

Texas All-Lines Adjuster

Designated Home State License Study Guide - Exam 6

150 Original Multiple-Choice Practice Questions

Independent practice material, not an official Pearson VUE examination. Topic weighting follows 28 TAC Section 19.1018(a); confirm current rules and policy forms before testing.

Part I - Property Insurance Product Knowledge

1. Question 1: A claim scenario requires review of fire. Which coverage or concept is most directly implicated?

- A. Theft
- B. fire
- C. Earth movement
- D. Flood

2. Question 2: An adjuster reviews a loss described in the file. The best policy focus is fire. Which answer matches?

- A. Earth movement
- B. Flood
- C. Theft
- D. fire

3. Question 3: Based on the stated exposure, which item should be checked first: fire?

- A. fire
- B. Theft
- C. Earth movement
- D. Flood

4. Question 4: A claim scenario requires review of lightning. Which coverage or concept is most directly implicated?

- A. Mechanical breakdown
- B. Flood
- C. Wear and tear
- D. lightning

5. Question 5: An adjuster reviews a loss described in the file. The best policy focus is lightning. Which answer matches?

- A. Mechanical breakdown
- B. Flood
- C. Wear and tear
- D. lightning

6. Question 6: Based on the stated exposure, which item should be checked first: lightning?

- A. Flood
- B. lightning
- C. Mechanical breakdown
- D. Wear and tear

7. Question 7: A claim scenario requires review of bodily injury liability. Which coverage or concept is most directly implicated?

- A. Comprehensive
- B. bodily injury liability
- C. Towing and labor
- D. Collision

8. Question 8: An adjuster reviews a loss described in the file. The best policy focus is bodily injury liability. Which answer matches?

- A. Collision
- B. Towing and labor
- C. Comprehensive
- D. bodily injury liability

9. Question 9: Based on the stated exposure, which item should be checked first: bodily injury liability?

- A. bodily injury liability
- B. Collision
- C. Towing and labor
- D. Comprehensive

10. Question 10: A claim scenario requires review of property damage liability. Which coverage or concept is most directly implicated?

- A. Medical payments
- B. Collision
- C. Uninsured motorist
- D. property damage liability

11. Question 11: An adjuster reviews a loss described in the file. The best policy focus is property damage liability. Which answer matches?

- A. Uninsured motorist
- B. Medical payments
- C. property damage liability
- D. Collision

12. Question 12: Based on the stated exposure, which item should be checked first: property damage liability?

- A. property damage liability
- B. Medical payments
- C. Uninsured motorist
- D. Collision

13. Question 13: A claim scenario requires review of collision. Which coverage or concept is most directly implicated?

- A. Bodily injury liability
- B. Medical payments
- C. Rental reimbursement
- D. collision

14. Question 14: An adjuster reviews a loss described in the file. The best policy focus is collision. Which answer matches?

- A. collision
- B. Bodily injury liability
- C. Rental reimbursement
- D. Medical payments

15. Question 15: Based on the stated exposure, which item should be checked first: collision?

- A. Rental reimbursement
- B. Medical payments
- C. Bodily injury liability
- D. collision

16. Question 16: A claim scenario requires review of other-than-collision coverage. Which coverage or concept is most directly implicated?

- A. other-than-collision coverage
- B. Property damage liability
- C. Towing
- D. Medical payments

17. Question 17: An adjuster reviews a loss described in the file. The best policy focus is other-than-collision coverage. Which answer matches?

- A. Property damage liability
- B. Towing
- C. other-than-collision coverage
- D. Medical payments

18. Question 18: Based on the stated exposure, which item should be checked first: other-than-collision coverage?

- A. Medical payments
- B. other-than-collision coverage
- C. Towing
- D. Property damage liability

19. Question 19: A claim scenario requires review of Coverage A - Dwelling. Which coverage or concept is most directly implicated?

- A. Coverage C - Personal property
- B. Coverage A - Dwelling
- C. Coverage B - Other structures
- D. Coverage D - Loss of use

20. Question 20: An adjuster reviews a loss described in the file. The best policy focus is Coverage A - Dwelling. Which answer matches?

- A. Coverage B - Other structures
- B. Coverage D - Loss of use
- C. Coverage C - Personal property
- D. Coverage A - Dwelling

21. Question 21: Based on the stated exposure, which item should be checked first: Coverage A - Dwelling?

- A. Coverage C - Personal property
- B. Coverage A - Dwelling
- C. Coverage B - Other structures
- D. Coverage D - Loss of use

22. Question 22: A claim scenario requires review of Coverage B - Other structures. Which coverage or concept is most directly implicated?

- A. Personal liability
- B. Coverage B - Other structures
- C. Coverage A - Dwelling
- D. Coverage C - Personal property

23. Question 23: An adjuster reviews a loss described in the file. The best policy focus is Coverage B - Other structures. Which answer matches?

- A. Personal liability
- B. Coverage C - Personal property
- C. Coverage B - Other structures
- D. Coverage A - Dwelling

24. Question 24: Based on the stated exposure, which item should be checked first: Coverage B - Other structures?

- A. Coverage B - Other structures
- B. Personal liability
- C. Coverage C - Personal property
- D. Coverage A - Dwelling

25. Question 25: A claim scenario requires review of Coverage C - Personal property. Which coverage or concept is most directly implicated?

- A. Coverage A - Dwelling
- B. Coverage B - Other structures
- C. Coverage C - Personal property
- D. Loss of use

26. Question 26: An adjuster reviews a loss described in the file. The best policy focus is Coverage C - Personal property. Which answer matches?

- A. Loss of use
- B. Coverage B - Other structures
- C. Coverage C - Personal property
- D. Coverage A - Dwelling

27. Question 27: Based on the stated exposure, which item should be checked first: Coverage C - Personal property?

- A. Coverage C - Personal property
- B. Loss of use
- C. Coverage A - Dwelling
- D. Coverage B - Other structures

28. Question 28: A claim scenario requires review of Coverage D - Loss of use. Which coverage or concept is most directly implicated?

- A. Medical payments to others
- B. Personal liability
- C. Coverage A - Dwelling
- D. Coverage D - Loss of use

29. Question 29: An adjuster reviews a loss described in the file. The best policy focus is Coverage D - Loss of use. Which answer matches?

- A. Coverage D - Loss of use
- B. Medical payments to others
- C. Coverage A - Dwelling
- D. Personal liability

30. Question 30: Based on the stated exposure, which item should be checked first: Coverage D - Loss of use?

- A. Personal liability
- B. Coverage D - Loss of use
- C. Medical payments to others
- D. Coverage A - Dwelling

31. Question 31: A claim scenario requires review of personal liability coverage. Which coverage or concept is most directly implicated?

- A. Coverage C
- B. personal liability coverage
- C. Coverage D
- D. Coverage A

32. Question 32: An adjuster reviews a loss described in the file. The best policy focus is personal liability coverage. Which answer matches?

- A. personal liability coverage
- B. Coverage C
- C. Coverage D
- D. Coverage A

33. Question 33: Based on the stated exposure, which item should be checked first: personal liability coverage?

- A. Coverage A
- B. Coverage C
- C. Coverage D
- D. personal liability coverage

34. Question 34: A claim scenario requires review of medical payments to others. Which coverage or concept is most directly implicated?

- A. Collision
- B. Business income
- C. medical payments to others
- D. Property damage liability

35. Question 35: An adjuster reviews a loss described in the file. The best policy focus is medical payments to others. Which answer matches?

- A. Business income
- B. Property damage liability
- C. medical payments to others
- D. Collision

36. Question 36: Based on the stated exposure, which item should be checked first: medical payments to others?

- A. Collision
- B. Business income
- C. Property damage liability
- D. medical payments to others

37. Question 37: A claim scenario requires review of Commercial General Liability. Which coverage or concept is most directly implicated?

- A. Workers compensation
- B. Commercial property
- C. Commercial General Liability
- D. Inland marine

38. Question 38: An adjuster reviews a loss described in the file. The best policy focus is Commercial General Liability. Which answer matches?

- A. Commercial General Liability
- B. Workers compensation
- C. Commercial property
- D. Inland marine

39. Question 39: Based on the stated exposure, which item should be checked first: Commercial General Liability?

- A. Commercial General Liability
- B. Commercial property
- C. Workers compensation
- D. Inland marine

40. Question 40: A claim scenario requires review of commercial property coverage. Which coverage or concept is most directly implicated?

- A. CGL
- B. Workers compensation
- C. commercial property coverage
- D. Ocean marine

41. Question 41: An adjuster reviews a loss described in the file. The best policy focus is commercial property coverage. Which answer matches?

- A. CGL
- B. commercial property coverage
- C. Workers compensation
- D. Ocean marine

42. Question 42: Based on the stated exposure, which item should be checked first: commercial property coverage?

- A. CGL
- B. Ocean marine
- C. commercial property coverage
- D. Workers compensation

43. Question 43: A claim scenario requires review of business income coverage. Which coverage or concept is most directly implicated?

- A. CGL Coverage B
- B. business income coverage
- C. Auto physical damage
- D. Employee dishonesty

44. Question 44: An adjuster reviews a loss described in the file. The best policy focus is business income coverage. Which answer matches?

- A. Employee dishonesty
- B. CGL Coverage B
- C. business income coverage
- D. Auto physical damage

45. Question 45: Based on the stated exposure, which item should be checked first: business income coverage?

- A. business income coverage
- B. Employee dishonesty
- C. Auto physical damage
- D. CGL Coverage B

46. Question 46: A claim scenario requires review of extra expense coverage. Which coverage or concept is most directly implicated?

- A. extra expense coverage
- B. Medical payments
- C. Fidelity bond
- D. Homeowners loss of use

47. Question 47: An adjuster reviews a loss described in the file. The best policy focus is extra expense coverage. Which answer matches?

- A. Fidelity bond
- B. extra expense coverage
- C. Medical payments
- D. Homeowners loss of use

48. Question 48: Based on the stated exposure, which item should be checked first: extra expense coverage?

- A. extra expense coverage
- B. Fidelity bond
- C. Medical payments
- D. Homeowners loss of use

49. Question 49: A claim scenario requires review of inland marine. Which coverage or concept is most directly implicated?

- A. Ocean marine
- B. Workers compensation
- C. inland marine
- D. Personal auto

50. Question 50: An adjuster reviews a loss described in the file. The best policy focus is inland marine. Which answer matches?

- A. Workers compensation
- B. Personal auto
- C. inland marine
- D. Ocean marine

51. Question 51: Based on the stated exposure, which item should be checked first: inland marine?

- A. Ocean marine
- B. Workers compensation
- C. Personal auto
- D. inland marine

52. Question 52: A claim scenario requires review of ocean marine cargo. Which coverage or concept is most directly implicated?

- A. Surety
- B. ocean marine cargo
- C. Commercial property
- D. CGL

53. Question 53: An adjuster reviews a loss described in the file. The best policy focus is ocean marine cargo. Which answer matches?

- A. CGL
- B. ocean marine cargo
- C. Commercial property
- D. Surety

54. Question 54: Based on the stated exposure, which item should be checked first: ocean marine cargo?

- A. Commercial property
- B. CGL
- C. Surety
- D. ocean marine cargo

55. Question 55: A claim scenario requires review of fidelity bond. Which coverage or concept is most directly implicated?

- A. Performance bond
- B. Mortgage clause
- C. Bid bond
- D. fidelity bond

56. Question 56: An adjuster reviews a loss described in the file. The best policy focus is fidelity bond. Which answer matches?

- A. fidelity bond
- B. Performance bond
- C. Bid bond
- D. Mortgage clause

57. Question 57: Based on the stated exposure, which item should be checked first: fidelity bond?

- A. Performance bond
- B. fidelity bond
- C. Mortgage clause
- D. Bid bond

58. Question 58: A claim scenario requires review of performance bond. Which coverage or concept is most directly implicated?

- A. Fidelity bond
- B. Appraisal clause
- C. Medical payments
- D. performance bond

59. Question 59: An adjuster reviews a loss described in the file. The best policy focus is performance bond. Which answer matches?

- A. Medical payments
- B. performance bond
- C. Appraisal clause
- D. Fidelity bond

60. Question 60: Based on the stated exposure, which item should be checked first: performance bond?

- A. Medical payments
- B. Appraisal clause
- C. performance bond
- D. Fidelity bond

Part II - Insurance Terms and Related Concepts

61. Question 61: Which insurance term best fits the facts? The claim file indicates peril.

- A. premium
- B. peril
- C. deductible
- D. hazard

62. Question 62: What is the correct concept for this situation? The claim file indicates peril.

- A. peril
- B. deductible
- C. premium
- D. hazard

63. Question 63: Which term should the adjuster apply? The claim file indicates peril.

- A. deductible
- B. premium
- C. peril
- D. hazard

64. Question 64: Which insurance term best fits the facts? The claim file indicates physical hazard.

- A. morale hazard
- B. physical hazard
- C. moral hazard
- D. policy limit

65. Question 65: What is the correct concept for this situation? The claim file indicates physical hazard.

- A. moral hazard
- B. morale hazard
- C. policy limit
- D. physical hazard

66. Question 66: Which term should the adjuster apply? The claim file indicates physical hazard.

- A. morale hazard
- B. moral hazard
- C. physical hazard
- D. policy limit

67. Question 67: Which insurance term best fits the facts? The claim file indicates moral hazard.

- A. peril
- B. salvage
- C. premium
- D. moral hazard

68. Question 68: What is the correct concept for this situation? The claim file indicates moral hazard.

- A. peril
- B. moral hazard
- C. premium
- D. salvage

69. Question 69: Which term should the adjuster apply? The claim file indicates moral hazard.

- A. salvage
- B. moral hazard
- C. premium
- D. peril

70. Question 70: Which insurance term best fits the facts? The claim file indicates morale hazard.

- A. subrogation
- B. morale hazard
- C. physical hazard
- D. coinsurance

71. Question 71: What is the correct concept for this situation? The claim file indicates morale hazard.

- A. subrogation
- B. morale hazard
- C. coinsurance
- D. physical hazard

72. Question 72: Which term should the adjuster apply? The claim file indicates morale hazard.

- A. subrogation
- B. morale hazard
- C. physical hazard
- D. coinsurance

73. Question 73: Which insurance term best fits the facts? The claim file indicates contract of adhesion.

- A. surety bond
- B. binder
- C. bilateral contract
- D. contract of adhesion

74. Question 74: What is the correct concept for this situation? The claim file indicates contract of adhesion.

- A. binder
- B. contract of adhesion
- C. surety bond
- D. bilateral contract

75. Question 75: Which term should the adjuster apply? The claim file indicates contract of adhesion.

- A. surety bond
- B. binder
- C. contract of adhesion
- D. bilateral contract

76. Question 76: Which insurance term best fits the facts? The claim file indicates unilateral contract.

- A. endorsement
- B. commutative contract
- C. release
- D. unilateral contract

77. Question 77: What is the correct concept for this situation? The claim file indicates unilateral contract.

- A. endorsement
- B. release
- C. unilateral contract
- D. commutative contract

78. Question 78: Which term should the adjuster apply? The claim file indicates unilateral contract.

- A. release
- B. endorsement
- C. commutative contract
- D. unilateral contract

79. Question 79: Which insurance term best fits the facts? The claim file indicates aleatory contract.

- A. appraisal
- B. conditional contract
- C. aleatory contract
- D. certificate

80. Question 80: What is the correct concept for this situation? The claim file indicates aleatory contract.

- A. certificate
- B. aleatory contract
- C. conditional contract
- D. appraisal

81. Question 81: Which term should the adjuster apply? The claim file indicates aleatory contract.

- A. aleatory contract
- B. appraisal
- C. certificate
- D. conditional contract

82. Question 82: Which insurance term best fits the facts? The claim file indicates conditional contract.

- A. assignment
- B. conditional contract
- C. binder
- D. valued policy

83. Question 83: What is the correct concept for this situation? The claim file indicates conditional contract.

- A. valued policy
- B. assignment
- C. binder
- D. conditional contract

84. Question 84: Which term should the adjuster apply? The claim file indicates conditional contract.

- A. binder
- B. conditional contract
- C. valued policy
- D. assignment

85. Question 85: Which insurance term best fits the facts? The claim file indicates insurable interest.

- A. waiver
- B. contribution
- C. insurable interest
- D. subrogation

86. Question 86: What is the correct concept for this situation? The claim file indicates insurable interest.

- A. contribution
- B. waiver
- C. insurable interest
- D. subrogation

87. Question 87: Which term should the adjuster apply? The claim file indicates insurable interest.

- A. contribution
- B. insurable interest
- C. waiver
- D. subrogation

88. Question 88: Which insurance term best fits the facts? The claim file indicates subrogation.

- A. salvage
- B. subrogation
- C. abandonment
- D. contribution

89. Question 89: What is the correct concept for this situation? The claim file indicates subrogation.

- A. contribution
- B. abandonment
- C. salvage
- D. subrogation

90. Question 90: Which term should the adjuster apply? The claim file indicates subrogation.

- A. contribution
- B. subrogation
- C. abandonment
- D. salvage

91. Question 91: Which insurance term best fits the facts? The claim file indicates contribution.

- A. contribution
- B. subrogation
- C. estoppel
- D. salvage

92. Question 92: What is the correct concept for this situation? The claim file indicates contribution.

- A. salvage
- B. estoppel
- C. subrogation
- D. contribution

93. Question 93: Which term should the adjuster apply? The claim file indicates contribution.

- A. estoppel
- B. contribution
- C. subrogation
- D. salvage

94. Question 94: Which insurance term best fits the facts? The claim file indicates salvage.

- A. deductible
- B. policy limit
- C. salvage
- D. premium

95. Question 95: What is the correct concept for this situation? The claim file indicates salvage.

- A. policy limit
- B. deductible
- C. premium
- D. salvage

96. Question 96: Which term should the adjuster apply? The claim file indicates salvage.

- A. deductible
- B. salvage
- C. policy limit
- D. premium

97. Question 97: Which insurance term best fits the facts? The claim file indicates actual cash value.

- A. liability limit
- B. stated amount
- C. replacement cost
- D. actual cash value

98. Question 98: What is the correct concept for this situation? The claim file indicates actual cash value.

- A. stated amount
- B. liability limit
- C. replacement cost
- D. actual cash value

99. Question 99: Which term should the adjuster apply? The claim file indicates actual cash value.

- A. stated amount
- B. liability limit
- C. actual cash value
- D. replacement cost

100. Question 100: Which insurance term best fits the facts? The claim file indicates replacement cost.

- A. replacement cost
- B. salvage
- C. market value only
- D. premium

101. Question 101: What is the correct concept for this situation? The claim file indicates replacement cost.

- A. salvage
- B. market value only
- C. replacement cost
- D. premium

102. Question 102: Which term should the adjuster apply? The claim file indicates replacement cost.

- A. replacement cost
- B. salvage
- C. market value only
- D. premium

103. Question 103: Which insurance term best fits the facts? The claim file indicates deductible.

- A. endorsement
- B. policy limit
- C. deductible
- D. premium

104. Question 104: What is the correct concept for this situation? The claim file indicates deductible.

- A. premium
- B. deductible
- C. endorsement
- D. policy limit

105. Question 105: Which term should the adjuster apply? The claim file indicates deductible.

- A. deductible
- B. endorsement
- C. premium
- D. policy limit

106. Question 106: Which insurance term best fits the facts? The claim file indicates negligence.

- A. negligence
- B. reinsurance
- C. subrogation
- D. appraisal

107. Question 107: What is the correct concept for this situation? The claim file indicates negligence.

- A. appraisal
- B. reinsurance
- C. subrogation
- D. negligence

108. Question 108: Which term should the adjuster apply? The claim file indicates negligence.

- A. subrogation
- B. negligence
- C. reinsurance
- D. appraisal

109. Question 109: Which insurance term best fits the facts? The claim file indicates vicarious liability.

- A. strict property coverage
- B. vicarious liability
- C. salvage
- D. coinsurance

110. Question 110: What is the correct concept for this situation? The claim file indicates vicarious liability.

- A. coinsurance
- B. strict property coverage
- C. vicarious liability
- D. salvage

111. Question 111: Which term should the adjuster apply? The claim file indicates vicarious liability.

- A. coinsurance
- B. salvage
- C. strict property coverage
- D. vicarious liability

112. Question 112: Which insurance term best fits the facts? The claim file indicates strict liability.

- A. waiver
- B. strict liability
- C. comparative negligence
- D. binder

113. Question 113: What is the correct concept for this situation? The claim file indicates strict liability.

- A. waiver
- B. strict liability
- C. binder
- D. comparative negligence

114. Question 114: Which term should the adjuster apply? The claim file indicates strict liability.

- A. waiver
- B. binder
- C. strict liability
- D. comparative negligence

115. Question 115: Which insurance term best fits the facts? The claim file indicates insuring agreement.

- A. declarations
- B. proof of loss
- C. insuring agreement
- D. appraisal

116. Question 116: What is the correct concept for this situation? The claim file indicates insuring agreement.

- A. appraisal
- B. proof of loss
- C. insuring agreement
- D. declarations

117. Question 117: Which term should the adjuster apply? The claim file indicates insuring agreement.

- A. proof of loss
- B. insuring agreement
- C. declarations
- D. appraisal

118. Question 118: Which insurance term best fits the facts? The claim file indicates endorsement.

- A. endorsement
- B. proof of loss
- C. certificate of insurance
- D. release

119. Question 119: What is the correct concept for this situation? The claim file indicates endorsement.

- A. endorsement
- B. certificate of insurance
- C. release
- D. proof of loss

120. Question 120: Which term should the adjuster apply? The claim file indicates endorsement.

- A. proof of loss
- B. certificate of insurance
- C. endorsement
- D. release

Part III - Texas Statutes and Rules

121. Question 121: Texas all-lines practice scenario. Which answer is correct?

- A. Texas Insurance Code Chapter 4101
- B. Texas Labor Code only
- C. Federal maritime law
- D. Chapter 541

122. Question 122: Texas all-lines practice scenario. Which should be selected?

- A. Texas Labor Code only
- B. Texas Insurance Code Chapter 4101
- C. Federal maritime law
- D. Chapter 541

123. Question 123: Texas all-lines practice scenario. What is the best response?

- A. Texas Insurance Code Chapter 4101
- B. Chapter 541
- C. Federal maritime law
- D. Texas Labor Code only

124. Question 124: Texas all-lines practice scenario. Which answer is correct?

- A. at least 16 years old
- B. at least 21 years old
- C. at least 25 years old
- D. at least 18 years old

125. Question 125: Texas all-lines practice scenario. Which should be selected?

- A. at least 25 years old
- B. at least 16 years old
- C. at least 18 years old
- D. at least 21 years old

126. Question 126: Texas all-lines practice scenario. What is the best response?

- A. at least 25 years old
- B. at least 21 years old
- C. at least 16 years old
- D. at least 18 years old

127. Question 127: Texas all-lines practice scenario. Which answer is correct?

- A. a licensed attorney
- B. a Texas resident in all cases
- C. trustworthy and competent
- D. a public official

128. Question 128: Texas all-lines practice scenario. Which should be selected?

- A. a Texas resident in all cases
- B. a public official
- C. trustworthy and competent
- D. a licensed attorney

129. Question 129: Texas all-lines practice scenario. What is the best response?

- A. a Texas resident in all cases
- B. a public official
- C. trustworthy and competent
- D. a licensed attorney

130. Question 130: Texas all-lines practice scenario. Which answer is correct?

- A. AIC or CPCU examination exemption
- B. an appraisal award
- C. a vehicle inspection
- D. a homeowners endorsement

131. Question 131: Texas all-lines practice scenario. Which should be selected?

- A. a vehicle inspection
- B. AIC or CPCU examination exemption
- C. an appraisal award
- D. a homeowners endorsement

132. Question 132: Texas all-lines practice scenario. What is the best response?

- A. an appraisal award
- B. a vehicle inspection
- C. AIC or CPCU examination exemption
- D. a homeowners endorsement

133. Question 133: Texas all-lines practice scenario. Which answer is correct?

- A. InsTX-WCAdj32
- B. InsTX-PCA81
- C. InsTX-ALAdj16
- D. InsTX-PbAdj17

134. Question 134: Texas all-lines practice scenario. Which should be selected?

- A. InsTX-PbAdj17
- B. InsTX-WCAdj32
- C. InsTX-PCA81
- D. InsTX-ALAdj16

135. Question 135: Texas all-lines practice scenario. What is the best response?

- A. InsTX-ALAdj16
- B. InsTX-PbAdj17
- C. InsTX-PCA81
- D. InsTX-WCAdj32

136. Question 136: Texas all-lines practice scenario. Which answer is correct?

- A. 90 days initially
- B. 30 days initially
- C. one year initially
- D. 180 days initially

137. Question 137: Texas all-lines practice scenario. Which should be selected?

- A. 30 days initially
- B. 90 days initially
- C. 180 days initially
- D. one year initially

138. Question 138: Texas all-lines practice scenario. What is the best response?

- A. one year initially
- B. 180 days initially
- C. 30 days initially
- D. 90 days initially

139. Question 139: Texas all-lines practice scenario. Which answer is correct?

- A. a reinsurance treaty
- B. a valuation clause
- C. a marine warranty
- D. Chapter 541 unfair/deceptive practice rules

140. Question 140: Texas all-lines practice scenario. Which should be selected?

- A. Chapter 541 unfair/deceptive practice rules
- B. a reinsurance treaty
- C. a valuation clause
- D. a marine warranty

141. Question 141: Texas all-lines practice scenario. What is the best response?

- A. a reinsurance treaty
- B. Chapter 541 unfair/deceptive practice rules
- C. a marine warranty
- D. a valuation clause

142. Question 142: Texas all-lines practice scenario. Which answer is correct?

- A. misleading promises
- B. threats to obtain a release
- C. concealing material policy terms
- D. accurate policy-based communication

143. Question 143: Texas all-lines practice scenario. Which should be selected?

- A. accurate policy-based communication
- B. concealing material policy terms
- C. misleading promises
- D. threats to obtain a release

144. Question 144: Texas all-lines practice scenario. What is the best response?

- A. misleading promises
- B. threats to obtain a release
- C. concealing material policy terms
- D. accurate policy-based communication

145. Question 145: Texas all-lines practice scenario. Which answer is correct?

- A. a guarantee before investigation
- B. a documented policy-and-facts investigation
- C. destruction of claim notes
- D. immediate denial without review

146. Question 146: Texas all-lines practice scenario. Which should be selected?

- A. a guarantee before investigation
- B. a documented policy-and-facts investigation
- C. immediate denial without review
- D. destruction of claim notes

147. Question 147: Texas all-lines practice scenario. What is the best response?

- A. a guarantee before investigation
- B. immediate denial without review
- C. destruction of claim notes
- D. a documented policy-and-facts investigation

148. Question 148: Texas all-lines practice scenario. Which answer is correct?

- A. workers compensation law and applicable facts
- B. a surety bond
- C. homeowners Coverage D
- D. ocean marine cargo

149. Question 149: Texas all-lines practice scenario. Which should be selected?

- A. homeowners Coverage D
- B. workers compensation law and applicable facts
- C. ocean marine cargo
- D. a surety bond

150. Question 150: Texas all-lines practice scenario. What is the best response?

- A. homeowners Coverage D
- B. ocean marine cargo
- C. a surety bond
- D. workers compensation law and applicable facts

Answer Key and Quick Rationale

Use topic labels to focus your review.

No.	Answer	Topic	Quick rationale
1	B	Standard Fire	Fire is the covered named peril in this example.
2	D	Standard Fire	Fire is the covered named peril in this example.
3	A	Standard Fire	Fire is the covered named peril in this example.
4	D	Standard Fire	Lightning is a named fire-policy peril.
5	D	Standard Fire	Lightning is a named fire-policy peril.
6	B	Standard Fire	Lightning is a named fire-policy peril.
7	B	Auto	BI liability concerns legal liability for injury to others.
8	D	Auto	BI liability concerns legal liability for injury to others.
9	A	Auto	BI liability concerns legal liability for injury to others.
10	D	Auto	It addresses damage the insured is legally liable for causing to others.
11	C	Auto	It addresses damage the insured is legally liable for causing to others.
12	A	Auto	It addresses damage the insured is legally liable for causing to others.
13	D	Auto	Collision applies to impact damage to the covered auto.
14	A	Auto	Collision applies to impact damage to the covered auto.
15	D	Auto	Collision applies to impact damage to the covered auto.
16	A	Auto	Hail, theft, and similar noncollision losses are commonly other-than-collision.
17	C	Auto	Hail, theft, and similar noncollision losses are commonly other-than-collision.
18	B	Auto	Hail, theft, and similar noncollision losses are commonly other-than-collision.
19	B	Homeowners	Coverage A is the residence dwelling coverage.
20	D	Homeowners	Coverage A is the residence dwelling coverage.
21	B	Homeowners	Coverage A is the residence dwelling coverage.
22	B	Homeowners	Detached structures are generally Coverage B.
23	C	Homeowners	Detached structures are generally Coverage B.
24	A	Homeowners	Detached structures are generally Coverage B.
25	C	Homeowners	Personal belongings are generally Coverage C.

No.	Answer	Topic	Quick rationale
26	C	Homeowners	Personal belongings are generally Coverage C.
27	A	Homeowners	Personal belongings are generally Coverage C.
28	D	Homeowners	Loss of use can pay qualifying extra living expense after a covered loss.
29	A	Homeowners	Loss of use can pay qualifying extra living expense after a covered loss.
30	B	Homeowners	Loss of use can pay qualifying extra living expense after a covered loss.
31	B	Homeowners	Personal liability addresses covered legal liability claims.
32	A	Homeowners	Personal liability addresses covered legal liability claims.
33	D	Homeowners	Personal liability addresses covered legal liability claims.
34	C	Homeowners	It may pay qualifying guest medical expense without proving legal liability.
35	C	Homeowners	It may pay qualifying guest medical expense without proving legal liability.
36	D	Homeowners	It may pay qualifying guest medical expense without proving legal liability.
37	C	Commercial	CGL is the common form for covered third-party bodily injury/property damage liability.
38	A	Commercial	CGL is the common form for covered third-party bodily injury/property damage liability.
39	A	Commercial	CGL is the common form for covered third-party bodily injury/property damage liability.
40	C	Commercial	It protects the insured's own covered buildings/business personal property.
41	B	Commercial	It protects the insured's own covered buildings/business personal property.
42	C	Commercial	It protects the insured's own covered buildings/business personal property.
43	B	Commercial	It addresses covered income loss during restoration.
44	C	Commercial	It addresses covered income loss during restoration.
45	A	Commercial	It addresses covered income loss during restoration.
46	A	Commercial	It pays qualifying necessary extra costs to reduce the suspension of operations.
47	B	Commercial	It pays qualifying necessary extra costs to reduce the suspension of operations.
48	A	Commercial	It pays qualifying necessary extra costs to reduce the suspension of operations.
49	C	Marine	Inland marine commonly covers mobile property or property in transit.
50	C	Marine	Inland marine commonly covers mobile property or property in transit.

No.	Answer	Topic	Quick rationale
51	D	Marine	Inland marine commonly covers mobile property or property in transit.
52	B	Marine	Ocean marine cargo involves goods in ocean transit.
53	B	Marine	Ocean marine cargo involves goods in ocean transit.
54	D	Marine	Ocean marine cargo involves goods in ocean transit.
55	D	Bonds	Fidelity coverage protects against employee dishonesty.
56	A	Bonds	Fidelity coverage protects against employee dishonesty.
57	B	Bonds	Fidelity coverage protects against employee dishonesty.
58	D	Bonds	Performance bonds guarantee a principal's contract performance.
59	B	Bonds	Performance bonds guarantee a principal's contract performance.
60	C	Bonds	Performance bonds guarantee a principal's contract performance.
61	B	Risk	A peril is the direct cause of loss.
62	A	Risk	A peril is the direct cause of loss.
63	C	Risk	A peril is the direct cause of loss.
64	B	Risk	A physical hazard is a tangible condition increasing loss likelihood or severity.
65	D	Risk	A physical hazard is a tangible condition increasing loss likelihood or severity.
66	C	Risk	A physical hazard is a tangible condition increasing loss likelihood or severity.
67	D	Risk	Moral hazard involves dishonesty or character.
68	B	Risk	Moral hazard involves dishonesty or character.
69	B	Risk	Moral hazard involves dishonesty or character.
70	B	Risk	Morale hazard is carelessness because insurance exists.
71	B	Risk	Morale hazard is carelessness because insurance exists.
72	B	Risk	Morale hazard is carelessness because insurance exists.
73	D	Contracts	Insurance wording is generally drafted by the insurer.
74	B	Contracts	Insurance wording is generally drafted by the insurer.
75	C	Contracts	Insurance wording is generally drafted by the insurer.

No.	Answer	Topic	Quick rationale
76	D	Contracts	The insurer makes an enforceable promise when conditions are met.
77	C	Contracts	The insurer makes an enforceable promise when conditions are met.
78	D	Contracts	The insurer makes an enforceable promise when conditions are met.
79	C	Contracts	The values exchanged are contingent and may be unequal.
80	B	Contracts	The values exchanged are contingent and may be unequal.
81	A	Contracts	The values exchanged are contingent and may be unequal.
82	B	Contracts	Policy obligations depend on conditions being satisfied.
83	D	Contracts	Policy obligations depend on conditions being satisfied.
84	B	Contracts	Policy obligations depend on conditions being satisfied.
85	C	Claims	It is an economic interest that may be harmed by loss.
86	C	Claims	It is an economic interest that may be harmed by loss.
87	B	Claims	It is an economic interest that may be harmed by loss.
88	B	Claims	The insurer may pursue a responsible third party after paying the claim.
89	D	Claims	The insurer may pursue a responsible third party after paying the claim.
90	B	Claims	The insurer may pursue a responsible third party after paying the claim.
91	A	Claims	It allocates a shared loss among insurers.
92	D	Claims	It allocates a shared loss among insurers.
93	B	Claims	It allocates a shared loss among insurers.
94	C	Claims	Salvage is the remaining value in damaged property.
95	D	Claims	Salvage is the remaining value in damaged property.
96	B	Claims	Salvage is the remaining value in damaged property.
97	D	Valuation	Actual cash value generally accounts for depreciation.
98	D	Valuation	Actual cash value generally accounts for depreciation.
99	C	Valuation	Actual cash value generally accounts for depreciation.
100	A	Valuation	It measures qualifying repair/replacement cost without depreciation, subject to conditions.

No.	Answer	Topic	Quick rationale
101	C	Valuation	It measures qualifying repair/replacement cost without depreciation, subject to conditions.
102	A	Valuation	It measures qualifying repair/replacement cost without depreciation, subject to conditions.
103	C	Valuation	The deductible is the insured's retained part of a covered loss.
104	B	Valuation	The deductible is the insured's retained part of a covered loss.
105	A	Valuation	The deductible is the insured's retained part of a covered loss.
106	A	Liability	Negligence commonly requires duty, breach, causation and damages.
107	D	Liability	Negligence commonly requires duty, breach, causation and damages.
108	B	Liability	Negligence commonly requires duty, breach, causation and damages.
109	B	Liability	An employer may be liable for an employee acting within scope of employment.
110	C	Liability	An employer may be liable for an employee acting within scope of employment.
111	D	Liability	An employer may be liable for an employee acting within scope of employment.
112	B	Liability	Strict liability can apply without proving negligence.
113	B	Liability	Strict liability can apply without proving negligence.
114	C	Liability	Strict liability can apply without proving negligence.
115	C	Policy Terms	The insuring agreement states the policy's basic coverage promise.
116	C	Policy Terms	The insuring agreement states the policy's basic coverage promise.
117	B	Policy Terms	The insuring agreement states the policy's basic coverage promise.
118	A	Policy Terms	An endorsement modifies coverage or policy terms.
119	A	Policy Terms	An endorsement modifies coverage or policy terms.
120	C	Policy Terms	An endorsement modifies coverage or policy terms.
121	A	Texas Licensing	Chapter 4101 governs insurance adjusters.
122	B	Texas Licensing	Chapter 4101 governs insurance adjusters.
123	A	Texas Licensing	Chapter 4101 governs insurance adjusters.
124	D	Texas Licensing	Texas adjuster applicants generally must be at least 18.
125	C	Texas Licensing	Texas adjuster applicants generally must be at least 18.

No.	Answer	Topic	Quick rationale
126	D	Texas Licensing	Texas adjuster applicants generally must be at least 18.
127	C	Texas Licensing	Trustworthiness and competence are statutory qualification concepts.
128	C	Texas Licensing	Trustworthiness and competence are statutory qualification concepts.
129	C	Texas Licensing	Trustworthiness and competence are statutory qualification concepts.
130	A	Texas Licensing	AIC and CPCU are among specified exam-exemption paths.
131	B	Texas Licensing	AIC and CPCU are among specified exam-exemption paths.
132	C	Texas Licensing	AIC and CPCU are among specified exam-exemption paths.
133	C	Texas Licensing	TDI identifies InsTX-ALAdj16 for DHS all-lines.
134	D	Texas Licensing	TDI identifies InsTX-ALAdj16 for DHS all-lines.
135	A	Texas Licensing	TDI identifies InsTX-ALAdj16 for DHS all-lines.
136	A	Texas Licensing	Emergency adjuster licenses have an initial maximum 90-day term.
137	B	Texas Licensing	Emergency adjuster licenses have an initial maximum 90-day term.
138	D	Texas Licensing	Emergency adjuster licenses have an initial maximum 90-day term.
139	D	Texas Marketing	Chapter 541 regulates unfair/deceptive insurance practices.
140	A	Texas Marketing	Chapter 541 regulates unfair/deceptive insurance practices.
141	B	Texas Marketing	Chapter 541 regulates unfair/deceptive insurance practices.
142	D	Texas Marketing	Accurate factual communication supports fair claims handling.
143	A	Texas Marketing	Accurate factual communication supports fair claims handling.
144	D	Texas Marketing	Accurate factual communication supports fair claims handling.
145	B	Adjuster Duties	A defensible claim position requires policy review and fact development.
146	B	Adjuster Duties	A defensible claim position requires policy review and fact development.
147	D	Adjuster Duties	A defensible claim position requires policy review and fact development.
148	A	Workers Comp	Workers compensation claims require the governing workers compensation analysis.
149	B	Workers Comp	Workers compensation claims require the governing workers compensation analysis.
150	D	Workers Comp	Workers compensation claims require the governing workers compensation analysis.