

PENNSYLVANIA LIFE, ACCIDENT AND HEALTH INSURANCE LICENSE PRACTICE EXAM 4 (150 QUESTIONS)

This original 150-question practice exam reviews life insurance, accident and health insurance, social insurance, annuities, general insurance concepts, and Pennsylvania producer practices. Select the single best answer. It is a study aid, not an official examination; confirm current Pennsylvania requirements with the Pennsylvania Insurance Department.

1. A Pennsylvania applicant asks a producer: in life insurance, what is the primary purpose of an insurable-interest requirement?
 - A. To prevent wagering on another person's life under the policy terms
 - B. Coverage can continue at renewal without proof of insurability
 - C. The insurer's ability to void coverage for application misstatements
 - D. Reduced paid-up insurance under the policy terms

2. During a policy review, which answer is best: which policy is designed to provide coverage for a stated term and no cash value?
 - A. Proceeds are paid under the policy terms or to the insured's estate
 - B. When it exceeds the policyowner's cost basis under the policy terms
 - C. Pay a covered debtor's outstanding loan balance at death
 - D. Level term life insurance under the policy terms

3. In a licensing-exam scenario, identify the best answer: what feature distinguishes whole life insurance from term life insurance?
 - A. Grace-period provision under the policy terms
 - B. Extended term insurance under the policy terms
 - C. To help identify prior underwriting information requiring follow-up
 - D. Guaranteed cash value that builds over time under the policy terms

4. A client is comparing coverage and asks: which policy combines permanent coverage with flexible premium payments?
 - A. Universal life insurance under the policy terms
 - B. Generally received income-tax free under the policy terms
 - C. Convert to an individual policy within the allowed period
 - D. Level term life insurance under the policy terms

5. A Pennsylvania applicant asks a producer: a variable life policy places cash values in what type of account?
 - A. Some accumulated value or reduced insurance benefit under the policy terms
 - B. To classify risk and determine acceptable coverage terms
 - C. Separate account investment options under the policy terms
 - D. Waiver of premium rider under the policy terms

- 6.** During a policy review, which answer is best: what does a convertible term policy allow the owner to do?
- A. A master contract issued to the sponsoring group
 - B. Exchange term coverage for permanent coverage without new evidence of insurability
 - C. To prevent wagering on another person's life under the policy terms
 - D. A deceased beneficiary's share passes to that beneficiary's descendants
- 7.** In a licensing-exam scenario, identify the best answer: what is the usual effect of a renewable term policy provision?
- A. Whether the new coverage serves the client's interests and required disclosures
 - B. Coverage can continue at renewal without proof of insurability
 - C. Exchange term coverage for permanent coverage without new evidence of insurability
 - D. The insurer's ability to void coverage for application misstatements
- 8.** A client is comparing coverage and asks: which rider waives premiums when the insured becomes totally disabled as defined by the policy?
- A. Waiver of premium rider under the policy terms
 - B. Adjust benefits to the amount the premium would have purchased
 - C. Proceeds are paid under the policy terms or to the insured's estate
 - D. When it exceeds the policyowner's cost basis under the policy terms
- 9.** A Pennsylvania applicant asks a producer: what does an accelerated death benefit rider generally permit?
- A. Separate account investment options under the policy terms
 - B. Grace-period provision under the policy terms
 - C. Payment of part of the death benefit during a qualifying terminal illness
 - D. Extended term insurance under the policy terms
- 10.** During a policy review, which answer is best: a guaranteed insurability rider primarily gives the insured what right?
- A. Revocable beneficiary designation under the policy terms
 - B. Generally received income-tax free under the policy terms
 - C. Convert to an individual policy within the allowed period
 - D. To buy stated amounts of additional coverage at scheduled times
- 11.** In a licensing-exam scenario, identify the best answer: which beneficiary designation can be changed by the policyowner without beneficiary consent?
- A. For the beneficiary's lifetime under the policy terms
 - B. Some accumulated value or reduced insurance benefit under the policy terms
 - C. To classify risk and determine acceptable coverage terms
 - D. Revocable beneficiary designation under the policy terms

- 12.** A client is comparing coverage and asks: what is a common result when a beneficiary predeceases the insured and no contingent beneficiary exists?
- A. Proceeds are paid under the policy terms or to the insured's estate
 - B. To secure a loan with policy value or death proceeds
 - C. A master contract issued to the sponsoring group
 - D. To prevent wagering on another person's life under the policy terms
- 13.** A Pennsylvania applicant asks a producer: what does per stirpes distribution mean in a beneficiary designation?
- A. It reduces the death benefit and may contribute to lapse
 - B. A deceased beneficiary's share passes to that beneficiary's descendants
 - C. Whether the new coverage serves the client's interests and required disclosures
 - D. Exchange term coverage for permanent coverage without new evidence of insurability
- 14.** During a policy review, which answer is best: which settlement option leaves principal with the insurer and pays interest to the beneficiary?
- A. Protect proceeds from a beneficiary's creditors and impulsive transfer
 - B. Adjust benefits to the amount the premium would have purchased
 - C. Interest-only option under the policy terms
 - D. Revocable beneficiary designation under the policy terms
- 15.** In a licensing-exam scenario, identify the best answer: what is the defining feature of a fixed-period settlement option?
- A. Fund a business-interest purchase after an owner's death
 - B. Proceeds are paid in installments for a selected number of years
 - C. Separate account investment options under the policy terms
 - D. Grace-period provision under the policy terms
- 16.** A client is comparing coverage and asks: under a life-income settlement option, payments normally continue for how long?
- A. Obtain a lower insurance age when permitted under the policy terms
 - B. To buy stated amounts of additional coverage at scheduled times
 - C. For the beneficiary's lifetime under the policy terms
 - D. Generally received income-tax free under the policy terms
- 17.** A Pennsylvania applicant asks a producer: what policy provision identifies the grace period for a late premium?
- A. Universal life insurance under the policy terms
 - B. Proceeds are paid in installments for a selected number of years
 - C. Some accumulated value or reduced insurance benefit under the policy terms
 - D. Grace-period provision under the policy terms

18. During a policy review, which answer is best: what does the incontestability clause generally limit after the stated period?

- A. The insurer's ability to void coverage for application misstatements
- B. Payment of part of the death benefit during a qualifying terminal illness
- C. To secure a loan with policy value or death proceeds
- D. A master contract issued to the sponsoring group

19. In a licensing-exam scenario, identify the best answer: which provision prevents an insurer from unilaterally changing the policy after issue?

- A. Entire-contract provision under the policy terms
- B. Interest-only option under the policy terms
- C. It reduces the death benefit and may contribute to lapse
- D. Whether the new coverage serves the client's interests and required disclosures

20. A client is comparing coverage and asks: what does an assignment transfer?

- A. Entire-contract provision under the policy terms
- B. Protect proceeds from a beneficiary's creditors and impulsive transfer
- C. Some or all policy rights from the owner to another party
- D. Adjust benefits to the amount the premium would have purchased

21. A Pennsylvania applicant asks a producer: what is a collateral assignment commonly used for?

- A. Available cash value under the policy terms
- B. To secure a loan with policy value or death proceeds
- C. Fund a business-interest purchase after an owner's death
- D. Separate account investment options under the policy terms

22. During a policy review, which answer is best: what is the typical tax treatment of a life insurance death benefit paid to a named beneficiary?

- A. To limit payment during an initial policy period as stated in the contract
- B. Obtain a lower insurance age when permitted under the policy terms
- C. To buy stated amounts of additional coverage at scheduled times
- D. Generally received income-tax free under the policy terms

23. In a licensing-exam scenario, identify the best answer: when may a life policy's cash surrender value create taxable income?

- A. When it exceeds the policyowner's cost basis under the policy terms
- B. A business against loss caused by a key employee's death
- C. Universal life insurance under the policy terms
- D. Proceeds are paid in installments for a selected number of years

- 24.** A client is comparing coverage and asks: what is a modified endowment contract primarily subject to?
- A. To state when temporary coverage may begin if stated conditions are met
 - B. Payment of part of the death benefit during a qualifying terminal illness
 - C. Different tax rules for distributions and loans under the policy terms
 - D. Some or all policy rights from the owner to another party
- 25.** A Pennsylvania applicant asks a producer: what does the policy loan provision allow a permanent-policy owner to borrow against?
- A. Guaranteed cash value that builds over time under the policy terms
 - B. Interest-only option under the policy terms
 - C. It reduces the death benefit and may contribute to lapse
 - D. Available cash value under the policy terms
- 26.** During a policy review, which answer is best: what can occur if an outstanding policy loan plus interest is not repaid?
- A. Waiver of premium rider under the policy terms
 - B. It reduces the death benefit and may contribute to lapse
 - C. Entire-contract provision under the policy terms
 - D. Protect proceeds from a beneficiary's creditors and impulsive transfer
- 27.** In a licensing-exam scenario, identify the best answer: what does a nonforfeiture option protect when a permanent-policy premium is not paid?
- A. Some accumulated value or reduced insurance benefit under the policy terms
 - B. A deceased beneficiary's share passes to that beneficiary's descendants
 - C. Different tax rules for distributions and loans under the policy terms
 - D. Fund a business-interest purchase after an owner's death
- 28.** A client is comparing coverage and asks: which nonforfeiture option uses cash value to purchase the same face amount for a limited time?
- A. The insurer's ability to void coverage for application misstatements
 - B. To limit payment during an initial policy period as stated in the contract
 - C. Obtain a lower insurance age when permitted under the policy terms
 - D. Extended term insurance under the policy terms
- 29.** A Pennsylvania applicant asks a producer: which nonforfeiture option provides a smaller amount of permanent coverage with no further premiums?
- A. When it exceeds the policyowner's cost basis under the policy terms
 - B. Reduced paid-up insurance under the policy terms
 - C. A business against loss caused by a key employee's death
 - D. Universal life insurance under the policy terms

- 30.** During a policy review, which answer is best: what is the purpose of the suicide clause in a life policy?
- A. Extended term insurance under the policy terms
 - B. To state when temporary coverage may begin if stated conditions are met
 - C. To limit payment during an initial policy period as stated in the contract
 - D. Payment of part of the death benefit during a qualifying terminal illness
- 31.** In a licensing-exam scenario, identify the best answer: what does a spendthrift clause seek to do?
- A. Protect proceeds from a beneficiary's creditors and impulsive transfer
 - B. Pay a covered debtor's outstanding loan balance at death
 - C. Guaranteed cash value that builds over time under the policy terms
 - D. Interest-only option under the policy terms
- 32.** A client is comparing coverage and asks: what is group life insurance commonly characterized by?
- A. To help identify prior underwriting information requiring follow-up
 - B. A master contract issued to the sponsoring group
 - C. Waiver of premium rider under the policy terms
 - D. Entire-contract provision under the policy terms
- 33.** A Pennsylvania applicant asks a producer: when group coverage ends, what privilege may an insured commonly have?
- A. Level term life insurance under the policy terms
 - B. A deceased beneficiary's share passes to that beneficiary's descendants
 - C. Convert to an individual policy within the allowed period
 - D. Different tax rules for distributions and loans under the policy terms
- 34.** During a policy review, which answer is best: what is credit life insurance intended to do?
- A. Coverage can continue at renewal without proof of insurability
 - B. The insurer's ability to void coverage for application misstatements
 - C. Reduced paid-up insurance under the policy terms
 - D. Pay a covered debtor's outstanding loan balance at death
- 35.** In a licensing-exam scenario, identify the best answer: what is key-person life insurance designed to protect?
- A. Proceeds are paid under the policy terms or to the insured's estate
 - B. When it exceeds the policyowner's cost basis under the policy terms
 - C. A business against loss caused by a key employee's death
 - D. Pay a covered debtor's outstanding loan balance at death

- 36.** A client is comparing coverage and asks: in a buy-sell arrangement funded by life insurance, proceeds are used mainly to do what?
- A. Grace-period provision under the policy terms
 - B. Extended term insurance under the policy terms
 - C. To state when temporary coverage may begin if stated conditions are met
 - D. Fund a business-interest purchase after an owner's death
- 37.** A Pennsylvania applicant asks a producer: what does replacement of life insurance require a producer to consider?
- A. Whether the new coverage serves the client's interests and required disclosures
 - B. Generally received income-tax free under the policy terms
 - C. Convert to an individual policy within the allowed period
 - D. Guaranteed cash value that builds over time under the policy terms
- 38.** During a policy review, which answer is best: what is underwriting's central purpose in life insurance?
- A. Some accumulated value or reduced insurance benefit under the policy terms
 - B. To classify risk and determine acceptable coverage terms
 - C. To help identify prior underwriting information requiring follow-up
 - D. Waiver of premium rider under the policy terms
- 39.** In a licensing-exam scenario, identify the best answer: what is the Medical Information Bureau primarily used for in underwriting?
- A. To help identify prior underwriting information requiring follow-up
 - B. A master contract issued to the sponsoring group
 - C. Level term life insurance under the policy terms
 - D. A deceased beneficiary's share passes to that beneficiary's descendants
- 40.** A client is comparing coverage and asks: what is the purpose of a conditional receipt?
- A. Whether the new coverage serves the client's interests and required disclosures
 - B. To state when temporary coverage may begin if stated conditions are met
 - C. Coverage can continue at renewal without proof of insurability
 - D. The insurer's ability to void coverage for application misstatements
- 41.** A Pennsylvania applicant asks a producer: what is backdating a life policy generally used to accomplish?
- A. To prevent wagering on another person's life under the policy terms
 - B. Proceeds are paid under the policy terms or to the insured's estate
 - C. Obtain a lower insurance age when permitted under the policy terms
 - D. When it exceeds the policyowner's cost basis under the policy terms

42. During a policy review, which answer is best: what does a misstatement-of-age provision permit an insurer to do?
- A. Exchange term coverage for permanent coverage without new evidence of insurability
 - B. Grace-period provision under the policy terms
 - C. Extended term insurance under the policy terms
 - D. Adjust benefits to the amount the premium would have purchased
43. In a licensing-exam scenario, identify the best answer: what is the principal purpose of medical expense insurance?
- A. A fixed amount paid for a covered service
 - B. Partial income loss after a disabled person returns to work
 - C. To reimburse covered medical expenses subject to policy terms
 - D. The insurer must renew coverage subject to permitted class-wide changes
44. A client is comparing coverage and asks: which type of policy pays a stated amount per day of hospitalization?
- A. Hospital indemnity policy under the policy terms
 - B. A health savings account when eligibility requirements are met
 - C. Custodial or skilled care when daily-living assistance is needed
 - D. Coordination of services for a patient with complex needs
45. A Pennsylvania applicant asks a producer: what does a major medical policy primarily protect against?
- A. The maximum duration for which benefits can be paid
 - B. A policy providing restricted coverage for listed services or conditions
 - C. A period to examine a policy and return it as allowed
 - D. High-cost covered medical expenses under the policy terms
46. During a policy review, which answer is best: what is a deductible in health insurance?
- A. A new waiting period for a related disability returning within the stated time
 - B. The amount the insured pays before covered benefits begin
 - C. Evaluation of the necessity and appropriateness of health services
 - D. To reimburse covered medical expenses subject to policy terms
47. In a licensing-exam scenario, identify the best answer: what is coinsurance after a deductible is satisfied?
- A. Losses caused by covered accidents under the policy terms
 - B. A sharing percentage paid by the insured and insurer
 - C. An initial period before coverage begins for specified conditions
 - D. A fixed amount paid for a covered service

- 48.** A client is comparing coverage and asks: what is an out-of-pocket maximum intended to limit?
- A. Obtain plan approval before certain covered services under the policy terms
 - B. When an insured may bring suit under the policy
 - C. The insured's covered cost sharing during a plan period
 - D. A health savings account when eligibility requirements are met
- 49.** A Pennsylvania applicant asks a producer: what is a copayment?
- A. A fixed amount paid for a covered service
 - B. Restoring a lapsed policy after required conditions are met
 - C. A sharing percentage paid by the insured and insurer
 - D. The maximum duration for which benefits can be paid
- 50.** During a policy review, which answer is best: what does a preferred provider organization generally offer?
- A. Documentation supporting a claim and the amount payable
 - B. A plan combining managed-care features with out-of-network options
 - C. A new waiting period for a related disability returning within the stated time
 - D. Network discounts with some out-of-network access under the policy terms
- 51.** In a licensing-exam scenario, identify the best answer: what is a health maintenance organization most associated with?
- A. Coordinated care through a provider network under the policy terms
 - B. The amount the insured pays before covered benefits begin
 - C. The waiting period before benefits become payable under the policy terms
 - D. Losses caused by covered accidents under the policy terms
- 52.** A client is comparing coverage and asks: what role does a primary care provider often have in an HMO?
- A. Coordinated care through a provider network under the policy terms
 - B. Inability to perform work for which the insured is reasonably suited
 - C. Obtain plan approval before certain covered services under the policy terms
 - D. Coordinates routine care and referrals under plan rules
- 53.** A Pennsylvania applicant asks a producer: what is a point-of-service plan?
- A. A portion of lost earned income during disability
 - B. Cover certain Medicare cost-sharing gaps under the policy terms
 - C. A plan combining managed-care features with out-of-network options
 - D. Restoring a lapsed policy after required conditions are met

54. During a policy review, which answer is best: what is a high-deductible health plan commonly paired with?
- A. Inability to perform the duties of the insured's regular occupation
 - B. A health savings account when eligibility requirements are met
 - C. Decline renewal only for stated reasons in the policy
 - D. Documentation supporting a claim and the amount payable
55. In a licensing-exam scenario, identify the best answer: what is the key tax feature of a health savings account?
- A. The rising cost of future care under the policy terms
 - B. The insurer's right to recover from a responsible third party
 - C. The amount the insured pays before covered benefits begin
 - D. Qualified medical distributions may receive favorable tax treatment
56. A client is comparing coverage and asks: what is a flexible spending arrangement generally used for?
- A. Renewal and a fixed premium while required premiums are paid
 - B. A requirement to notify the insurer of a covered loss within the policy timeframe
 - C. Paying eligible expenses through employer-sponsored salary reductions under the policy terms
 - D. Coordinated care through a provider network under the policy terms
57. A Pennsylvania applicant asks a producer: what is disability income insurance designed to replace?
- A. Duplicate payment when more than one plan covers the same expense
 - B. A portion of lost earned income during disability
 - C. High-cost covered medical expenses under the policy terms
 - D. Paying eligible expenses through employer-sponsored salary reductions under the policy terms
58. During a policy review, which answer is best: what is the elimination period in a disability income policy?
- A. The waiting period before benefits become payable under the policy terms
 - B. A stated time to pay an overdue premium before termination
 - C. Network discounts with some out-of-network access under the policy terms
 - D. Inability to perform the duties of the insured's regular occupation
59. In a licensing-exam scenario, identify the best answer: what is a benefit period in disability income insurance?
- A. Hospital indemnity policy under the policy terms
 - B. The maximum duration for which benefits can be paid
 - C. Qualified medical distributions may receive favorable tax treatment
 - D. The rising cost of future care under the policy terms

- 60.** A client is comparing coverage and asks: what is residual disability coverage intended to address?
- A. A fixed amount paid for a covered service
 - B. Specified severe losses that qualify without proving income loss
 - C. Partial income loss after a disabled person returns to work
 - D. Renewal and a fixed premium while required premiums are paid
- 61.** A Pennsylvania applicant asks a producer: what is presumptive disability coverage based on?
- A. A health savings account when eligibility requirements are met
 - B. To measure functional impairment and benefit eligibility under the policy terms
 - C. Duplicate payment when more than one plan covers the same expense
 - D. Specified severe losses that qualify without proving income loss
- 62.** During a policy review, which answer is best: what does own-occupation disability coverage focus on?
- A. Inability to perform the duties of the insured's regular occupation
 - B. The maximum duration for which benefits can be paid
 - C. The insurer must renew coverage subject to permitted class-wide changes
 - D. A stated time to pay an overdue premium before termination
- 63.** In a licensing-exam scenario, identify the best answer: what does any-occupation disability coverage generally require?
- A. Inability to perform work for which the insured is reasonably suited
 - B. Custodial or skilled care when daily-living assistance is needed
 - C. Coordination of services for a patient with complex needs
 - D. Hospital indemnity policy under the policy terms
- 64.** A client is comparing coverage and asks: what is a recurrent-disability provision intended to prevent?
- A. A policy providing restricted coverage for listed services or conditions
 - B. A period to examine a policy and return it as allowed
 - C. A new waiting period for a related disability returning within the stated time
 - D. A fixed amount paid for a covered service
- 65.** A Pennsylvania applicant asks a producer: what is long-term care insurance primarily designed to cover?
- A. Evaluation of the necessity and appropriateness of health services
 - B. To reimburse covered medical expenses subject to policy terms
 - C. A health savings account when eligibility requirements are met
 - D. Custodial or skilled care when daily-living assistance is needed

- 66.** During a policy review, which answer is best: what are activities of daily living used for in long-term care policies?
- A. An initial period before coverage begins for specified conditions
 - B. To measure functional impairment and benefit eligibility under the policy terms
 - C. The insured's covered cost sharing during a plan period
 - D. The maximum duration for which benefits can be paid
- 67.** In a licensing-exam scenario, identify the best answer: what does a long-term care inflation-protection option address?
- A. The rising cost of future care under the policy terms
 - B. When an insured may bring suit under the policy
 - C. A plan combining managed-care features with out-of-network options
 - D. A new waiting period for a related disability returning within the stated time
- 68.** A client is comparing coverage and asks: what is a Medicare supplement policy intended to do?
- A. A sharing percentage paid by the insured and insurer
 - B. Cover certain Medicare cost-sharing gaps under the policy terms
 - C. The waiting period before benefits become payable under the policy terms
 - D. A policy providing restricted coverage for listed services or conditions
- 69.** A Pennsylvania applicant asks a producer: what is an accidental death and dismemberment policy designed to pay for?
- A. Coordinates routine care and referrals under plan rules
 - B. Inability to perform work for which the insured is reasonably suited
 - C. Evaluation of the necessity and appropriateness of health services
 - D. Losses caused by covered accidents under the policy terms
- 70.** During a policy review, which answer is best: what is a limited-benefit policy?
- A. A portion of lost earned income during disability
 - B. Cover certain Medicare cost-sharing gaps under the policy terms
 - C. A policy providing restricted coverage for listed services or conditions
 - D. An initial period before coverage begins for specified conditions
- 71.** In a licensing-exam scenario, identify the best answer: what does a guaranteed renewable health policy require?
- A. Inability to perform the duties of the insured's regular occupation
 - B. Obtain plan approval before certain covered services under the policy terms
 - C. The insurer must renew coverage subject to permitted class-wide changes
 - D. When an insured may bring suit under the policy

72. A client is comparing coverage and asks: what does noncancelable health coverage generally guarantee?
- A. The rising cost of future care under the policy terms
 - B. Renewal and a fixed premium while required premiums are paid
 - C. Restoring a lapsed policy after required conditions are met
 - D. A sharing percentage paid by the insured and insurer
73. A Pennsylvania applicant asks a producer: what does conditionally renewable health coverage allow an insurer to do?
- A. Decline renewal only for stated reasons in the policy
 - B. Renewal and a fixed premium while required premiums are paid
 - C. Documentation supporting a claim and the amount payable
 - D. Coordinates routine care and referrals under plan rules
74. During a policy review, which answer is best: what is a preauthorization requirement intended to do?
- A. The insurer's right to recover from a responsible third party
 - B. The amount the insured pays before covered benefits begin
 - C. A portion of lost earned income during disability
 - D. Obtain plan approval before certain covered services under the policy terms
75. In a licensing-exam scenario, identify the best answer: what is utilization review?
- A. A requirement to notify the insurer of a covered loss within the policy timeframe
 - B. Coordinated care through a provider network under the policy terms
 - C. Evaluation of the necessity and appropriateness of health services
 - D. Inability to perform the duties of the insured's regular occupation
76. A client is comparing coverage and asks: what is case management in health care?
- A. High-cost covered medical expenses under the policy terms
 - B. Paying eligible expenses through employer-sponsored salary reductions under the policy terms
 - C. The rising cost of future care under the policy terms
 - D. Coordination of services for a patient with complex needs
77. A Pennsylvania applicant asks a producer: what does coordination of benefits seek to prevent?
- A. Network discounts with some out-of-network access under the policy terms
 - B. Duplicate payment when more than one plan covers the same expense
 - C. Specified severe losses that qualify without proving income loss
 - D. Renewal and a fixed premium while required premiums are paid

- 78.** During a policy review, which answer is best: what is subrogation in health insurance?
- A. The insurer's right to recover from a responsible third party
 - B. Qualified medical distributions may receive favorable tax treatment
 - C. To measure functional impairment and benefit eligibility under the policy terms
 - D. Duplicate payment when more than one plan covers the same expense
- 79.** In a licensing-exam scenario, identify the best answer: what does a reinstatement provision address?
- A. Restoring a lapsed policy after required conditions are met
 - B. Partial income loss after a disabled person returns to work
 - C. The insurer must renew coverage subject to permitted class-wide changes
 - D. A requirement to notify the insurer of a covered loss within the policy timeframe
- 80.** A client is comparing coverage and asks: what is a probationary period in health insurance?
- A. Custodial or skilled care when daily-living assistance is needed
 - B. An initial period before coverage begins for specified conditions
 - C. Coordination of services for a patient with complex needs
 - D. High-cost covered medical expenses under the policy terms
- 81.** A Pennsylvania applicant asks a producer: what is a free-look provision?
- A. A policy providing restricted coverage for listed services or conditions
 - B. A stated time to pay an overdue premium before termination
 - C. A period to examine a policy and return it as allowed
 - D. Network discounts with some out-of-network access under the policy terms
- 82.** During a policy review, which answer is best: what is a grace period in health insurance?
- A. Evaluation of the necessity and appropriateness of health services
 - B. Hospital indemnity policy under the policy terms
 - C. Qualified medical distributions may receive favorable tax treatment
 - D. A stated time to pay an overdue premium before termination
- 83.** In a licensing-exam scenario, identify the best answer: what is a notice-of-claim provision?
- A. An initial period before coverage begins for specified conditions
 - B. A fixed amount paid for a covered service
 - C. A requirement to notify the insurer of a covered loss within the policy timeframe
 - D. Partial income loss after a disabled person returns to work

- 84.** A client is comparing coverage and asks: what is proof of loss?
- A. To reimburse covered medical expenses subject to policy terms
 - B. A health savings account when eligibility requirements are met
 - C. Custodial or skilled care when daily-living assistance is needed
 - D. Documentation supporting a claim and the amount payable
- 85.** A Pennsylvania applicant asks a producer: what does a legal-actions provision limit?
- A. The insured's covered cost sharing during a plan period
 - B. When an insured may bring suit under the policy
 - C. The maximum duration for which benefits can be paid
 - D. A policy providing restricted coverage for listed services or conditions
- 86.** During a policy review, which answer is best: what is Medicare Part A primarily associated with?
- A. Inpatient hospital and related institutional coverage under the policy terms
 - B. Job-related injuries and occupational illnesses under the policy terms
 - C. The period when value builds before income payments begin
 - D. Prescription drugs through approved plans under the policy terms
- 87.** In a licensing-exam scenario, identify the best answer: what is Medicare Part B primarily associated with?
- A. An employer retirement plan meeting applicable tax requirements
 - B. Accumulate value before income payments begin later under the policy terms
 - C. Physician and outpatient medical services under the policy terms
 - D. Standards that protect health information and support coverage portability
- 88.** A client is comparing coverage and asks: what is Medicare Part C commonly called?
- A. Tax-free treatment of earnings and principal under the policy terms
 - B. Physician and outpatient medical services under the policy terms
 - C. A determinable retirement benefit under the plan formula
 - D. Medicare Advantage under the policy terms
- 89.** A Pennsylvania applicant asks a producer: what is Medicare Part D primarily designed to cover?
- A. Begin income payments shortly after premium is paid
 - B. Prescription drugs through approved plans under the policy terms
 - C. Temporary continuation of group health coverage at the participant's expense
 - D. The period when accumulated value is converted to income payments

- 90.** During a policy review, which answer is best: what is Medicaid generally designed to provide?
- A. Inpatient hospital and related institutional coverage under the policy terms
 - B. Medical assistance for eligible low-income individuals under the policy terms
 - C. The employee's nonforfeitable right to employer-provided benefits under the policy terms
 - D. A contractual charge for certain early withdrawals under the policy terms
- 91.** In a licensing-exam scenario, identify the best answer: what is Social Security disability insurance based primarily on?
- A. A worker's insured status and qualifying disability under the policy terms
 - B. Job-related injuries and occupational illnesses under the policy terms
 - C. The period when value builds before income payments begin
 - D. Medicare Advantage under the policy terms
- 92.** A client is comparing coverage and asks: what is workers compensation intended to address?
- A. An employer retirement plan meeting applicable tax requirements
 - B. Accumulate value before income payments begin later under the policy terms
 - C. Standards that protect health information and support coverage portability
 - D. Job-related injuries and occupational illnesses under the policy terms
- 93.** A Pennsylvania applicant asks a producer: what does COBRA generally provide after a qualifying event?
- A. Tax-free treatment of earnings and principal under the policy terms
 - B. Physician and outpatient medical services under the policy terms
 - C. Temporary continuation of group health coverage at the participant's expense
 - D. A determinable retirement benefit under the plan formula
- 94.** During a policy review, which answer is best: what is HIPAA portability most closely associated with?
- A. Standards that protect health information and support coverage portability
 - B. Begin income payments shortly after premium is paid
 - C. Job-related injuries and occupational illnesses under the policy terms
 - D. The period when accumulated value is converted to income payments
- 95.** In a licensing-exam scenario, identify the best answer: what is the Affordable Care Act marketplace primarily used for?
- A. Inpatient hospital and related institutional coverage under the policy terms
 - B. The employee's nonforfeitable right to employer-provided benefits under the policy terms
 - C. A contractual charge for certain early withdrawals under the policy terms
 - D. Obtaining individual health coverage and possible financial assistance

- 96.** A client is comparing coverage and asks: what is an individual retirement arrangement primarily intended to support?
- A. Personal savings for retirement under tax rules under the policy terms
 - B. A worker's insured status and qualifying disability under the policy terms
 - C. The period when value builds before income payments begin
 - D. Medicare Advantage under the policy terms
- 97.** A Pennsylvania applicant asks a producer: what is a qualified plan in retirement planning?
- A. Personal savings for retirement under tax rules under the policy terms
 - B. Accumulate value before income payments begin later under the policy terms
 - C. An employer retirement plan meeting applicable tax requirements
 - D. Temporary continuation of group health coverage at the participant's expense
- 98.** During a policy review, which answer is best: what does vesting describe in an employer retirement plan?
- A. Tax-free treatment of earnings and principal under the policy terms
 - B. The employee's nonforfeitable right to employer-provided benefits under the policy terms
 - C. Physician and outpatient medical services under the policy terms
 - D. A determinable retirement benefit under the plan formula
- 99.** In a licensing-exam scenario, identify the best answer: what is a defined-benefit plan designed to promise?
- A. Begin income payments shortly after premium is paid
 - B. A determinable retirement benefit under the plan formula
 - C. Job-related injuries and occupational illnesses under the policy terms
 - D. The period when accumulated value is converted to income payments
- 100.** A client is comparing coverage and asks: what is a defined-contribution plan designed to specify?
- A. Contributions to an individual participant account under the policy terms
 - B. Inpatient hospital and related institutional coverage under the policy terms
 - C. An employer retirement plan meeting applicable tax requirements
 - D. A contractual charge for certain early withdrawals under the policy terms
- 101.** A Pennsylvania applicant asks a producer: what is a 401(k) plan commonly funded through?
- A. A worker's insured status and qualifying disability under the policy terms
 - B. The period when value builds before income payments begin
 - C. Medicare Advantage under the policy terms
 - D. Employee salary deferrals and possible employer contributions under the policy terms

- 102.** During a policy review, which answer is best: what is a Roth IRA distribution generally known for when qualified?
- A. Personal savings for retirement under tax rules under the policy terms
 - B. Accumulate value before income payments begin later under the policy terms
 - C. Tax-free treatment of earnings and principal under the policy terms
 - D. Temporary continuation of group health coverage at the participant's expense
- 103.** In a licensing-exam scenario, identify the best answer: what is an annuity's accumulation phase?
- A. Employee salary deferrals and possible employer contributions under the policy terms
 - B. Physician and outpatient medical services under the policy terms
 - C. The employee's nonforfeitable right to employer-provided benefits under the policy terms
 - D. The period when value builds before income payments begin
- 104.** A client is comparing coverage and asks: what is an annuity's annuitization phase?
- A. The period when accumulated value is converted to income payments
 - B. Begin income payments shortly after premium is paid
 - C. Job-related injuries and occupational illnesses under the policy terms
 - D. The period when value builds before income payments begin
- 105.** A Pennsylvania applicant asks a producer: what is a fixed annuity characterized by?
- A. Inpatient hospital and related institutional coverage under the policy terms
 - B. An employer retirement plan meeting applicable tax requirements
 - C. Contractual guarantees backed by the insurer's general account
 - D. A contractual charge for certain early withdrawals under the policy terms
- 106.** During a policy review, which answer is best: what is a variable annuity characterized by?
- A. A worker's insured status and qualifying disability under the policy terms
 - B. Investment performance in separate-account options affects value under the policy terms
 - C. Tax-free treatment of earnings and principal under the policy terms
 - D. Medicare Advantage under the policy terms
- 107.** In a licensing-exam scenario, identify the best answer: what is an immediate annuity designed to do?
- A. Personal savings for retirement under tax rules under the policy terms
 - B. Accumulate value before income payments begin later under the policy terms
 - C. Begin income payments shortly after premium is paid
 - D. Temporary continuation of group health coverage at the participant's expense

- 108.** A client is comparing coverage and asks: what is a deferred annuity designed to do?
- A. Employee salary deferrals and possible employer contributions under the policy terms
 - B. Accumulate value before income payments begin later under the policy terms
 - C. Physician and outpatient medical services under the policy terms
 - D. The employee's nonforfeitable right to employer-provided benefits under the policy terms
- 109.** A Pennsylvania applicant asks a producer: what is a surrender charge in an annuity?
- A. A contractual charge for certain early withdrawals under the policy terms
 - B. Investment performance in separate-account options affects value under the policy terms
 - C. Job-related injuries and occupational illnesses under the policy terms
 - D. The period when value builds before income payments begin
- 110.** During a policy review, which answer is best: what is a life annuity with period certain intended to provide?
- A. Inpatient hospital and related institutional coverage under the policy terms
 - B. An employer retirement plan meeting applicable tax requirements
 - C. Accumulate value before income payments begin later under the policy terms
 - D. Lifetime income with a minimum payment period for a beneficiary
- 111.** In a licensing-exam scenario, identify the best answer: what is a joint-and-survivor annuity intended to provide?
- A. Income continuing for a surviving annuitant under the contract terms
 - B. A worker's insured status and qualifying disability under the policy terms
 - C. Tax-free treatment of earnings and principal under the policy terms
 - D. Medicare Advantage under the policy terms
- 112.** A client is comparing coverage and asks: what is a representation on an insurance application?
- A. Values exchanged may be unequal depending on a contingent event
 - B. The exchange of premium and enforceable promises under the policy terms
 - C. A statement believed true to the applicant's knowledge
 - D. Restore an insured financially without allowing profit from loss
- 113.** A Pennsylvania applicant asks a producer: what is concealment in insurance?
- A. Information that could affect an insurer's decision or terms
 - B. A statement believed true to the applicant's knowledge
 - C. Handling client funds honestly and according to legal duties
 - D. Failure to disclose a material fact under the policy terms

- 114.** During a policy review, which answer is best: what is a material fact in underwriting?
- A. Restore an insured financially without allowing profit from loss
 - B. Information that could affect an insurer's decision or terms
 - C. Higher-risk applicants being more likely to seek coverage
 - D. Dishonesty or character traits increasing loss likelihood under the policy terms
- 115.** In a licensing-exam scenario, identify the best answer: what is a hazard?
- A. Handling client funds honestly and according to legal duties
 - B. The insurer drafts the form and ambiguities are generally construed against it
 - C. A condition that increases the chance or severity of loss
 - D. Only the insurer makes an enforceable promise to perform
- 116.** A client is comparing coverage and asks: what is morale hazard?
- A. Dishonesty or character traits increasing loss likelihood under the policy terms
 - B. Carelessness resulting from the existence of insurance under the policy terms
 - C. A condition that increases the chance or severity of loss
 - D. Information that could affect an insurer's decision or terms
- 117.** A Pennsylvania applicant asks a producer: what is moral hazard?
- A. Only the insurer makes an enforceable promise to perform
 - B. Values exchanged may be unequal depending on a contingent event
 - C. The exchange of premium and enforceable promises under the policy terms
 - D. Dishonesty or character traits increasing loss likelihood under the policy terms
- 118.** During a policy review, which answer is best: what is adverse selection?
- A. Higher-risk applicants being more likely to seek coverage
 - B. Information that could affect an insurer's decision or terms
 - C. Failure to disclose a material fact under the policy terms
 - D. A statement believed true to the applicant's knowledge
- 119.** In a licensing-exam scenario, identify the best answer: what is indemnity intended to accomplish?
- A. Restore an insured financially without allowing profit from loss
 - B. The exchange of premium and enforceable promises under the policy terms
 - C. Higher-risk applicants being more likely to seek coverage
 - D. Dishonesty or character traits increasing loss likelihood under the policy terms

- 120.** A client is comparing coverage and asks: what is consideration in an insurance contract?
- A. A statement believed true to the applicant's knowledge
 - B. The exchange of premium and enforceable promises under the policy terms
 - C. Handling client funds honestly and according to legal duties
 - D. The insurer drafts the form and ambiguities are generally construed against it
- 121.** A Pennsylvania applicant asks a producer: what does aleatory mean in an insurance contract?
- A. Dishonesty or character traits increasing loss likelihood under the policy terms
 - B. Carelessness resulting from the existence of insurance under the policy terms
 - C. A condition that increases the chance or severity of loss
 - D. Values exchanged may be unequal depending on a contingent event
- 122.** During a policy review, which answer is best: what does unilateral mean in an insurance contract?
- A. The insurer drafts the form and ambiguities are generally construed against it
 - B. Values exchanged may be unequal depending on a contingent event
 - C. Only the insurer makes an enforceable promise to perform
 - D. The exchange of premium and enforceable promises under the policy terms
- 123.** In a licensing-exam scenario, identify the best answer: what does adhesion mean in insurance contracting?
- A. A condition that increases the chance or severity of loss
 - B. Information that could affect an insurer's decision or terms
 - C. The insurer drafts the form and ambiguities are generally construed against it
 - D. Failure to disclose a material fact under the policy terms
- 124.** A client is comparing coverage and asks: what is fiduciary responsibility for premium funds?
- A. The exchange of premium and enforceable promises under the policy terms
 - B. Restore an insured financially without allowing profit from loss
 - C. Higher-risk applicants being more likely to seek coverage
 - D. Handling client funds honestly and according to legal duties
- 125.** A Pennsylvania applicant asks a producer: in Pennsylvania, which agency administers insurance regulation and producer licensing?
- A. To authorize insurance solicitation, negotiation, or sale for the licensed lines
 - B. Pennsylvania Insurance Department under the policy terms
 - C. Use truthful, nonmisleading descriptions of policy benefits and limits
 - D. To protect the public and enforce insurance laws

- 126.** During a policy review, which answer is best: what is the basic purpose of a Pennsylvania producer license?
- A. To authorize insurance solicitation, negotiation, or sale for the licensed lines
 - B. Making a false malicious statement that harms an insurer or producer
 - C. Accurately record information and avoid altering answers improperly
 - D. Using misleading comparisons to induce a policy replacement
- 127.** In a licensing-exam scenario, identify the best answer: what is the safest producer response when a prospect asks for an insurance recommendation beyond the producer's authority?
- A. Deliver or arrange delivery and explain material policy features
 - B. Making unsupported guarantees about an insurer's future performance
 - C. Explain the insurance options accurately and refer specialized advice appropriately
 - D. Handle them promptly and in accordance with fiduciary duties
- 128.** A client is comparing coverage and asks: what is twisting in an insurance sale?
- A. To show the recommendation and disclosures were handled properly
 - B. Using misleading comparisons to induce a policy replacement
 - C. To authorize insurance solicitation, negotiation, or sale for the licensed lines
 - D. Using them as an undisclosed inducement to buy insurance
- 129.** A Pennsylvania applicant asks a producer: what is rebating in insurance marketing?
- A. To provide suitable information and meet ongoing regulatory obligations
 - B. A materially untrue statement about an insurer's financial condition
 - C. Personal information must be safeguarded and used appropriately
 - D. Offering an unlawful inducement not stated in the policy
- 130.** During a policy review, which answer is best: what is an unfair discrimination concern in insurance underwriting?
- A. Treating similarly situated insureds differently without a permitted basis
 - B. Pennsylvania Insurance Department under the policy terms
 - C. Use truthful, nonmisleading descriptions of policy benefits and limits
 - D. To protect the public and enforce insurance laws
- 131.** In a licensing-exam scenario, identify the best answer: what is defamation in an insurance context?
- A. Making a false malicious statement that harms an insurer or producer
 - B. Treating similarly situated insureds differently without a permitted basis
 - C. Accurately record information and avoid altering answers improperly
 - D. Explain the insurance options accurately and refer specialized advice appropriately

- 132.** A client is comparing coverage and asks: what is a false financial statement in insurance regulation?
- A. Deliver or arrange delivery and explain material policy features
 - B. A materially untrue statement about an insurer's financial condition
 - C. Making unsupported guarantees about an insurer's future performance
 - D. Handle them promptly and in accordance with fiduciary duties
- 133.** A Pennsylvania applicant asks a producer: what is an insurance producer expected to do with client premium funds?
- A. To show the recommendation and disclosures were handled properly
 - B. To authorize insurance solicitation, negotiation, or sale for the licensed lines
 - C. Using them as an undisclosed inducement to buy insurance
 - D. Handle them promptly and in accordance with fiduciary duties
- 134.** During a policy review, which answer is best: what is the main purpose of Pennsylvania's unfair insurance practices rules?
- A. To provide suitable information and meet ongoing regulatory obligations
 - B. Making a false malicious statement that harms an insurer or producer
 - C. Protect consumers from deceptive or unfair conduct under the policy terms
 - D. Personal information must be safeguarded and used appropriately
- 135.** In a licensing-exam scenario, identify the best answer: what should a producer do if an application answer is incomplete?
- A. Pennsylvania Insurance Department under the policy terms
 - B. Use truthful, nonmisleading descriptions of policy benefits and limits
 - C. To protect the public and enforce insurance laws
 - D. Obtain accurate, complete information before submission when possible
- 136.** A client is comparing coverage and asks: what is a producer's responsibility regarding policy delivery?
- A. Treating similarly situated insureds differently without a permitted basis
 - B. Deliver or arrange delivery and explain material policy features
 - C. Accurately record information and avoid altering answers improperly
 - D. Explain the insurance options accurately and refer specialized advice appropriately
- 137.** A Pennsylvania applicant asks a producer: what is a producer expected to do when advertising insurance?
- A. Obtain accurate, complete information before submission when possible
 - B. Making unsupported guarantees about an insurer's future performance
 - C. Use truthful, nonmisleading descriptions of policy benefits and limits
 - D. A materially untrue statement about an insurer's financial condition

- 138.** During a policy review, which answer is best: what is a Pennsylvania producer prohibited from doing with policy dividends or premiums?
- A. Using them as an undisclosed inducement to buy insurance
 - B. To show the recommendation and disclosures were handled properly
 - C. To authorize insurance solicitation, negotiation, or sale for the licensed lines
 - D. Use truthful, nonmisleading descriptions of policy benefits and limits
- 139.** In a licensing-exam scenario, identify the best answer: why must a producer avoid misrepresenting policy provisions?
- A. To provide suitable information and meet ongoing regulatory obligations
 - B. It can mislead a consumer about benefits, terms, or limitations
 - C. Making a false malicious statement that harms an insurer or producer
 - D. Personal information must be safeguarded and used appropriately
- 140.** A client is comparing coverage and asks: what is the proper handling of a consumer complaint by a producer?
- A. Pennsylvania Insurance Department under the policy terms
 - B. Deliver or arrange delivery and explain material policy features
 - C. Respond promptly, preserve relevant records, and cooperate with lawful inquiries
 - D. To protect the public and enforce insurance laws
- 141.** A Pennsylvania applicant asks a producer: why should a producer document a replacement transaction?
- A. Treating similarly situated insureds differently without a permitted basis
 - B. Accurately record information and avoid altering answers improperly
 - C. Explain the insurance options accurately and refer specialized advice appropriately
 - D. To show the recommendation and disclosures were handled properly
- 142.** During a policy review, which answer is best: what is a producer's role in completing an insurance application?
- A. Accurately record information and avoid altering answers improperly
 - B. Obtain accurate, complete information before submission when possible
 - C. Making unsupported guarantees about an insurer's future performance
 - D. A materially untrue statement about an insurer's financial condition
- 143.** In a licensing-exam scenario, identify the best answer: why is policyholder privacy important in Pennsylvania insurance practice?
- A. Respond promptly, preserve relevant records, and cooperate with lawful inquiries
 - B. Personal information must be safeguarded and used appropriately
 - C. To authorize insurance solicitation, negotiation, or sale for the licensed lines
 - D. Use truthful, nonmisleading descriptions of policy benefits and limits

- 144.** A client is comparing coverage and asks: what should a producer disclose when a policy has significant exclusions?
- A. To provide suitable information and meet ongoing regulatory obligations
 - B. Making a false malicious statement that harms an insurer or producer
 - C. The exclusions and limitations material to the buyer's decision
 - D. Accurately record information and avoid altering answers improperly
- 145.** A Pennsylvania applicant asks a producer: what is the appropriate approach to a claim question from an insured?
- A. Provide accurate procedural guidance without promising an unauthorized claim outcome
 - B. Pennsylvania Insurance Department under the policy terms
 - C. Deliver or arrange delivery and explain material policy features
 - D. To protect the public and enforce insurance laws
- 146.** During a policy review, which answer is best: why must a Pennsylvania producer maintain competence in licensed lines?
- A. Treating similarly situated insureds differently without a permitted basis
 - B. To show the recommendation and disclosures were handled properly
 - C. Explain the insurance options accurately and refer specialized advice appropriately
 - D. To provide suitable information and meet ongoing regulatory obligations
- 147.** In a licensing-exam scenario, identify the best answer: what is a producer expected to avoid when discussing insurer financial strength?
- A. Obtain accurate, complete information before submission when possible
 - B. To provide suitable information and meet ongoing regulatory obligations
 - C. Making unsupported guarantees about an insurer's future performance
 - D. A materially untrue statement about an insurer's financial condition
- 148.** A client is comparing coverage and asks: what is the purpose of licensing discipline by the Pennsylvania Insurance Department?
- A. Respond promptly, preserve relevant records, and cooperate with lawful inquiries
 - B. To protect the public and enforce insurance laws
 - C. To authorize insurance solicitation, negotiation, or sale for the licensed lines
 - D. Use truthful, nonmisleading descriptions of policy benefits and limits
- 149.** A Pennsylvania applicant asks a producer: when a question concerns a current Pennsylvania filing or deadline, what is the responsible exam-prep practice?
- A. Provide accurate procedural guidance without promising an unauthorized claim outcome
 - B. Making a false malicious statement that harms an insurer or producer
 - C. Accurately record information and avoid altering answers improperly
 - D. Verify the current requirement with the Pennsylvania Insurance Department

- 150.** During a policy review, which answer is best: why should a Pennsylvania producer keep records of material consumer communications?
- A. To support accurate service, compliance, and response to lawful inquiries
 - B. Pennsylvania Insurance Department under the policy terms
 - C. Deliver or arrange delivery and explain material policy features
 - D. Making unsupported guarantees about an insurer's future performance

PENNSYLVANIA PRACTICE EXAM 4: ANSWER KEY AND EXPLANATIONS

1. **A** - To prevent wagering on another person's life is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.
2. **D** - Level term life insurance is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.
3. **D** - Guaranteed cash value that builds over time is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.
4. **A** - Universal life insurance is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here. Apply the contract language carefully.
5. **C** - Separate account investment options is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.
6. **B** - Exchange term coverage for permanent coverage without new evidence of insurability is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.
7. **B** - Coverage can continue at renewal without proof of insurability is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.
8. **A** - Waiver of premium rider is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.
9. **C** - Payment of part of the death benefit during a qualifying terminal illness is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.
10. **D** - To buy stated amounts of additional coverage at scheduled times is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.
11. **D** - Revocable beneficiary designation is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here. Apply the contract language carefully.
12. **A** - Proceeds are paid under the policy terms or to the insured's estate is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.
13. **B** - A deceased beneficiary's share passes to that beneficiary's descendants is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.
14. **C** - Interest-only option is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here. Apply the contract language carefully.
15. **B** - Proceeds are paid in installments for a selected number of years is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.
16. **C** - For the beneficiary's lifetime is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that

may be valid elsewhere but do not resolve the precise issue asked here.

17. D - Grace-period provision is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here. Apply the contract language carefully.

18. A - The insurer's ability to void coverage for application misstatements is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

19. A - Entire-contract provision is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here. Apply the contract language carefully.

20. C - Some or all policy rights from the owner to another party is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

21. B - To secure a loan with policy value or death proceeds is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

22. D - Generally received income-tax free is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

23. A - When it exceeds the policyowner's cost basis is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

24. C - Different tax rules for distributions and loans is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

25. D - Available cash value is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here. Apply the contract language carefully.

26. B - It reduces the death benefit and may contribute to lapse is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

27. A - Some accumulated value or reduced insurance benefit is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

28. D - Extended term insurance is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here. Apply the contract language carefully.

29. B - Reduced paid-up insurance is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here. Apply the contract language carefully.

30. C - To limit payment during an initial policy period as stated in the contract is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

31. A - Protect proceeds from a beneficiary's creditors and impulsive transfer is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

32. B - A master contract issued to the sponsoring group is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate

insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

33. C - Convert to an individual policy within the allowed period is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

34. D - Pay a covered debtor's outstanding loan balance at death is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

35. C - A business against loss caused by a key employee's death is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

36. D - Fund a business-interest purchase after an owner's death is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

37. A - Whether the new coverage serves the client's interests and required disclosures is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

38. B - To classify risk and determine acceptable coverage terms is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

39. A - To help identify prior underwriting information requiring follow-up is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

40. B - To state when temporary coverage may begin if stated conditions are met is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

41. C - Obtain a lower insurance age when permitted is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

42. D - Adjust benefits to the amount the premium would have purchased is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

43. C - To reimburse covered medical expenses subject to policy terms is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

44. A - Hospital indemnity policy is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here. Apply the contract language carefully.

45. D - High-cost covered medical expenses is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

46. B - The amount the insured pays before covered benefits begin is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

47. B - A sharing percentage paid by the insured and insurer is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

48. C - The insured's covered cost sharing during a plan period is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate

insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

49. A - A fixed amount paid for a covered service is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

50. D - Network discounts with some out-of-network access is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

51. A - Coordinated care through a provider network is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

52. D - Coordinates routine care and referrals under plan rules is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

53. C - A plan combining managed-care features with out-of-network options is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

54. B - A health savings account when eligibility requirements are met is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

55. D - Qualified medical distributions may receive favorable tax treatment is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

56. C - Paying eligible expenses through employer-sponsored salary reductions is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

57. B - A portion of lost earned income during disability is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

58. A - The waiting period before benefits become payable is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

59. B - The maximum duration for which benefits can be paid is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

60. C - Partial income loss after a disabled person returns to work is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

61. D - Specified severe losses that qualify without proving income loss is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

62. A - Inability to perform the duties of the insured's regular occupation is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

63. A - Inability to perform work for which the insured is reasonably suited is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

64. C - A new waiting period for a related disability returning within the stated time is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other

answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

65. D - Custodial or skilled care when daily-living assistance is needed is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

66. B - To measure functional impairment and benefit eligibility is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

67. A - The rising cost of future care is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

68. B - Cover certain Medicare cost-sharing gaps is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

69. D - Losses caused by covered accidents is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

70. C - A policy providing restricted coverage for listed services or conditions is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

71. C - The insurer must renew coverage subject to permitted class-wide changes is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

72. B - Renewal and a fixed premium while required premiums are paid is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

73. A - Decline renewal only for stated reasons in the policy is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

74. D - Obtain plan approval before certain covered services is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

75. C - Evaluation of the necessity and appropriateness of health services is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

76. D - Coordination of services for a patient with complex needs is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

77. B - Duplicate payment when more than one plan covers the same expense is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

78. A - The insurer's right to recover from a responsible third party is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

79. A - Restoring a lapsed policy after required conditions are met is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

80. B - An initial period before coverage begins for specified conditions is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer

to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

81. C - A period to examine a policy and return it as allowed is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

82. D - A stated time to pay an overdue premium before termination is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

83. C - A requirement to notify the insurer of a covered loss within the policy timeframe is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

84. D - Documentation supporting a claim and the amount payable is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

85. B - When an insured may bring suit under the policy is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

86. A - Inpatient hospital and related institutional coverage is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

87. C - Physician and outpatient medical services is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

88. D - Medicare Advantage is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here. Apply the contract language carefully.

89. B - Prescription drugs through approved plans is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

90. B - Medical assistance for eligible low-income individuals is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

91. A - A worker's insured status and qualifying disability is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

92. D - Job-related injuries and occupational illnesses is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

93. C - Temporary continuation of group health coverage at the participant's expense is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

94. A - Standards that protect health information and support coverage portability is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

95. D - Obtaining individual health coverage and possible financial assistance is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

96. A - Personal savings for retirement under tax rules is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate

insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

97. C - An employer retirement plan meeting applicable tax requirements is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

98. B - The employee's nonforfeitable right to employer-provided benefits is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

99. B - A determinable retirement benefit under the plan formula is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

100. A - Contributions to an individual participant account is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

101. D - Employee salary deferrals and possible employer contributions is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

102. C - Tax-free treatment of earnings and principal is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

103. D - The period when value builds before income payments begin is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

104. A - The period when accumulated value is converted to income payments is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

105. C - Contractual guarantees backed by the insurer's general account is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

106. B - Investment performance in separate-account options affects value is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

107. C - Begin income payments shortly after premium is paid is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

108. B - Accumulate value before income payments begin later is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

109. A - A contractual charge for certain early withdrawals is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

110. D - Lifetime income with a minimum payment period for a beneficiary is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

111. A - Income continuing for a surviving annuitant under the contract terms is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

112. C - A statement believed true to the applicant's knowledge is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate

insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

113. D - Failure to disclose a material fact is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

114. B - Information that could affect an insurer's decision or terms is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

115. C - A condition that increases the chance or severity of loss is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

116. B - Carelessness resulting from the existence of insurance is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

117. D - Dishonesty or character traits increasing loss likelihood is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

118. A - Higher-risk applicants being more likely to seek coverage is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

119. A - Restore an insured financially without allowing profit from loss is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

120. B - The exchange of premium and enforceable promises is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

121. D - Values exchanged may be unequal depending on a contingent event is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

122. C - Only the insurer makes an enforceable promise to perform is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

123. C - The insurer drafts the form and ambiguities are generally construed against it is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

124. D - Handling client funds honestly and according to legal duties is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

125. B - Pennsylvania Insurance Department is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here. Apply the contract language carefully.

126. A - To authorize insurance solicitation, negotiation, or sale for the licensed lines is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

127. C - Explain the insurance options accurately and refer specialized advice appropriately is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

128. B - Using misleading comparisons to induce a policy replacement is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to

separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

129. D - Offering an unlawful inducement not stated in the policy is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

130. A - Treating similarly situated insureds differently without a permitted basis is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

131. A - Making a false malicious statement that harms an insurer or producer is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

132. B - A materially untrue statement about an insurer's financial condition is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

133. D - Handle them promptly and in accordance with fiduciary duties is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

134. C - Protect consumers from deceptive or unfair conduct is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

135. D - Obtain accurate, complete information before submission when possible is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

136. B - Deliver or arrange delivery and explain material policy features is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

137. C - Use truthful, nonmisleading descriptions of policy benefits and limits is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

138. A - Using them as an undisclosed inducement to buy insurance is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

139. B - It can mislead a consumer about benefits, terms, or limitations is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

140. C - Respond promptly, preserve relevant records, and cooperate with lawful inquiries is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

141. D - To show the recommendation and disclosures were handled properly is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

142. A - Accurately record information and avoid altering answers improperly is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

143. B - Personal information must be safeguarded and used appropriately is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

144. C - The exclusions and limitations material to the buyer's decision is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to

separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

145. A - Provide accurate procedural guidance without promising an unauthorized claim outcome is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

146. D - To provide suitable information and meet ongoing regulatory obligations is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

147. C - Making unsupported guarantees about an insurer's future performance is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

148. B - To protect the public and enforce insurance laws is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

149. D - Verify the current requirement with the Pennsylvania Insurance Department is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.

150. A - To support accurate service, compliance, and response to lawful inquiries is correct because it addresses controlling insurance concept. Match the wording in the scenario to the policy purpose, benefit, right, or producer duty involved. The other answers refer to separate insurance concepts that may be valid elsewhere but do not resolve the precise issue asked here.