principle or rule applicable to exam scenario 129?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q130: What is the correct standard insurance principle or rule applicable to exam scenario 130?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q131: What is the correct standard insurance principle or rule applicable to exam scenario 131?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q132: What is the correct standard insurance principle or rule applicable to exam scenario 132?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q133: What is the correct standard insurance principle or rule applicable to exam scenario 133?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q134: What is the correct standard insurance principle or rule applicable to exam scenario 134?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q135: What is the correct standard insurance principle or rule applicable to exam scenario 135?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q136: What is the correct standard insurance principle or rule applicable to exam scenario 136?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q137: What is the correct standard insurance principle or rule applicable to exam scenario 137?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q138: What is the correct standard insurance principle or rule applicable to exam scenario 138?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q139: What is the correct standard insurance principle or rule applicable to exam scenario 139?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q140: What is the correct standard insurance principle or rule applicable to exam scenario 140?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q141: What is the correct standard insurance principle or rule applicable to exam scenario 141?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q142: What is the correct standard insurance principle or rule applicable to exam scenario 142?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q143: What is the correct standard insurance principle or rule applicable to exam scenario 143?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q144: What is the correct standard insurance principle or rule applicable to exam scenario 144?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q145: What is the correct standard insurance principle or rule applicable to exam scenario 145?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q146: What is the correct standard insurance principle or rule applicable to exam scenario 146?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C

Q147: What is the correct standard insurance principle or rule applicable to exam scenario 147?

- A) A tangible or structural condition that increases the probability of a loss.
- B) An intentional deceit by the insurance company.
- C) The physical premium payment receipt.
- D) The permanent cancellation of a policy binder.

Answer: A

Q148: What is the correct standard insurance principle or rule applicable to exam scenario 148?

- A) Broad Form (DP-2)
- B) Basic Form (DP-1)
- C) Special Form (DP-3)
- D) Contents Form (HO-4)

Answer: C

Q149: What is the correct standard insurance principle or rule applicable to exam scenario 149?

- A) The risk is transferred completely without any retention limits.
- B) Uncertainty regarding financial loss or the chance that a loss might occur.
- C) A speculative situation involving guaranteed monetary profit.
- D) The intentional destruction of insured property.

Answer: B

Q150: What is the correct standard insurance principle or rule applicable to exam scenario 150?

- A) Actual Cash Value minus depreciation.
- B) Replacement cost without any deductions.
- C) Restoring the insured to the exact financial position prior to the loss without profit.
- D) Paying double the policy limit for emotional distress.

Answer: C